STATUTES OF CALIFORNIA

1981–82

REGULAR SESSION

1982 CHAPTERS

CHAPTER 1

An act relating to prisons.

[Approved by Governor January 20, 1982. Filed with Secretary of State January 20, 1982.]

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

SECTION 1. It is the intent of the Legislature that all able-bodied prisoners in the state prisons be directed to work, inasmuch as the performance of productive work on a regular basis is the most appropriate method of successfully instilling in prisoners the values of a law-abiding and cooperative society and will improve the possibility of their reintegration into that society.

The Legislature declares that the Department of Corrections, as one of the chief goals of the operation of the state prison system, shall seek to achieve self-sufficiency of the prison system through the development of prisoner labor and skills to provide the necessities of the prisons, to teach marketable skills, good work habits, and goal orientation to prisoners, and to reduce the amount by which the prisons must be supported by taxes and thus also benefit the public at large.

The Director of Corrections shall by January 1, 1983, report to the Legislature on the progress that has been made toward achieving full inmate work programs and the self-sufficiency of the state prisons and in the report shall delineate proposals for improved self-sufficiency of the state prisons for the following three years.

CHAPTER 2

An act to amend Sections 4005 and 6029 of the Penal Code, relating to correctional and detention facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 20, 1982 Filed with Secretary of State January 20, 1982.]

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

SECTION 1. Section 4005 of the Penal Code is amended to read:

4005. (a) Except as provided in subdivision (b), the sheriff shall receive, and keep in the county jail, any prisoner committed thereto by process or order issued under the authority of the United States, until he or she is discharged according to law, as if he or she had been committed under process issued under the authority of this state; provision being made by the United States for the support of the prisoner.

(b) The sheriff shall receive, and keep in the county jail, any prisoner committed thereto by process or order issued under the authority of the United States, until he or she is discharged according to law, as if he or she had been committed under process issued under the authority of this state, but only if the sheriff determines that adequate space in appropriate detention areas currently exists for this purpose. Provision shall be made by the United States for the support of the prisoner. This subdivision shall apply only in counties where a facility operated by the United States Bureau of Prisons exists within 100 miles of the county seat.

SEC. 2. Section 6029 of the Penal Code is amended to read:

6029. The plans and specifications of every jail, prison, or other place of detention of persons charged with or convicted of crime or of persons detained pursuant to the Juvenile Court Law or the Youth Authority Act, if such plans and specifications involve construction, reconstruction, remodeling, or repairs of an aggregate cost in excess of fifteen thousand dollars ($15,000), shall be submitted to the board for its recommendations. Upon request of any city, city and county, or county, the board shall consider the entire program or group of detention facilities currently planned or under consideration by the city, city and county, or county, and make a study of the entire needs of the city, city and county, or county therefor, and make recommendations thereon. No state department or agency other than the board shall have authority to make recommendations in respect to plans and specifications for the construction of county jails or other county detention facilities or for alterations thereto, except such recommendations as the board may request from any such state department or agency.

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

To prevent the release of prisoners into local communities solely because there is limited space in the correctional facilities to which they have been assigned, it is necessary that this act take effect immediately.

CHAPTER 3

An act to amend Sections 3364 and 3365 of, and to add Section 3367 to, the Business and Professions Code, relating to hearing aid dispensers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 21, 1982. Filed with Secretary of State January 21, 1982.]

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

SECTION 1. Section 3364 of the Business and Professions Code is amended to read:

3364. (a) Every licensee who engages in the practice of fitting or selling hearing aids shall have and maintain an established retail business address to engage in such fitting or selling, routinely open for service to customers or clients. The address of the licensee's place of business shall be registered with the board as provided in Section 3362.

(b) Except as provided in subdivision (c), if a licensee maintains more than one place of business within this state he shall apply for and procure a duplicate license for each branch office maintained. Such application shall state the name of the person and the location of the place or places of business for which such duplicate license is desired.

(c) A hearing aid dispenser may, without obtaining a duplicate license for a branch office, engage on a temporary basis in the fitting or selling of hearing aids at the primary or branch location of another licensee's business or at a location or facility which he or she may use on a temporary basis, provided, that, such hearing aid dispenser notifies the committee in advance in writing of the dates and addresses of such businesses, locations or facilities at which he or she will engage in the fitting or selling of hearing aids.

SEC. 2. Section 3365 of the Business and Professions Code is amended to read:

3365. A licensee shall, upon the consummation of a sale of a hearing aid, deliver to the purchaser a written receipt, signed by or on behalf of the licensee, containing all of the following:

(a) The date of consummation of the sale.

(b) Specifications as to the make, serial number, and model number of the hearing aid or aids sold.

(c) The address of the principal place of business of the licensee.

(d) A statement to the effect that the aid or aids delivered to the purchaser are used or reconditioned, as the case may be, if that is the fact.

(e) The number of the licensee's license and the name and license number of any other hearing aid dispenser who provided any recommendation or consultation regarding the purchase of the hearing aid.

(f) The terms of any guarantee or express warranty, if any, made to the purchaser with respect to such hearing aid or hearing aids.

(g) Such receipt shall bear, or have attached to it in no smaller type than the largest used in the body copy portion, the following:

"The purchaser has been advised at the outset of his relationship with the hearing aid dealer that any examination or representation made by a licensed hearing aid dealer or fitter in connection with the practice of fitting or selling of this hearing aid, or hearing aids, is not an examination, diagnosis, or prescription by a person licensed to

practice medicine in this state, or by certified audiologists and therefore must not be regarded as medical opinion or professional advice."

SEC. 3. Section 3367 is added to the Business and Professions Code, to read:

3367. A hearing aid dispenser who is the owner, manager, or franchisee at a location where hearing aids are fit or sold, shall be responsible for the adequacy of the fitting or selling of any hearing aid fit and sold by any licensee or licensees at that location.

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

It is necessary that this act take effect immediately to ensure that the Hearing Aid Dispensers Examining Committee has available to it information necessary to prevent the dispensing of hearing aids by unlicensed individuals.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 4

An act to amend Section 209 of the Penal Code, relating to kidnapping.

[Approved by Governor January 21, 1982. Filed with Secretary of State January 21, 1982.]

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

SECTION 1. Section 209 of the Penal Code is amended to read:

209. (a) Any person who seizes, confines, inveigles, entices, decoys, abducts, conceals, kidnaps or carries away any individual by any means whatsoever with intent to hold or detain, or who holds or detains, such individual for ransom, reward or to commit extortion or to exact from another person any money or valuable thing, or any person who aids or abets any such act, is guilty of a felony and upon conviction thereof shall be punished by imprisonment in the state prison for life without possibility of parole in cases in which any person subjected to any such act suffers death or bodily harm, or is intentionally confined in a manner which exposes such person to a substantial likelihood of death, or shall be punished by imprisonment

in the state prison for life with the possibility of parole in cases where no such person suffers death or bodily harm.

(b) Any person who kidnaps or carries away any individual to commit robbery shall be punished by imprisonment in the state prison for life with possibility of parole.

CHAPTER 5

An act to amend Sections 22006 and 22104 of, and to repeal and add Section 22007 of, the Education Code, relating to the State Teachers' Retirement System.

[Approved by Governor January 21, 1982. Filed with Secretary of State January 21, 1982.]

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

SECTION 1. Section 22006 of the Education Code is amended to read:

22006. The obligations of any member of this system, or the member's beneficiaries, to this system continue throughout membership, and thereafter until all of the obligations of this system to or with respect to the member or the member's beneficiaries have been discharged.

SEC. 2. Section 22007 of the Education Code is repealed.

SEC. 3. Section 22007 is added to the Education Code, to read:

22007. No action may be commenced by or against the board or the system three years after all obligations to or on behalf of the member, former member, beneficiary, disabilitant, or retirant have been discharged.

SEC. 4. Section 22104 of the Education Code is amended to read:

22104. "Actuarial equivalent" means an allowance of equal value when computed upon the basis of tables and interest rates which are adopted by the board.

CHAPTER 6

An act to amend Section 21200 of the Vehicle Code, relating to bicycles.

[Approved by Governor January 21, 1982. Filed with Secretary of State January 21, 1982.]

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

SECTION 1. Section 21200 of the Vehicle Code is amended to read:

21200. (a) Every person riding a bicycle upon a roadway or any paved shoulder shall have all the rights and shall be subject to all the provisions applicable to the driver of a vehicle by this division, which

include, but are not limited to, the provisions dealing with driving under the influence of intoxicating liquor or drugs, or the combined influence thereof, Division 10 (commencing with Section 20000), and Division 17 (commencing with Section 40000), except those provisions which by their very nature can have no application.

(b) Any person who rides a bicycle upon a highway while under the influence of intoxicating liquor or drugs, or under the combined influence thereof, shall be punished by a fine of not more than two hundred fifty dollars ($250).

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 7

An act to amend Sections 442, 1604, and 2610.5 of, and to add Section 441.5 to, the Revenue and Taxation Code, relating to taxation.

[Approved by Governor January 21, 1982. Filed with Secretary of State January 21, 1982.]

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

SECTION 1. Section 441.5 is added to the Revenue and Taxation Code, to read:

441.5. In lieu of completing the property statement as printed by the assessor pursuant to Section 452, the information required of the taxpayer may be furnished to the assessor as attachments to the property statement provided that the attachments shall be in a format as specified by the assessor and that one copy of the property statement, as printed by the assessor, is executed by the taxpayer and carries appropriate reference to the data attached.

SEC. 2. Section 442 of the Revenue and Taxation Code is amended to read:

442. The property statement shall show all taxable property owned, claimed, possessed, controlled, or managed by the person filing it and required to be reported thereon.

Every person owning, claiming, possessing, controlling or managing property shall furnish any required information or records to the assessor for examination at any time.

The requirements of this article shall be satisfied with respect to property belonging to others for which the declarer has contractual property tax obligations if the declarer includes that property in the

property statement, submits the statement timely, and includes in the statement all information required in the statement pertaining to property belonging to others.

SEC. 3. Section 1604 of the Revenue and Taxation Code is amended to read:

1604. (a) In counties of the first class, annually, on the fourth Monday in September, the county board shall meet to equalize the assessment of property on the local roll. The board shall continue to meet for that purpose, from time to time, until the business of equalization is disposed of.

(b) In all other counties, annually, on the third Monday in July, the county board shall meet to equalize the assessment of property on the local roll. It shall continue to meet for that purpose, from time to time, until the business of equalization is disposed of.

Any taxpayer may petition said board for a reduction in an assessment and a proportionate reduction or refund of the taxes extended thereon by filing an application pursuant to Section 1603 or Section 5097.

The county board shall have no power to receive or hear any petition for a reduction in an escaped assessment made pursuant to Section 531.1 nor a penal assessment levied in respect thereto, nor to reduce such assessments.

(c) If the county assessment appeals board fails to hear evidence on the application for reduction in assessment of property within two years of the timely filing of said application, the taxpayer's opinion of market value as reflected on the application for reduction in assessment pursuant to subdivision (a) of Section 1603 shall prevail as the basis upon which taxes are to be levied, unless the taxpayer and the county assessment appeals board mutually agree in writing to an extension of time for the hearing. However, this subdivision shall not apply to applications for reductions in assessments of property where the taxpayer has failed to provide full and complete information as required by law or where litigation is pending directly relating to the issues involved in the application.

SEC. 4. Section 2610.5 of the Revenue and Taxation Code is amended to read:

2610.5. On or before November 1 each year, the tax collector of every county shall mail a county tax bill or copy thereof for any property on the secured roll. This requirement need not be met where the computation of taxes results in a zero amount. The failure to receive a tax bill does not relieve the fee owner from the liability to pay taxes owed, nor does it relieve the imposition of penalties imposed by this code. However, the penalty imposed for delinquent taxes as provided in Section 2617, 2618, 2621, 2704, 2705, 2759, 2760, 2761, 2762, or 2922 shall be waived by the auditor or tax collector if the assessee or fee owner demonstrates that the delinquency is due to the failure of the tax collector to mail the tax bill to the address as provided on the tax assessor's roll.

With respect to a late or supplemental tax bill, the penalty imposed

for delinquent taxes shall be waived by the auditor or tax collector for the period of 30 days following the date the late or supplemental bill is mailed.

CHAPTER 8

An act to add Part 3 (commencing with Section 1170) to Division 1 of the Health and Safety Code, relating to a special health care authority, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 22, 1982. Filed with Secretary of State January 25, 1982.]

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

SECTION 1. It is necessary that a special health care authority be established in Monterey County in order to meet the problems of the delivery of publicly assisted medical care in the county and to demonstrate ways of promoting quality care and cost efficiency. Because there is no general law under which such an authority could be formed, the adoption of a special act and the formation of a special authority is required.

SEC. 2. Part 3 (commencing with Section 1170) is added to Division 1 of the Health and Safety Code, to read:

PART 3. MONTEREY COUNTY SPECIAL HEALTH CARE AUTHORITY ACT

CHAPTER 1. GENERAL PROVISIONS

1170. The Board of Supervisors of the County of Monterey may by ordinance or resolution order the formation of the Monterey County Special Health Care Authority under this part which shall include all of the incorporated and unincorporated areas of the county.

1170.1. This part shall be known and may be cited as the Monterey County Special Health Care Authority Act.

1170.2. Unless the context otherwise requires, the provisions of this chapter govern the construction of this part. As used in this part:

(a) "Authority" means the Monterey County Special Health Care Authority.

(b) "Board" means the Monterey County Special Health Care Authority Board.

(c) "County" means the County of Monterey.

(d) "Health care system" means any system established to arrange for the provision of medical services.

(e) "Public agency" means the United States, the State of

California, any political subdivision, county, municipality, district, or agency of the State of California or of the United States and any department, bureau or commission of the State of California or of the United States.

(f) "Person" means any individual, firm, partnership, association, corporation, trust, business trust, or the receiver or trustee or conservator for any of the above, but does not include a public agency.

(g) "The Professional Advisory Board" means that advisory board to the authority's board composed of nine health and medical care professionals appointed by the Monterey County Board of Supervisors, five of whom shall be nominated by the Monterey County Medical Society, with at least one to be a member of the Monterey County Chapter of the American Academy of Family Practice, one of whom shall be nominated by Natividad Medical Center, one of whom shall be nominated by the Monterey County Hospital Administrators' Association, and two of whom shall be nominated by other organizations in the County of Monterey representing other professional health care providers. Authority staff may serve on the Professional Advisory Board in an ex officio nonvoting capacity.

(h) "The Community Advisory Board" means that advisory board to the authority's board appointed by the Monterey County Board of Supervisors which is comprised of 15 persons who represent community and consumer interests and who do not directly earn their income from the provision of medical or health services. Authority staff may serve on the Community Advisory Board in an ex officio capacity.

(i) For the purposes of this part, the term "medical services or medical benefits" does not include dental care or dental benefits.

(j) For the purposes of this part, the term "health care" does not include dental care.

CHAPTER 2. BOARD OF DIRECTORS

1171. The government of the authority shall be vested in a board of directors which shall consist of nine members, selected as follows:

(a) Five members, one from each supervisorial district, shall be appointed by the Monterey County Board of Supervisors.

(b) One member shall be nominated by the authority's Professional Advisory Board and confirmed by the Monterey County Board of Supervisors.

(c) One member shall be nominated by the authority's Community Advisory Board and confirmed by the Monterey County Board of Supervisors.

(d) Two members, both of whom shall be residents of Monterey County, shall be appointed by the Governor. The Governor shall make the appointments from a list containing at least three nominations by the Monterey County Board of Supervisors.

1171.1. The board at its first meeting, and thereafter annually at the first meeting in January, 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 tem, who, while so acting, shall have all of the authority of the chairman.

1171.2. The board shall establish rules for its proceedings.

1171.3. A majority of the members of the board shall constitute a quorum for the transaction of business, and all official acts of the board shall require the affirmative vote of a majority of the members of the board.

1171.4. The acts of the board shall be expressed by motion, resolution, or ordinance.

1171.5. Except for initial staggered terms which may be established by the board, the term of office of each member shall be four years and, in addition, such time as necessary until the appointment and qualification of his or her successor.

1171.6. The bodies which originally nominated or appointed a member whose term has expired shall nominate or appoint the successor for a full term of four years.

1171.7. Any vacancy on the board shall be filled for the unexpired term by nomination or appointment by the bodies which originally nominated or appointed the member whose office has become vacant.

1171.8. The Professional Advisory Board shall review and comment on all proposed policies and actions of the board dealing with arrangements for health care within the board of jurisdiction.

1171.9. The Community Advisory Board shall review and comment on matters relating to the accessibility and availability of services arranged for by the board.

CHAPTER 3. POWERS OF THE BOARD

1172. The authority is hereby declared to be a body corporate and politic and as such shall have power:

(a) To have perpetual succession.

(b) To sue and be sued in the name of the authority in all actions and proceedings in all courts and tribunals of competent jurisdiction.

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

(d) To take by grant, purchase, gift, devise, or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the authority, necessary or convenient to the full exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the boundaries of the authority necessary to the full or convenient exercise of its powers.

(e) To make and enter into contracts with any public agency or person for the purposes of this division.

(f) To appoint and employ an executive director and such other employees as may be necessary, including legal counsel, fix their compensation and define their powers and duties. The board shall prescribe the amounts and forms of fidelity bond of its officers and employees. The cost of these bonds shall be born by the authority. The employees and each of them shall serve at the pleasure of the board. The authority may also contract for the services of an independent contractor.

(g) To incur indebtedness.

(h) To purchase supplies, equipment, materials, property, or services.

(i) To establish policies relating to its purposes.

(j) To acquire or contract to acquire, rights-of-way, easements, privileges, or property of every kind within or without the boundaries of the authority, and construct, equip, maintain, and operate any and all works or improvements within or without the boundaries of the authority necessary, convenient, or proper to carry out any of the provisions, objects or purposes of this part, and to complete, extend, add to, repair, or otherwise improve any works or improvements acquired by it.

(k) To make contracts and enter into stipulations of any nature whatsoever upon such terms and conditions as the board finds is for the best interest of the authority for the full exercise of the powers granted in this division.

(*l*) To accept gifts, contributions, grants, or loans from any public agency or person for the purposes of this division. The authority may do any and all things necessary in order to avail itself of such gifts, contributions, grants or loans, and cooperate under any federal or state legislation on the effective date of this part or enacted after that date.

(m) To invest any surplus money in its treasury in the same manner as the County of Monterey and according to the same laws.

(n) To negotiate with service providers rates, charges, fees, rents, and to establish classifications of health care systems operated by the authority.

(o) To develop and implement health care delivery systems to promote quality care and cost efficiency.

(p) To provide health care delivery systems for any or all of the following:

(1) For all persons who are eligible to receive medical benefits under the Medi-Cal Act (Chapter 7 (commencing with Sec. 14000), Part 3, Division 9, Welfare and Institutions Code) in Monterey County through waiver, pilot project, or otherwise.

(2) For all persons in Monterey County who are eligible to receive medical benefits under both Titles XVIII and XIX of the Social Security Act.

(3) For all persons from Monterey County or any city in that county who are eligible to receive health care under Parts 4.5 (commencing with Section 16700) and 5 (commencing with Section

17000) of Division 9 of the Welfare and Institutions Code.

(q) To insure against any accident or destruction of its health care system or any part thereof. It may insure against loss of revenues from any cause whatsoever. The district may also provide insurance as provided in Part 6 (commencing with Section 989) of Division 3.6 of Title 1 of the Government Code.

(r) To exercise powers which are expressly granted and powers which are reasonably implied from such express powers and necessary to carry out the purposes of this division.

(s) To do any and all things necessary to carry out the purposes of this division.

1172.1. Notwithstanding any other provision of law:

(a) The state or any agency thereof may enter into contracts with the authority for the authority to obtain or arrange for health care under the authority's health care systems, for all persons who are eligible to receive medical benefits under the Medi-Cal Act (Chapter 7 (commencing with Sec. 14000), Part 3. Division 9, Welfare and Institutions Code) in Monterey County through waiver, pilot project, or otherwise.

(b) The County of Monterey or any city in the County of Monterey may enter into contracts with the authority to obtain or provide health care services for all persons from Monterey County or any city in that county who are eligible to receive health care under Parts 4.5 (commencing with Section 16700) and 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code.

(c) The State Department of Health Services shall pursue such waivers of federal law as are necessary, in order to carry out the provisions of this section.

1172.3. All claims for money or damages against the authority are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

1172.4. The Board of Supervisors of the County of Monterey may by ordinance or resolution order the dissolution of the authority by declaring that there is no need for the authority to function in the county. The dissolution shall become effective 180 days after the date of adoption of the resolution or ordinance ordering such dissolution.

Upon and after the effective date of the dissolution of the authority, the authority shall be dissolved, disincorporated and extinguished, its existence shall be terminated and all of its corporate powers shall cease, except for winding up the affairs of the authority.

For the purpose of winding up the affairs of the dissolved authority, the County of Monterey shall be the successor.

Upon the effective date of dissolution, control over all of the moneys or funds, including on hand and moneys due, but uncollected, and all property, real or personal, of the authority shall be vested in the County of Monterey for the purpose of winding up

the affairs of the authority.

The powers of the county in winding up the affairs of the authority and the distribution of assets of the authority, shall be in accordance with the provisions of Article IV (commencing with Section 56500) of Chapter 9 of Part 4 of Division 1 of Title 6 of the California Government Code.

The provisions of this part shall prevail over the provisions of the Government Code in case of any inconsistencies.

1172.5. If the Board of Supervisors of the County of Monterey does not, by ordinance or resolution, order the formation of the Monterey County Special Health Care Authority under this part prior to, and including, August 31, 1982, this part is repealed as of September 1, 1982, unless a later enacted statute, which is chaptered before September 1, 1982, deletes or extends that date.

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

In order for the provisions of this act to be implemented as quickly as possible, it is necessary for this act to take effect immediately.

CHAPTER 9

An act to add Section 4456.5 to the Welfare and Institutions Code, relating to Patton State Hospital and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 27, 1982. Filed with Secretary of State January 28, 1982.]

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

SECTION 1. Section 4456.5 is added to the Welfare and Institutions Code, to read:

4456.5. The security of patients committed pursuant to Section 1026 of, and Chapter 6 (commencing with section 1367) of Title 10 of Part 2 of, the Penal Code, and Sections 6316 and 6321 of the Welfare and Institutions Code, at Patton State Hospital shall be the responsibility of the Director of the Department of Corrections.

SEC. 2. The Director of Corrections shall immediately transfer 27 correctional officers to the Patton State Hospital.

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 has been a rash of recent escapes of patients at Patton State Hospital. This act is necessary to protect the public from the escape of adjudicated dangerous persons.

CHAPTER 10

An act relating to school building aid, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 27, 1982. Filed with Secretary of State January 28, 1982.]

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

SECTION 1. Notwithstanding any other provision of law, the auditor controller of Nevada County may, for the 1981–82 fiscal year, increase the property tax levied in the Ready Springs School District pursuant to Section 16090 of the Education Code by an amount sufficient to raise proceeds equal to the amount by which the tax proceeds for the 1980–81 fiscal year were below the required amount.

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

In order to allow the tax rate to be set in the 1981–82 fiscal year at the level authorized by this bill, it is necessary that this act take effect immediately.

CHAPTER 11

An act to amend Section 56362.5 of the Education Code, relating to special education programs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 27, 1982. Filed with Secretary of State January 28, 1982.]

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

SECTION 1. Section 56362.5 of the Education Code is amended to read:

56362.5. By July 1982, the Commission for Teacher Preparation and Licensing shall adopt rules and regulations for a resource specialist certificate of competence. The certificate shall provide all the following:

(a) Definition of the competencies required of a resource specialist.

(b) Provision for a system of direct application to the commission for a certificate of competence for each teacher who holds a valid special education credential, other than an emergency credential, and who satisfies any one of the following criteria:

(1) Provided instruction and services as specified in subdivision

(a) of Section 80070.1 of Title 5 of the California Administrative Code as it read immediately prior to the operative date of this section, for two years prior to September 1, 1981.

(2) Provided instruction and services as specified in subdivision (b) of Section 80070.2 of Title 5 of the California Administrative Code as it read immediately prior to the operative date of this section, for two years prior to June 30, 1983.

(c) Provision for the issuance, for up to three years, of a preliminary nonrenewable certificate of competence for the resource specialist, and adoption of the standards for the issuance and continuing validity of such a certificate.

(d) Establishment of a system for verification of competencies through both of the following:

(1) Commission of Teacher Preparation and Licensing approved institution of higher education resource specialist certificate program.

(2) Commission of Teacher Preparation and Licensing approved competency assessment panels for resource specialist certification.

(e) Cooperation with the department in implementing these provisions.

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

In order that teachers applying for a certificate of competence may demonstrate their competence at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 12

An act to amend Sections 21702, 64532, 64691, 64691.5, and 64691.7 of, to add Sections 21702.1, 64534, 64663, and 64691.8 to, to add and repeal Article 8.5 (commencing with Section 64710) of Chapter 2 of Division 22 of, and to repeal Section 64692 of, the Food and Agricultural Code, relating to cattle, making an appropriation therefor and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 1, 1982. Filed with Secretary of State February 1, 1982.]

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

SECTION 1. Section 21702 of the Food and Agricultural Code is amended to read:

21702. A person shall not buy, sell, or accept any animal, unless the seller or donor gives, and the buyer or donee receives, at the time of the delivery of the animal, a written bill of sale or written

instrument from the owner or his agent which gives the number, kind, breed, and sex, and, if branded, the brand and location of the brand on each animal. The bill of sale required by this section shall be made out in triplicate with one copy being mailed to the director within 30 days of the date of the sale.

SEC. 1.5. Section 21702.1 is added to the Food and Agricultural Code, to read:

21702.1. Any person who sells or otherwise transfers title to any cattle or calves to another person shall remit to the director within 30 days of that sale, the beef council fees required under Section 64691, together with a copy of the bill of sale, unless these fees have been collected pursuant to a brand inspection as provided for in Section 64691.7.

SEC. 2. Section 64532 of the Food and Agricultural Code is amended to read:

64532. The purposes of this chapter are as follows:

(a) To enable the cattle industry, with the aid of the state, to develop, maintain, and expand the state, nationwide, and foreign markets for beef and beef products produced, processed, manufactured, sold, or distributed in this state, for human consumption, and the use and consumption of such beef and beef products in such markets.

(b) In aid, but not in limitation, of the purpose in subdivision (a), to authorize and enable the director to formulate and effectuate, directly or in cooperation with other agencies and instrumentalities which are specified in this chapter, sales stimulation and consumer, or other, educational programs designed to increase the use and consumption of beef and beef products for human consumption.

(c) To provide funds for the administration and enforcement of this chapter by mandatory fees to be collected in the manner which is prescribed in this chapter, unless producers elect to provide such funds through voluntary contributions pursuant to Article 7 (commencing with Section 64671).

SEC. 2.1. Section 64534 is added to the Food and Agricultural Code, to read:

64534. Any violation of any provision of this chapter is a misdemeanor.

SEC. 2.2. Section 64663 is added to the Food and Agricultural Code, to read:

64663. The council shall not expend beef council funds for the advertising of brand name beef products. The council may expend beef council funds to conduct cost-sharing advertising with nonbeef brand name products.

SEC. 3. Section 64691 of the Food and Agricultural Code is amended to read:

64691. In order to carry out the programs and administer the activities which are conducted pursuant to this chapter, except as specified in Section 64691.5, a fee of one dollar ($1) per head on cattle and calves, except cattle or calves shipped into a California

registered feedlot from out of state, shall be charged and collected from the seller or from the seller's account and paid to the director as specified in Section 64691.7 by each operator of any stockyard, livestock auction market, slaughterhouse, packing plant, feedlot, or seller's agent, who shall deduct that amount from the proceeds of sale or from other moneys owed to the seller. The fee shall be charged on all cattle and calves, except the following:

(a) Hides, skins, or reduction animals.

(b) Any cattle that are transported for purposes other than for sale of slaughter and without a change of ownership.

(c) Any animal which is less than three months of age.

(d) Any animal sold for milk or calf production.

(e) Any cattle slaughtered at a licensed slaughter plant. These cattle shall be assessed pursuant to Article 8.5 (commencing with Section 64710).

The fees shall not be charged or collected more than once from each owner upon the same animal.

SEC. 4. Section 64691.5 of the Food and Agricultural Code is amended to read:

64691.5. A fee greater than one dollar ($1) per head on cattle and calves prescribed by Section 64691 shall not be charged pursuant to that section under a mandatory fee payment program, unless and until the greater fee is approved by the producers in this state, by a referendum to be submitted to the producers by the director. The director shall find that the producers have approved any greater fee, if he or she finds both of the following:

(a) That at least 40 percent of all producers, as determined from a list to be established by the director, have voted in the referendum.

(b) That at least 65 percent of total producers that produced not less than 51 percent of the volume of the commodity in the state, or at least 51 percent of the total producers that produced not less than 65 percent of the volume of the commodity in the state, voting in the referendum favor charging of the greater fee.

SEC. 5. Section 64691.7 of the Food and Agricultural Code is amended to read:

64691.7. The fees required under Section 64691 shall be due and payable at the same time that brand inspection fees are collected as provided in Article 9 (commencing with Section 21281) of Chapter 6 of Division 10, except for cattle shipped outside this state for immediate slaughter, without brand inspection fees, pursuant to Section 21292. The fees prescribed by this chapter on such cattle shall be due and payable, and are to be collected by the brand inspector when he inspects the cattle, prior to their shipment from this state.

SEC. 5.5. Section 64691.8 is added to the Food and Agricultural Code, to read:

64691.8. Where no brand inspection is required on the sale of cattle or calves in this state, it shall be the responsibility of the seller, as provided in Section 21702.1, to remit the fees required under Section 64691 to the director within 30 days of the date of that sale.

Failure to comply shall subject each person or persons to the penalty provisions of Section 64693.

SEC. 6. Section 64692 of the Food and Agricultural Code is repealed.

SEC. 7. Article 8.5 (commencing with Section 64710) is added to Chapter 2 of Division 22 of the Food and Agricultural Code, to read:

Article 8.5. Assessment on Beef

64710. "Handler" means any person who, as owner, agent, or broker, purchases, or otherwise acquires from a producer, producer-handler, another handler, or any out-of-state beef processor, possession or control of beef.

64711. "Out-of-state beef processor" means the last person, firm, or corporation who slaughters or otherwise processes any beef which is shipped into the state.

64712. For the purposes of this article, the term "beef" includes only carcass beef, boxed beef, and boned beef in fresh or frozen form.

64712.5. "Boxed beef" means beef that is broken down or cut into primal and subprimal cuts, vacuum sealed in a barrier bag, and placed in a shipping carton for shipment to a customer.

64713. Except as otherwise provided in this article and in order to carry out the programs and administer the activities which are conducted pursuant to this chapter, an assessment of $0.002 per pound based on chilled carcass weight or $0.00233 per pound on boxed beef or $0.00323 per pound on boned beef shall be collected from every out-of-state beef processor. Payment shall be made directly to the department, together with copies of each sales transaction of carcass, boxed, or boned beef shipped into California. Collections under this section shall be made by the department under regulations promulgated by the director. An equivalent assessment of $0.002 per pound based on estimated chilled carcass weight as computed pursuant to Section 64715 shall also be charged and collected on all beef which is slaughtered in this state. Payment of the assessment for cattle slaughtered in this state shall be the responsibility of the seller of the cattle to be slaughtered, but may be paid either by the slaughterer or the seller as agreed to between them.

64715. (a) In order to comply with the prompt payment requirements of the Packers and Stockyards Act, 1921 (7 U.S.C. Sec. 181, et seq.) and the laws of this state, assessments on beef slaughtered in California shall be made on the estimated chilled carcass weight computed as follows:

(1) Fed cattle and bulls: live weight x 0.610 __ chilled carcass weight.

(2) Cows: live weight x 0.485 __ chilled carcass weight

(3) All calves and all nonfed cattle except cows: live weight x 0.560 __ chilled carcass weight.

(b) For the purposes of this section, fed cattle shall include all

cattle fed in a drylot for 60 days or more. Nonfed cattle shall include all other cattle except cows. Cows shall include all female cattle which have produced one or more calves and which are not fed cattle.

64716. Nothing in this article or any other provision of California law is intended to imply that cattle feeders are processors of beef rather than producers of beef.

64717. In order to carry out the programs and administer the activities conducted pursuant to this article, every out-of-state beef processor, before selling or offering to sell beef into this state, shall register with the department in a form prescribed by the director.

The department may charge a fee for this registration in an amount necessary to cover the costs of registration.

64718. The first handler in this state of beef received from a point of origin outside of this state shall submit a list of all out-of-state beef processors from whom beef has been received every quarter pursuant to regulations promulgated by the director. A handler violating this provision is subject to a civil penalty, in an action brought by the director in the appropriate court in the county where the violation occurs, of fifty dollars ($50) for each violation.

64719. When it has been determined by a court of competent jurisdiction or through an official written opinion of the Attorney General that the state does not have jurisdiction for the purpose of collecting the assessments required in this article over an out-of-state beef processor, the first handler shall be subject to the assessment provided for in this article, only if all of the following duties and conditions are met, as well as those provided for in Section 64720:

(a) The written opinion of the Attorney General shall be delivered to and thoroughly reviewed by the director, and shall contain a determination that the state does not have jurisdiction to collect the assessment provided for in this article.

(b) The Attorney General shall, by written report, notify the director whenever a court of competent jurisdiction has determined that the state does not have jurisdiction over an out-of-state beef processor for the purpose of collecting the assessments required in this article.

(c) The department shall compile and maintain a list of out-of-state beef processors who are not in compliance with the assessment payment requirements provided for in this article, and who additionally are not subject to the jurisdiction of this state for the purpose of paying the assessments required in this article.

The director shall send this list to all first handlers by certified mail, return receipt requested, postage prepaid, who submit the names of out-of-state beef processors pursuant to Section 64718. The list shall be continually updated by the department and furnished to first handlers on a quarterly basis and in the manner provided for in this subdivision.

(d) The first handler had actual knowledge that the name of the out-of-state beef processor from whom beef was purchased was on

the list provided for in subdivision (c) at the time the purchase contract was entered into. Seven days after the list is mailed by the department in accordance with the procedures prescribed in subdivision (c), there shall be a presumption affecting the burden of producing evidence pursuant to Section 604 of the Evidence Code that the list has been received by the first handler and that the first handler had actual knowledge of the names on the list.

64720. Only after meeting all of the duties and conditions provided for in Section 64719, shall a first handler be required to pay assessments required in this article. However, the requirement to pay assessments shall only apply to each separate purchase of beef made by a first handler from an out-of-state beef processor subsequent to the name of the processor appearing on the list, and that requirement shall continue only until such time as the out-of-state beef processor has remitted the past due assessments to the director. Nothing in this section shall be construed as requiring the first handler to pay any assessments owed by an out-of-state beef processor prior to the name of that processor being placed on the list.

64721. Out-of-state beef processors are primarily liable for the payment of assessments provided for in this article, and any first handler that pays the assessment for and on behalf of any out-of-state beef processor may deduct the assessment amount from any money which is owed by the first handler to the out-of-state beef processor on contracts entered into on or after January 1, 1982.

These deductions are hereby declared to be trust funds held by the first handler and shall be remitted to the director in a timely manner.

64722. There shall be a presumption affecting the burden of producing evidence pursuant to Section 604 of the Evidence Code that any out-of-state beef processor who causes beef to be received in this state is subject to the provisions of this chapter, including the payment of assessments provided for in this article.

64723. This article shall remain in effect only until January 1, 1986, and as of that date is repealed unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 8. 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. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The current depressed conditions of the beef cattle industry, caused in part by consumer misconceptions regarding the role of red meat and animal fats in a basic diet, are threatening the economic stability of the industry. Thus, in order to correct this situation through a program of research, education and promotion, it is necessary that this act take effect immediately.

CHAPTER 13

An act to amend Section 65570 of the Government Code, and to add Section 612 to the Public Resources Code, relating to open-space lands.

[Approved by Governor February 2, 1982. Filed with Secretary of State February 2, 1982.]

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

SECTION 1. Section 65570 of the Government Code is amended to read:

65570. (a) The Secretary of the Resources Agency may establish, after notice and hearing, rules and regulations, and require reports from local officials and may employ, borrow, or contract for such staff or other forms of assistance as are reasonably necessary to carry out the provisions of Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2. In carrying out his or her duties under those sections, it is the intention of the Legislature that the secretary shall consult with the Director of Food and Agriculture, the Director of Planning and Research, and the Director of Conservation.

(b) By November 1 of each year, the Department of Conservation shall collect or acquire information on the amount of land converted to or from agricultural use in the previous fiscal year (July 1-June 30) for every county for which Important Farmland Series maps exist. By December 31 of each year, the department shall report to the Legislature on the data collected pursuant to this section. In reporting, the department shall specify, by category of agricultural land, the amount of land converted to or from agricultural use, by county and on a statewide basis. The department shall also report on the nonagricultural uses to which these agricultural lands were converted.

For the purposes of this section, the following definitions apply unless otherwise specified:

(1) "Important Farmland Series maps" means those maps compiled by the United States Soil Conservation Service and updated and modified by the Department of Conservation.

(2) "Category of agricultural land" means prime farmland, farmland of statewide importance, unique farmland, and farmland of local importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and commercial grazing land. "Commercial grazing land" means land on which the existing vegetation, whether grown naturally or through management, is suitable for grazing or browsing of livestock, and which has the capacity of sustaining, on the average, one animal unit month (AUM) for each four acres.

(3) "Amount of land converted to agricultural use" means those lands which were brought into agricultural use or reestablished in

agricultural use and were not shown as agricultural land on Important Farmland Series maps maintained by the Department of Conservation and current to the previous July 1.

(4) "Amount of land converted from agricultural use" means those lands which were permanently converted or committed to urban or other nonagricultural uses, or were allowed to lie idle or fallow for the preceding three years, and were shown as agricultural land on Important Farmland Series maps maintained by the Department of Conservation and current to the previous July 1.

(c) By July 1 of each year, the Department of Conservation shall update and send counties copies of Important Farmland Series maps current to the previous July 1. Counties may, until September 1 of each year, review the maps and notify the department of any changes in agricultural land pursuant to subdivision (b) that occurred during the previous fiscal year, and note and request correction of any discrepancies or errors in the classification of agricultural lands on the maps. The department shall make those corrections requested by counties. The department shall provide staff assistance, as available, to collect or acquire information on the amount of land converted to or from agricultural use in the previous fiscal year for those counties for which Important Farmland Series maps exist.

SEC. 2. Section 612 is added to the Public Resources Code, to read:

612. The department shall prepare, update, and maintain Important Farmland Series maps as defined in paragraph (1) of subdivision (b) of Section 65570 of the Government Code and other soils and land capability information, and prepare and maintain an automated map and data base system to record and report changes in the use of agricultural lands.

CHAPTER 14

An act to add Sections 5093.66 and 5093.67 to the Public Resources Code, relating to wild and scenic rivers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 4, 1982. Filed with Secretary of State February 5, 1982.]

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

SECTION 1. Section 5093.66 is added to the Public Resources Code, to read:

5093.66. (a) The Legislature hereby finds and declares that in order to allow extraction and refinement of strategic metals at a site on Gasquet Mountain within the Smith River watershed, the provisions of this section are necessary.

(b) Notwithstanding subdivision (c) of Section 5093.54 or any other provisions of this chapter, Hardscrabble Creek and all of its tributaries, a tributary of the Smith River, is excluded from the system.

(c) Notwithstanding subdivision (a) of Section 5093.58 or any other provision of this chapter, Copper Creek and all of its tributaries, a tributary to the Smith River, located in Sections 26, 27, 28, 34, and 35 of Township 18 North, Range 1 East, within the County of Del Norte, are classified as recreational.

(d) In order to protect extraordinary scenic, recreational, fishery, or wildlife values within one-quarter mile of the north fork Smith River located in Sections 26, 27, 28, 34 and 35 of Township 18 North, Range 1 East, within the County of Del Norte, no mining activity shall be permitted which would result in a significant adverse effect to these values within the designated area.

(e) Nothing in this section or Section 5093.67 is intended to modify or limit the regulatory authority of any state agency under any other provision of law.

SEC. 2. Section 5093.67 is added to the Public Resources Code, to read:

5093.67. In order to enhance the recreational qualities of rivers where temporary summer recreational dams have been constructed in the past to improve water oriented recreational opportunities for the public, the secretary may authorize the emplacement of temporary impoundments for recreational purposes on portions of rivers included in the system which are classified as recreational, if the secretary finds all of the following:

(a) There has been a history of impoundments at the location for recreational purposes.

(b) The impoundment will not cause an adverse effect on the fishery values of the river.

(c) The impoundment will be removed before it would interfere with anadromous fisheries.

(d) The impoundment will improve the recreational opportunities for the public.

(e) The impoundment will not adversely affect navigation, scenic qualities, and public access.

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

In order to permit the planning and construction of certain urgently needed water facilities within Del Norte County at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 15

An act to add Chapter 6.7 (commencing with Section 25250) to Division 20 of the Health and Safety Code, relating to health.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Chapter 6.7 (commencing with Section 25250) is added to Division 20 of the Health and Safety Code, to read:

CHAPTER 6.7. PATIENT ACCESS TO HEALTH RECORDS

25250. The Legislature finds and declares that every person having ultimate responsibility for decisions respecting his or her own health care also possesses a concomitant right of access to complete information respecting his or her condition and care provided. Similarly, persons having responsibility for decisions respecting the health care of others should, in general, have access to information on the patient's condition and care. It is, therefore, the intent of the Legislature in enacting this chapter to establish procedures for providing access to health care records or summaries of such records by patients and by those persons having responsibility for decisions respecting the health care of others.

25251. As used in this chapter:

(a) "Health care provider" means any of the following:

(1) A health facility licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2.

(2) A clinic licensed pursuant to Chapter 1 (commencing with Section 1200) of Division 2.

(3) A home health agency licensed pursuant to Chapter 8 (commencing with Section 1725) of Division 2.

(4) A physician and surgeon licensed pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code or pursuant to the Osteopathic Act.

(5) A podiatrist licensed pursuant to Article 19 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code.

(6) A dentist licensed pursuant to Chapter 4 (commencing with Section 1600) of Division 2 of the Business and Professions Code.

(7) An optometrist licensed pursuant to Chapter 7 (commencing with Section 3000) of Division 2 of the Business and Professions Code.

(8) A chiropractor licensed pursuant to the Chiropractic Initiative Act.

(b) "Mental health records" means patient records, or discrete portions thereof, specifically relating to evaluation or treatment of a mental disorder. "Mental health records" includes, but is not limited

to, all alcohol and drug abuse records.

(c) "Patient" means a patient or former patient of a health care provider.

(d) "Patient records" means records in any form or medium maintained by, or in the custody or control of, a health care provider relating to the health history, diagnosis, or condition of a patient, or relating to treatment provided or proposed to be provided to the patient. "Patient records" includes only records pertaining to the patient requesting the records or whose representative requests the records. "Patient records" does not include information given in confidence to a health care provider by a person other than another health care provider or the patient, and such material may be removed from any records prior to inspection or copying under Section 25252 or 25253. "Patient records" does not include information contained in aggregate form, such as indices, registers, or logs.

(e) "Patient's representative" or "representative" means a parent or the guardian of a minor who is a patient, or the guardian or conservator of the person of an adult patient.

(f) "Alcohol and drug abuse records" means patient records, or discrete portions thereof, specifically relating to evaluation and treatment of alcoholism or drug abuse.

25252. (a) Notwithstanding Section 5328 of the Welfare and Institutions Code, and except as provided in Sections 25253 and 25254 of this code, any adult patient of a health care provider, any minor patient authorized by law to consent to medical treatment, and any patient representative shall be entitled to inspect patient records upon presenting to the health care provider a written request therefor and upon payment of reasonable clerical costs incurred in locating and making the records available; provided, that a patient who is a minor shall be entitled to inspect patient records pertaining only to health care of a type for which the minor is lawfully authorized to consent. A health care provider shall permit such inspection during business hours within five working days after receipt of such a written request. The inspection shall be conducted by the patient or patient's representative requesting the inspection, who may be accompanied by one other person of his or her choosing.

(b) Additionally, any patient or patient's representative shall be entitled to copies of all or any portion of the patient records which he or she has a right to inspect, upon presenting a written request to the health care provider specifying the records to be copied, together with a fee to defray the cost of copying, which shall not exceed twenty-five cents ($0.25) per page or fifty cents ($0.50) per page for records that are copied from microfilm and any additional reasonable clerical costs incurred in making the records available. The health care provider shall ensure that the copies are transmitted within 15 days after receiving the written request.

(c) Copies of X-rays or tracings derived from electrocardiography, electroencephalography, or electromyography

need not be provided to the patient or patient's representative under this section, if the original X-rays or tracings are transmitted to another health care provider upon written request of the patient or patient's representative and within 15 days after receipt of such a request. Any such request shall specify the name and address of the health care provider to whom the records are to be delivered. All reasonable costs, not exceeding actual costs, incurred by a health care provider in providing copies pursuant to this subdivision may be charged to the patient or representative requesting the copies.

(d) Nothing in this section shall be construed to preclude a health care provider from requiring reasonable verification of identity prior to permitting inspection or copying of patient records, provided such requirements are not used oppressively or discriminatorily to frustrate or delay compliance with this section. Nothing in this chapter shall be deemed to supersede any rights which a patient or representative might otherwise have or exercise under Section 1158 of the Evidence Code or any other provision of law. Nothing in this chapter shall require a health care provider to retain records longer than required by applicable statutes or administrative regulations.

(e) Nothing in this chapter shall be construed to render a health care provider liable for the quality of his or her records or the copies provided in excess of existing law and regulations adopted pursuant thereto with respect to the quality of medical records. A health care provider shall not be liable to the patient or any other person for any consequences which result from disclosure of patient records as required by this chapter.

(f) Any health care provider who willfully violates this chapter is guilty of unprofessional conduct. The state agency, board or commission which issued the health care provider's professional or institutional license shall consider such violation as grounds for disciplinary action with respect to the licensure, including suspension or revocation of the license or certificate.

25253. (a) The representative of a minor shall not be entitled to inspect or obtain copies of the minor's patient records:

(1) With respect to which the minor has a right of inspection under Section 25252; or

(2) Where the health care provider determines that access to the patient records requested by the representative would have a detrimental effect on the provider's professional relationship with the minor patient. The decision of the health care provider as to whether or not a minor's records are available for inspection under this section shall not attach any liability to the provider, unless such a decision is found to be in bad faith.

(b) When a health care provider determines there is a substantial risk of significant adverse or detrimental consequences to a patient in seeing or receiving a copy of mental health records requested by the patient, the provider may decline to permit inspection or provide copies of such records to the patient, subject to the following conditions:

(1) The health care provider shall make a written record, to be included with the mental health records requested, noting the date of the request and explaining the health care provider's reason for refusing to permit inspection or provide copies thereof, including a description of the specific adverse or detrimental consequences to the patient which the provider anticipates would occur if inspection or copying were permitted.

(2) The health care provider shall permit inspection by, or provide copies of, the mental health records to a licensed physician and surgeon or licensed psychologist designated by request of the patient.

(3) The health care provider shall inform the patient of the provider's refusal to permit him or her to inspect or obtain copies of the requested records, and inform the patient of the right to require the provider to permit inspection by, or provide copies to, a licensed physician and surgeon, licensed psychologist, or licensed clinical social worker designated by written authorization of the patient.

(4) The health care provider shall indicate in the mental health records of the patient whether such a request was made under paragraph (2) of this subdivision.

25254. Any patient or representative aggrieved by a violation of Section 25252 may, in addition to any other remedy provided by law, bring an action against the health care provider to enforce the obligations prescribed by Section 25252. Any judgment rendered in such an action may, in the discretion of the court, include an award of costs and reasonable attorney fees to the prevailing party.

25255. (a) Nothing in this chapter shall require a health care provider to permit inspection or provide copies of alcohol and drug abuse records where, or in a manner, prohibited by Section 408 of the federal Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255) or Section 333 of the federal Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (Public Law 91-616), or by regulations adopted pursuant thereto. Alcohol and drug abuse records subject to such federal laws shall also be subject to the provisions of this chapter, to the extent that such federal laws do not prohibit disclosure of the records. All other alcohol and drug abuse records shall be fully subject to the provisions of this chapter.

(b) Nothing in this chapter shall require a health care provider to permit inspection or provide copies of records or portions of records where or in a manner prohibited by existing law respecting the confidentiality of information regarding communicable disease carriers.

25256. (a) A health care provider may prepare a summary of the record, according to the requirements of this section, for inspection and copying by a patient. If the health care provider chooses to prepare such a summary of the record rather than allowing access to the entire record, he or she shall make such a summary of the record available to the patient within 10 working days from the date of the

patient's request. However, if more time is needed because the record is of extraordinary length or because the patient was discharged from a licensed health facility within the last 10 days, the health care provider shall notify the patient of this fact and the date that the summary will be completed, but in no case shall more than 30 days elapse between the request by the patient and the delivery of the summary. In preparing the summary of the record the health care provider shall not be obligated to include information which is not contained in the original record.

(b) A health care provider may confer with the patient in an attempt to clarify the patient's purpose and goal in obtaining his or her record. If as a consequence the patient requests information about only certain injuries, illnesses, or episodes, nothing in this subdivision shall require the provider to prepare the summary required by this subdivision for other than the injuries, illnesses, or episodes so requested by the patient. The summary shall contain for each injury, illness, or episode any information included in the record relative to the following:

(1) Chief complaint or complaints including pertinent history.

(2) Findings from consultations and referrals to other health care providers.

(3) Diagnosis, where determined.

(4) Treatment plan and regimen including medications prescribed.

(5) Progress of the treatment.

(6) Prognosis including significant continuing problems or conditions.

(7) Pertinent reports of diagnostic procedures and tests and all discharge summaries.

(8) Objective findings from the most recent physical examination, such as blood pressure, weight, and actual values from routine laboratory tests.

(c) Nothing in this section is to be construed as requiring any medical records to be written or maintained in any manner not otherwise required by law.

(d) The summary shall contain a list of all current medications prescribed, including dosage, and any sensitivities or allergies to medications recorded by the provider.

(e) The provisions of subdivision (c) of Section 25252 shall be applicable whether or not the health care provider elects to prepare a summary of the record.

(f) The health care provider may charge no more than a reasonable fee based on actual time and cost for the preparation of the summary. The cost shall be based on a computation of the actual time spent preparing the summary for availability to the patient or the patient's representative. It is the intent of the Legislature that summaries of the records be made available at the lowest possible cost to the patient.

25257. Except as otherwise provided by law, nothing in this

chapter shall be construed to grant greater access to individual patient records by any person, firm, association, organization, partnership, business trust, company, corporation, or municipal or other public corporation, or government officer or agency. Therefore, the provisions of this chapter do not do any of the following:

(a) Relieve employers of the requirements of the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code).

(b) Relieve any person subject to the provisions of the Insurance Information and Privacy Protection Act (Article 6.6 (commencing with Section 791) of Chapter 1 of Part 2 of Division 1 of the Insurance Code) from the requirements of that act.

(c) Relieve government agencies of the requirements of the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code).

25253. The provisions of the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) shall prevail over the provisions of this chapter with respect to records maintained by a state agency.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

CHAPTER 16

An act to amend Sections 165, 2501, 2503, 2510, 2541, and 2542 of the Vehicle Code, relating to vehicles.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Section 165 of the Vehicle Code is amended to read:

165. An authorized emergency vehicle is:

(a) Any publicly owned and operated ambulance, lifeguard, or lifesaving equipment or any privately owned or operated ambulance licensed by the Commissioner of the California Highway Patrol to operate in response to emergency calls.

(b) Any publicly owned vehicle operated by the following persons, agencies, or organizations:

(1) Any federal, state, or local agency or department employing peace officers as that term is defined in Chapter 4.5 (commencing with Section 830) of Part 2 of Title 3 of the Penal Code, for use by

such officers in the performance of their duties.

(2) Any forestry or fire department of any public agency or fire department organized as provided in the Health and Safety Code.

(c) Any vehicle owned by the state, or any bridge and highway district, and equipped and used either for fighting fires, or towing or servicing other vehicles, caring for injured persons, or repairing damaged lighting or electrical equipment.

(d) Any state-owned vehicle used in responding to emergency fire, rescue or communications calls and operated either by the Office of Emergency Services or by any public agency or industrial fire department to which the Office of Emergency Services has assigned such vehicle.

(e) Any vehicle owned or operated by any department or agency of the United States government when such vehicle is used in responding to emergency fire, ambulance, or lifesaving calls.

(f) Any vehicle for which an authorized emergency vehicle permit has been issued by the Commissioner of the California Highway Patrol.

SEC. 1.5. Section 165 of the Vehicle Code is amended to read:

165. An authorized emergency vehicle is:

(a) Any publicly owned and operated ambulance, lifeguard or lifesaving equipment or any privately owned or operated ambulance licensed by the Commissioner of the California Highway Patrol to operate in response to emergency calls.

(b) Any publicly owned vehicle operated by the following persons, agencies, or organizations:

(1) Any federal, state, or local agency or department employing peace officers as that term is defined in Chapter 4.5 (commencing with Section 830) of Part 2 of Title 3 of the Penal Code, for use by such officers in the performance of their duties.

(2) Any forestry or fire department of any public agency or fire department organized as provided in the Health and Safety Code.

(c) Any vehicle owned by the state, or any bridge and highway district, and equipped and used either for fighting fires, or towing or servicing other vehicles, caring for injured persons, or repairing damaged lighting or electrical equipment.

(d) Any state-owned vehicle used in responding to emergency fire, rescue or communications calls and operated either by the Office of Emergency Services or by any public agency or industrial fire department to which the Office of Emergency Services has assigned such vehicle.

(e) Any vehicle owned or operated by any department or agency of the United States government when such vehicle is used in responding to emergency fire, ambulance, or lifesaving calls or is actively engaged in law enforcement work.

(f) Any vehicle for which an authorized emergency vehicle permit has been issued by the Commissioner of the California Highway Patrol.

SEC. 2. Section 2501 of the Vehicle Code is amended to read:

2501. The Commissioner of the California Highway Patrol may issue licenses for the operation of privately owned or operated ambulances used to respond to emergency calls, armored cars, fleet owner inspection and maintenance stations, and for the transportation of explosives. Such licenses shall be issued in accordance with the provisions of this chapter and regulations adopted by the commissioner pursuant thereto. All licenses issued by the commissioner shall expire one year from the date of issue. Licenses may be renewed upon application and payment of the renewal fees if the application for renewal is made within the 30-day period prior to the date of expiration. Persons whose licenses have expired shall immediately cease the activity requiring a license, but the commissioner shall accept applications for renewal during the 30-day period following the date of expiration if they are accompanied by the new license fee. In no case shall a license be renewed where the application is received more than 30 days after the date of expiration.

SEC. 3. Section 2503 of the Vehicle Code is amended to read:

2503. (a) Licenses issued by the commissioner shall not be transferable. Any change in ownership or control of the licensed activity shall require a new license. A change in ownership or control includes, but is not limited to, the addition or deletion of a partner, transfer of ownership between family members, change in corporate status, or a stock transfer of shares possessing more than 50 percent of the voting power of the corporation.

(b) In the event of a change of name, not involving a change of ownership or control, the license shall be returned to the commissioner for cancellation, and a new license application form shall be submitted. The commissioner shall cancel the returned license and issue a new license for the unexpired term without fee.

(c) In the event of loss, destruction, or mutilation of a license issued by the commissioner, the person to whom it was issued may obtain a duplicate upon paying a fee of two dollars ($2). Any person who loses a license issued by the commissioner and who, after obtaining a duplicate, finds the original license shall immediately surrender the original license to the commissioner.

(d) Any change of address or relocation of a licensed service shall be reported to the commissioner within 10 days.

SEC. 4. Section 2510 of the Vehicle Code is amended to read:

2510. (a) A person applying for a license to operate ambulances or armored cars shall provide separate identification data and reports of inspection for each vehicle as prescribed by the commissioner.

(b) No person shall operate a privately owned emergency ambulance or armored car until the California Highway Patrol has determined that the vehicle is in compliance with this code and regulations adopted by the commissioner.

SEC. 5. Section 2541 of the Vehicle Code is amended to read:

2541. (a) The commissioner may deny a license if the applicant or any partner, officer, or director thereof:

(1) Fails to meet the qualifications established by the department pursuant to this chapter for the issuance of the license applied for.

(2) Was previously the holder of a license issued under this chapter which license has been revoked and never reissued or which license was suspended and the terms of the suspension have not been fulfilled.

(3) Has committed any act which, if committed by any licensee, would be grounds for the suspension or revocation of a license issued pursuant to this chapter.

(4) Has committed any act involving dishonesty, fraud, or deceit whereby another is injured or whereby the applicant has benefited.

(5) Has acted in the capacity of a licensed person or firm under this chapter without having a license therefor.

(6) Has entered a plea of guilty or nolo contendere to, or been found guilty of, or been convicted of, a felony, or a crime involving moral turpitude, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal, irrespective of an order granting probation following such conviction, suspending the imposition of sentence, or of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the plea or verdict of guilty, or dismissing the accusation or information.

(b) The commissioner may also deny a license if a corporation is the applicant and the policy or activities of the corporation are or will be directed, controlled, or managed by individuals or shareholders who are ineligible for a license, and the licensing of that corporation would likely defeat the purpose of this section.

SEC. 6. Section 2542 of the Vehicle Code is amended to read:

2542. The commissioner may suspend, revoke, or take other disciplinary action against a license as provided in this article if the licensee or any partner, officer, director, controlling shareholder, or manager thereof:

(a) Violates any section of this code which relates to his licensed activities.

(b) Is convicted of any felony.

(c) Is convicted of any misdemeanor involving moral turpitude.

(d) Violates any of the regulations promulgated by the commissioner pursuant to this chapter.

(e) Commits any act involving dishonesty, fraud, or deceit whereby another is injured or any act involving moral turpitude.

(f) Has misrepresented a material fact in obtaining a license.

(g) Aids or abets an unlicensed person to evade the provisions of this chapter.

(h) Fails to make and keep records showing his transactions as a licensee, or fails to have such records available for inspection by the commissioner or his duly authorized representative for a period of not less than three years after completion of any transaction to which the records refer, or refuses to comply with a written request of the commissioner to make such record available for inspection.

(i) Violates or attempts to violate the provisions of this chapter relating to the particular activity for which he is licensed.

SEC. 7. It is the intent of the Legislature, if this bill and Senate Bill 689 are both chaptered and become effective January 1, 1982, both bills amend Section 165 of the Vehicle Code, and this bill is chaptered after Senate Bill 689, that the amendments to Section 165 proposed by both bills be given effect and incorporated in Section 165 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 689 are both chaptered and become effective January 1, 1982, both amend Section 165, and this bill is chaptered after Senate Bill 689, in which case Section 1 of this act shall not become operative.

CHAPTER 17

An act to add Chapter 11 (commencing with Section 6350) to Title 7 of Part 3 of the Penal Code, relating to corrections.

[Approved by Governor February 5, 1982 Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Chapter 11 (commencing with Section 6350) is added to Title 7 of Part 3 of the Penal Code, to read:

CHAPTER 11. PRISON VISITOR SERVICES

6350. The Legislature finds and declares the following:

(a) Maintaining an inmate's family and community relationships is an effective correctional technique which reduces recidivism.

(b) Enhancing visitor services increases the frequency and quality of visits, thereby discouraging violent prisoner activity.

(c) The location of prisons and lack of services to assist visitors impedes visiting.

6351. The Department of Corrections shall contract with a private nonprofit agency or agencies to establish and operate a visitor center outside each state adult prison in California which has a population of more than 300 inmates.

6352. Each visitor center shall provide, at a minimum, each of the following services to prison visitors:

(a) Assistance to visitors with transportation between public transit terminals and prisons.

(b) Child care for visitors' children.

(c) Emergency clothing.

(d) Information on visiting regulations and processes.

(e) Referral to other agencies and services.

(f) A sheltered area, which is outside of the security perimeter, for

visitors who are waiting before or after visits.

In addition, each center shall maintain working relations with the local community and institution.

6353. Each nonprofit agency which the department contracts with pursuant to Section 6351 shall submit to the department and to the Legislature an annual report which includes, but is not limited to, the following information:

(a) A description of the barriers to visiting.

(b) A quantitative and narrative description of the services which it rendered.

(c) A description of the impact of the centers which it provided on visiting.

(d) A description of areas for improvement of services or coordination with other public or private agencies.

(e) A description of the community resources which it utilized.

6354. The Department of Corrections shall employ all the following criteria in selecting the agency or agencies with which it contracts pursuant to Section 6351:

(a) The number and quality of services proposed in comparison to direct program costs.

(b) Prior experience in establishing and operating prison visitor service centers in California.

(c) Prior experience in working cooperatively with the department, other correctional agencies, community programs, inmates, visitors, and the general public.

(d) The ability to use volunteers and other community resources to maximize the cost effectiveness of this program.

(e) The identified needs of visitors.

6355. Nothing in this chapter is intended to limit the department in developing additional programs or making all reasonable efforts to promote visits to prisoners.

CHAPTER 18

An act relating to lands within the Eel River oxbow area, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982]

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

SECTION 1. As used in this act:

(a) "Eel River oxbow area" means that certain area in the County of Humboldt, State of California, described as follows:

Those portions of Sections 20, 28, 29, 30, 31, 32 and 33, Township 3 North, Range 1 West, Humboldt Base and Meridian described as follows: Beginning at the southeast corner of Section 33; thence west

along the south line of Sections 33 and 32 to the southwest corner of Section 32; thence north along the west line of Section 32 to the south line of Parcel 1 in Deed recorded in Book 874, Page 384, Official Records, Humboldt County Records; thence west and north along the lines of that Parcel 1 to the south line of Parcel 2 of such deed; thence west and north along the lines of that Parcel 2 to the southwest corner of the parcel described in deed recorded in Book 31, Page 146, Official Records, Humboldt County Records; thence north along the west line of such parcel to the south line of Parcel 1 in deed recorded in Book 1178, Page 50, Official Records, Humboldt County Records; thence along the lines of that Parcel 1 west, northeast, east, north, west and northeast to the west line of Section 29; thence north along the west line of Section 29 and the east line of Section 19 to the southerly right of way of the Northwestern Pacific Railroad; thence southeasterly along such southerly right of way to the east line of Section 33; thence south along the east line of Section 33 to the point of beginning.

(b) "State sovereign lands" means those certain lands within the bed of the Eel River in the Eel River oxbow area, title to which was obtained by the State of California upon admission to the United States.

SEC. 2. The State Lands Commission is authorized to settle by agreement, exchange, or quitclaim any dispute as to whether particular lands within the Eel River oxbow area are in private ownership or proprietary ownership of the County of Humboldt by reason of title traceable to a state or federal patent or other valid source or, instead, are state sovereign lands, title to which is vested in the State of California by virtue of its sovereignty.

SEC. 3. The consideration for any release, quitclaim, or settlement under this act shall be determined by the State Lands Commission. In determining the adequacy of such consideration, the commission shall give effect to all factors bearing upon value, if any, of the public's interest being conveyed, released, quitclaimed, or settled, and the rights, claims, and equities of the person or governmental entity in whose favor the conveyance, release, quitclaim, or settlement is being made and those of their predecessors in interest. In those cases where the land has been filled or improved, or both, without the expenditure of state funds, such lands may be valued by excluding the value of the fill or improvements or both. Consideration under this act may consist of land, an interest in land, easements, or other things of value given by the grantee or any other person.

SEC. 4. The Legislature hereby finds and determines that those lands within the Eel River oxbow area which are situated outside the banks of the Eel River channel and which are recognized to be in private ownership by the State Lands Commission pursuant to Section 2 of this act have been improved in connection with the development of the area, and in the process of that development have been filled and reclaimed, are no longer sovereign lands, if they

ever were, and are no longer necessary or useful for commerce, navigation, and fisheries. Any portion of the lands, title to which passes by reason of any conveyance, release, quitclaim, or settlement to private parties or the County of Humboldt shall thereupon be freed of the common law public trust for commerce, navigation, and fisheries. Any certificate of the State Lands Commission concerning the character of the lands described in the instruments recorded under the provisions of this act shall be conclusive as to the character of lands declared therein to be outside of sovereign lands within the bed of the Eel River for the stretch of the river affected by this act.

SEC. 5. All lands or interests in lands which are received by the State of California, acting by and through the State Lands Commission, pursuant to this act shall be held as sovereign lands.

SEC. 6. The provisions of Sections 6307 and 6401 of the Public Resources Code shall not apply to this act.

SEC. 7. The provisions of this act shall not be deemed exclusive with respect to the settlement or litigation of titles and boundaries within the Eel River oxbow area, and this act shall not alter or impair any existing procedural or substantive rights or disabilities of any person or entity claiming title to or an interest in any lands in that area in the defense or prosecution of any proceeding now or hereafter instituted under the laws of this state, nor affect the applicability to those lands of any other provisions of law.

SEC. 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications, and to this end, the provisions of this act are severable.

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

A controversy has arisen over whether title to certain lands in the Eel River oxbow area is in public or private ownership, clouding the title to those lands. This controversy is preventing the sale of lands in that area. Resolution of this matter is possible if an agreement can be immediately concluded. The authority created by this act is required for such an agreement to be implemented. In order, therefore, to resolve this controversy at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 19

An act to add Section 4631.5 to the Public Resources Code, relating to state forests, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Section 4631.5 is added to the Public Resources Code, to read:

4631.5. It is further declared to be in the interest of the welfare of the people of this state that the state do all of the following:

(a) Retain the existing land base of state forests in timber production for research and demonstration purposes.

(b) Cooperate with local governments in mitigating the impacts on school enrollment of geothermal development which occurs in proximity to state-owned forest lands.

SEC. 2. In furtherance of the policy stated in Section 4631.5 of the Public Resources Code, the Director of General Services, with the approval of the Director of Forestry and the State Public Works Board, may sell for fair market value 10 acres of Boggs Mountain Demonstration State Forest to the Middletown School District to be used as a school site.

Any cost or expense incurred in the disposition of the 10 acres may be reimbursed from the proceeds of that disposition.

Subject to the preceding paragraph, the proceeds from the sale shall be deposited in the General Fund to be used, when appropriated therefor by the Legislature, for purchasing land to add to the state forest system in order to retain the existing state forest resource base in timber production.

SEC. 3. As to any property sold pursuant to this act, the Director of General Services, in consultation with the State Lands Commission, shall except and reserve to the state all mineral deposits as defined in Section 6407 of the Public Resources Code.

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

The Middletown School District is in immediate need of a site to construct additional school buildings to alleviate serious overcrowding. In order that a suitable site and additional buildings may be provided at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 20

An act to add Section 1194 to the Harbors and Navigation Code, relating to inland pilots, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 5, 1982 Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Section 1194 is added to the Harbors and Navigation Code, to read:

1194. Notwithstanding any other provision of law, rates for inland pilotage shall be 8 percent more than currently in existence as set forth in the schedule of ship pilot fees, Pacific Maritime Region, San Francisco Bay and Tributaries.

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

In order to comply with and implement the rate increase recommended by the Pilotage Rate Committee on September 10, 1981, for pilotage performed during 1982, it is necessary that this act take effect immediately.

CHAPTER 21

An act to amend Sections 20027 and 20615 of the Government Code, relating to the Public Employees' Retirement System.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982]

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

SECTION 1. Section 20027 of the Government Code is amended to read:

20027. "Normal contributions" means contributions required to be paid by a member at the normal rates of contribution fixed by the law, by contract, or by contract amendment, but does not include additional contributions.

"Normal contributions" also includes contributions required to be paid by a member which are in fact paid on behalf of a member by a contracting agency or school employer.

SEC. 2. Section 20615 of the Government Code is amended to read:

20615. Notwithstanding any other provision of law, a contracting agency or school employer may pay all or a portion of the normal contributions required to be paid by a member. Such payments shall be reported simply as normal contributions and shall be credited to member accounts.

Nothing in this section shall be construed to limit the authority of a contracting agency or school employer to periodically increase, reduce, or eliminate the payment by the contracting agency or

school employer of all or a portion of the normal contributions required to be paid by a member, as authorized by this section.

This section shall be applicable only to a contracting agency or school employer having a collective-bargaining agreement with its employees in effect on July 1, 1981.

SEC. 3. The Legislature finds that, since (1) the provisions of Section 2 of this act extend only to contracting agencies and school employers with established collective-bargaining procedures and (2) the additional authority provided to such agencies and employers by Section 2 of this act will have a negligible impact on the future costs of such procedures, no reimbursements should be made pursuant to the authority provided in Section 4 of this act.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 22

An act to add Article 1.5 (commencing with Section 35110) to Chapter 2 of Part 21 of the Education Code, relating to school districts.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Article 1.5 (commencing with Section 35110) is added to Chapter 2 of Part 21 of the Education Code, to read:

Article 1.5. Common Governing Boards

35110. When the membership of the governing boards of an elementary school district and a high school district is the same, and if the certificated employees in both districts have selected the same employee organization to be their exclusive representative for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, the board may adopt a resolution making the provisions of this article applicable to each district under its jurisdiction.

35111. (a) Except as provided in subdivisions (b) and (c), when a governing board has adopted a resolution specified in Section 35110, the elementary school district and the high school district shall

be deemed to be a single school district for all purposes, including, but not limited to, budget and personnel matters, and the governing board shall be deemed to be the governing board of a single school district.

(b) When a governing board has adopted a resolution pursuant to Section 35110, the school districts under its jurisdiction shall continue to be treated as separate school districts for purposes of computing state apportionments and allowances, and allocations of local property tax revenue.

(c) When a governing board has adopted a resolution pursuant to Section 35110, the school districts under its jurisdiction shall continue to hold title to the property of each district separately and any indebtedness for such property shall remain in the indebtedness of each separate district.

(d) When a governing board has adopted a resolution pursuant to Section 35110, the school districts under its jurisdiction shall publish annually, in a newspaper of local circulation, the general fund income and expenses of both districts. The publication documents shall indicate the amount transferred to each district pursuant to Section 35112 from the combined special reserve of both districts. The governing board shall adopt a resolution authorizing the specific transfers pursuant to Section 35112 at the time of the final budget adoption.

35112. When a governing board has adopted a resolution pursuant to Section 35110, the school districts under its jurisdiction may transfer funds between the districts to the extent permitted by Section 6 of Article XVI of the California Constitution.

35113. When a governing board has adopted a resolution pursuant to Section 35110, the length of service of each employee shall be counted from the original date of employment by either school district under the jurisdiction of the governing board.

CHAPTER 23

An act to add Section 2267 to the Vehicle Code, relating to the California Highway Patrol.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Section 2267 is added to the Vehicle Code, to read:

2267. (a) The commissioner shall provide, as safety equipment, boots to each member of the California Highway Patrol who is assigned to ride motorcycles. This safety equipment shall remain the property of the state. Items lost or damaged because of the negligence of the officer shall be replaced by the officer at his or her

expense.

(b) The commissioner shall pay the cost of aviation boots to each member of the California Highway Patrol who is assigned to aircraft operations and shall make aviation boots directly available for purchase by those members.

(c) This section shall become operative only if Senate Bill No. 215 of the 1981–82 Regular Session of the Legislature is chaptered.

CHAPTER 24

An act to add Section 22313 to the Education Code, and to add Section 7510 to the Government Code, relating to public retirement systems.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1 Section 22313 is added to the Education Code, to read:

22313. In addition to any other investment authorized by this chapter, the board may invest the assets of the Teachers' Retirement Fund in real property and leases thereof and improvements thereon for business or residential purposes. However, these investments shall not include real property primarily intended for use or valued as agricultural, horticultural, farm, ranch, or mineral property. These investments, in the aggregate, shall not exceed an amount equal to 10 percent of the assets of the Teachers' Retirement Fund.

SEC. 2. Section 7510 is added to the Government Code, to read:

7510. A public retirement system, which has invested assets in real property and improvements thereon for business or residential purposes for the production of income, shall pay annually to the city or county, in whose jurisdiction the real property is located and has been removed from the secured roll, a fee for general governmental services equal to the difference between the amount that would have accrued as real property secured taxes and the amount of possessory interest unsecured taxes paid for that property. The governing bodies of local entities may adopt ordinances and regulations authorizing retirement systems to invest assets in real property subject to the foregoing requirements.

This section shall not apply to any retirement system which is established by a local governmental entity if that entity is presently authorized by statute or ordinance to invest retirement assets in real property.

CHAPTER 25

An act to add Section 8217 to the Corporations Code, to add Sections 12182.5 and 53075 to the Government Code, and to add and repeal Section 17149 of the Revenue and Taxation Code, relating to ridesharing.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982]

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

SECTION 1. Section 8217 is added to the Corporations Code, to read:

8217. (a) No corporation formed under this part for the sole purpose of operating a single ridesharing vanpool vehicle designed for transporting at least eight persons, including the driver, under an arrangement in which ridesharing is incidental to another purpose of the driver shall be subject to the payment of any fee under provisions of the Government Code for any filing required by this part.

(b) For purposes of this section, "ridesharing" shall have the meaning specified in Section 522 of the Vehicle Code.

SEC. 2. Section 12182.5 is added to the Government Code, to read:

12182.5. (a) No filing fee established in this article shall be imposed upon a nonprofit mutual benefit corporation having as its sole purpose the operation of a single ridesharing vanpool vehicle designed for transporting at least eight persons, including the driver, under an arrangement in which ridesharing is incidental to another purpose of the driver.

(b) For purposes of this section, "ridesharing" shall have the meaning specified in Section 522 of the Vehicle Code.

SEC. 3. Section 53075 is added to the Government Code, to read:

53075. (a) No local agency may impose a tax upon, or require a license for, the conduct of ridesharing which uses a motor vehicle with a seating capacity of not more than 15 persons, including the driver, if the ridesharing purpose is incidental to another purpose of the driver of the ridesharing vehicle.

(b) For purposes of this section:

(1) "Local agency" means a county, city, city and county, political subdivision, district, or municipal corporation.

(2) "Ridesharing" shall have the meaning specified in Section 522 of the Vehicle Code.

SEC. 4. Section 17149 is added to the Revenue and Taxation Code, to read:

17149. (a) Gross income does not include compensation or any other benefit, except salary or wages, received by an employee from an employer for the actual costs of participation in any ridesharing

arrangement in California specified in subdivision (b).

(b) For purposes of this section, compensation or any other benefit received for the actual costs of participation in a ridesharing arrangement in California includes compensation or other benefit received for:

(1) Commuting in a third party vanpool.

(2) Commuting in a private commuter bus.

(3) A monthly transit pass for use by the employee or his or her dependents, other than transit passes for use by elementary and secondary school students who are dependents of the employee.

(4) Commuting in a subscription taxipool.

(c) For purposes of this section, "third party vanpool," "monthly transit pass," and "subscription taxipool" shall have the meanings specified in Section 17202.3.

(d) This section shall apply only to taxable years 1981 to 1985, inclusive. This section shall remain in effect only until December 31, 1985, and as of that date is repealed unless a later enacted statute which is chaptered before December 31, 1985, deletes or extends that date.

SEC. 5. This bill shall only become operative if Senate Bill No. 215 of the 1981–82 Regular Session of the Legislature is enacted.

CHAPTER 26

An act to add Sections 9533.4 and 9598.6 to, and to repeal Section 9599.4 of, the Business and Professions Code, and to amend Section 25915 of, and to add Sections 25923 and 25924 to, the Public Resources Code, relating to hazardous chemicals and substances, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 5, 1982. Filed with Secretary of State February 6, 1982.]

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

SECTION 1. Section 9533.4 is added to the Business and Professions Code, to read:

9533.4. The board may adopt rules and regulations governing the disposal of chemicals used by licensees in the scope of their licensed activities. These rules and regulations may include emissions standards.

SEC. 2. Section 9598.6 is added to the Business and Professions Code, to read.

9598.6. Notwithstanding any other provision of law, no licensee shall use carbon tetrachloride or trichlorethylene as a cleaning agent when engaged in onsite drycleaning. For the purposes of this section, "onsite drycleaning" means drycleaning which is performed in a

residence or any commercial or public building other than a licensed establishment or plant. Violation of this section is a misdemeanor and a cause for disciplinary action.

SEC. 3. Section 9599.4 of the Business and Professions Code is repealed.

SEC. 4. The Legislature finds as follows:

(a) Urea formaldehyde foam insulation has caused significant problems to consumers in California due to the product's propensity to shrink after installation, emit odors, and induce sensitization to formaldehyde.

(b) Recent studies have raised significant concerns over the long-term health and safety of persons exposed to urea formaldehyde foam insulation in their homes and workplaces.

(c) No technological means exists to reasonably assure that any given installation of urea formaldehyde foam insulation will be problem free.

(d) No technological means exists to reasonably assure that problems arising from any given installation of urea formaldehyde foam insulation can be mitigated.

(e) There are, on the market, alternatives to urea formaldehyde foam insulation of comparable effectiveness and lesser risk.

(f) Urea formaldehyde foam insulation constitutes a small and decreasing portion of the insulation market in California.

(g) It is appropriate to clearly affirm the existing authority of the California Energy Resources Conservation and Development Commission to, among other things, prohibit the sale and installation of urea formaldehyde foam insulation materials and require safety notices to consumers as necessary and appropriate to protect the public health and safety.

SEC. 5. Section 25915 of the Public Resources Code is amended to read:

25915. (a) "Approved testing lab" means any testing facility which is determined by rule and regulation of the commission to have adequate personnel, facilities, equipment, and expertise to carry out the testing of such systems. Testing of insulation material by the manufacturer in his own approved testing lab or in an approved independent testing lab under contract to the manufacturer may be utilized in the initial certification process and the continued maintenance of such certifications.

(b) "Insulation material" means any material placed within or contiguous to a wall, ceiling, or floor of a room or building, or contiguous to the surface of any appliance or its intake or outtake mechanism, for the purpose of reducing heat transfer and thus the electrical or gas energy requirements for heating or cooling the building or operating the appliance, or reducing adverse temperature fluctuations of the building, room, or appliance.

(c) "R-value" means a measure of thermal resistance of material or composite materials. "R-value" as used here is equal to the reciprocal of the conductance of a given material, or

$$\text{R-value} = \frac{1}{\text{conductance of the material}}$$

where the conductance of the material is: Btu (hour × square foot × Fahrenheit degree average temperature difference between two surfaces).

(d) "Quality assurance program" means a system of procedures employed at the place of manufacture of insulation material designed to assure that insulation material produced at that place continues to meet the standards established by the commission pursuant to this chapter. Such program shall include, without limitation, regular periodic testing by an approved testing lab.

(e) "Urea formaldehyde foam insulation" means any insulation product which consists, in whole or in part, of a multicelled foam formed through the combination of a urea formaldehyde resin with a catalyst, and expanded with a gas or gaseous reaction product generated in the formation of such insulation.

SEC. 6. Section 25923 is added to the Public Resources Code, to read.

25923. In addition to the authority set forth in Section 25920, the State Energy Resources Conservation and Development Commission may adopt regulations pertaining to urea formaldehyde foam insulation materials as are reasonably necessary to protect the public health and safety. These regulations may include, but are not limited to, prohibition of the manufacture, sale, or installation of urea formaldehyde foam insulation, requirements for safety notices to consumers, certification of installers, and specification of installation practices. Regulations adopted pursuant to this section shall be promulgated after public hearings in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Any regulation adopted by the commission to prohibit the sale and installation of urea formaldehyde foam insulation shall be based upon a record of scientific evidence which demonstrates the need for the prohibition in order to protect the public health and safety.

SEC. 7. Section 25924 is added to the Public Resources Code, to read:

25924. Prior to adopting any regulation which causes a prohibition on the sale and installation of urea formaldehyde foam insulation, in addition to the requirements contained in Section 25925 of the Public Resources Code, the commission shall consult with and solicit written comments from the following:

(a) Federal and state agencies with appropriate scientific staffs, including but not limited to, the California Department of Health Services, National Academy of Sciences, United States Department of Housing and Urban Development, United States Department of Energy, and the United States Consumer Product Safety

Commission.

(b) Universities and public and private scientific organizations.

SEC. 8. The sum of two hundred seventeen thousand two hundred dollars ($217,200) is hereby appropriated from the Fabric Care Fund to the State Board of Fabric Care in augmentation of Item 132-030-745 of the Budget Act of 1981, for the purposes of enforcing Sections 9533.4 and 9598.6 of the Business and Professions Code.

SEC. 9. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

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

In order to assure that the insulation purchased by citizens of the state is efficient, reliable, and safe, and that the citizens of this state are not exposed to dangerously toxic vapors from drycleaning performed in residences, or commercial or public establishments, it is necessary that this act take effect immediately.

CHAPTER 27

An act to amend Section 65361 of, and to add Article 14 (commencing with Section 65750) to Chapter 3 of Division 1 of Title 7 of, the Government Code, relating to local planning.

[Became law without Governor's signature. Filed with Secretary of State February 8, 1982.]

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

SECTION 1. Section 65361 of the Government Code is amended to read:

65361. (a) Except as provided in subdivision (b), no mandatory element of a general plan shall be amended more frequently than three times during any calendar year, which amendment or amendments may occur at any time as determined by the legislative body.

(b) This section does not apply to amendment of any general plan element requested and necessary for a single development of residential units, at least 25 percent of which will be occupied by or available to persons and families of low or moderate income, as defined by Section 50093 of the Health and Safety Code. The

specified percentage of low- or moderate-income housing may be developed on the same site as the other residential units proposed for development, or on another site or sites encompassed by the general plan, in which case the combined total number of residential units shall be considered a single development proposal.

This section does not apply to the adoption of any element to the general plan or to the amendment of the general plan, or an element thereof, in order to comply with a court decision pursuant to Article 14 (commencing with Section 65750).

SEC. 2. Article 14 (commencing with Section 65750) is added to Chapter 3 of Division 1 of Title 7 of the Government Code, to read:

Article 14. Actions or Proceedings

65750. There currently is a housing crisis in California and it is essential to reduce delays and restraints upon the ability to expeditiously complete housing projects.

A court action challenging the adequacy of the general plan of a city or county has a chilling effect on the confidence with which developers and local governments can proceed with housing projects.

A judicial decision holding that the general plan of a city, county, or city and county is inadequate can prevent the approval and development of housing projects even though the projects are not directly affected by the portions of the general plan found to be inadequate.

The purpose of this article is to provide methods to expedite judicial review of challenges to a general plan and to ensure that a court decision holding a general plan inadequate does not unnecessarily inhibit the provision of affordable housing.

The procedures and remedies set forth in this article shall not be construed to affect the substantive standards of court review of a general plan or of other local government land use decisions. The remedies set forth herein are interim measures which shall have no application after a general plan has been revised to conform with state law.

Nothing in this article shall prohibit a court from invalidating any development permit, including a subdivision map or zone change, based on failure to comply with the Subdivision Map Act (Div. 2 (commencing with Sec. 66410), Title 7, Gov. C.), the California Environmental Quality Act (Div. 13 (commencing with Sec. 21000), P.R.C.), the Planning and Zoning Law (Title 7 (commencing with Sec. 65000), Gov. C.), and other applicable laws.

65751. Any action to challenge a general plan or any element thereof on the grounds that such plan or element does not conform to the requirements of Article 5 (commencing with Section 65300) shall be brought pursuant to Section 1085 of the Code of Civil Procedure.

65752. All actions brought pursuant to Section 65751, including

the hearing of any such action on appeal from the decision of a lower court, shall be given preference over all other civil actions before the court in the matter of setting the same for hearing or trial, and in hearing the same, to the end that all such actions shall be speedily heard and determined.

65753. The petitioner shall request a hearing within 90 days of filing the petition for a writ of mandate pursuant to Section 65751. If the petitioner does not do so, the court may, on its own motion, or on the motion of any party interested therein, dismiss the petition.

65754. In any action brought to challenge the validity of the general plan of any city, county, or city and county, or any mandatory element thereof, if the court, in a final judgment in favor of the plaintiff or petitioner, finds that the general plan or any element thereof does not conform to the requirements of Article 5 (commencing with Section 65300):

(a) The city, county, or city and county shall bring its general plan or relevant mandatory element or elements thereof into compliance with the requirements of Article 5 (commencing with Section 65300) within 120 days.

Notwithstanding the provisions of subdivision (b) of Section 65585, the planning agency of the city, county, or city and county shall submit a draft of its revised housing element or housing element amendment at least 45 days prior to its adoption to the Department of Housing and Community Development for its review, notifying the department that the element is subject to the review procedure set forth in this section.

The department shall review the draft element or amendment and report its findings to the planning agency within 45 days of receipt of the draft. The legislative body shall consider the department's findings prior to final adoption of the housing element or amendment.

(b) The city or county, including the chartered cities specified in subdivision (d) of Section 65860, shall, in accordance with Section 65860, bring its zoning ordinance into consistency with its general plan or relevant mandatory element or elements thereof within 120 days after the general plan has been amended in accordance with subdivision (a).

65755. The court shall include, in the decision rendered pursuant to Section 65754, one or more of the following provisions for any or all types or classes of developments or any or all geographic segments of the city, county, or city and county until the city, county, or city and county has complied with the requirements of Article 5 (commencing with Sections 65300):

(1) Suspend the authority of the city, county, or city and county pursuant to Division 13 (commencing with Section 17910) of the Health and Safety Code, to issue building permits, or any category of building permits, and all other related permits, except that the city, county, or city and county shall continue to function as an enforcement agency for review of permit applications for

appropriate codes and standards compliance, prior to the issuance of building permits and other related permits for residential housing for that city, county, or city and county.

(2) Suspend the authority of the city, county, or city and county, pursuant to Chapter 4 (commencing with Section 65800) to grant zoning changes or any and all categories of zoning changes, including variances.

(3) Suspend the authority of the city, county, or city and county, pursuant to Division 2 (commencing with Section 66410), to grant subdivision map approvals for any and all categories of subdivision map approvals.

(4) Mandate the approval of all applications for building permits, or other related construction permits, for residential housing where a final subdivision map, parcel map, or plot plan has been approved for the project, where the approval will not impact on the ability of the city, county, or city and county to properly adopt and implement an adequate housing element, and where the permit application conforms to all code requirements and other applicable provisions of law except those zoning laws held to be invalid by the final court order, and changes to the zoning ordinances adopted after such final court order which were enacted for the purpose of preventing the construction of a specific residential development.

(5) Mandate the approval of any or all final subdivision maps for residential housing projects which have previously received a tentative map approval from the city, county, or city and county pursuant to Division 2 (commencing with Section 66410) when the final map conforms to the approved tentative map, the tentative map has not expired, and where approval will not impact on the ability of the city, county, or city and county to properly adopt and implement an adequate housing element.

(6) Mandate that notwithstanding the provisions of Sections 66473.5 and 66474, any tentative subdivision map for a residential housing project shall be approved if all of the following requirements are met:

(A) The approval of the map will not significantly impair the ability of the city, county, or city and county to adopt and implement those elements or portions thereof of the general plan which have been held to be inadequate.

(B) The map complies with all provisions of Division 2 (commencing with Section 66410), except those parts which would require disapproval of the project due to the inadequacy of the general plan.

(C) The approval of the map will not affect the ability of the city, county, or city and county to adopt and implement an adequate housing element.

(D) The map is consistent with the portions of the general plan not found inadequate and the proposed revisions, if applicable, to the part of the plan held inadequate.

65756. The court may order a reference of any action brought

pursuant to this article in accordance with Section 639 of the Code of Civil Procedure, or pursuant to any other provision of law which grants a court the authority to appoint expert witnesses, monitors, masters, or other third party judicial assistants used in complex litigation. Following the reference, the referee or third party judicial assistants so appointed shall report their findings to the court within not more than 90 days.

65757. During the pendency of any action described in Section 65754, the court may, upon a showing of probable success on the merits, grant the relief provided in Section 65755 as temporary relief. In any order granting temporary relief, the court shall not enjoin during the pendency of the action any housing developments which comply with applicable provisions of law and which may be developed without having an impact on the ability of the city, county, or city and county to properly adopt and implement an adequate housing element. Any housing developments permitted to proceed during the pendency of the action shall not be subject to the restrictions specified in subdivision (a) or (b) of Section 65754 as part of any final judgment.

65758. If the court enters any temporary relief pursuant to Section 65757, upon the request of any party within 30 days of the issuance of the temporary order, the court shall make a final determination and enter judgment on the merits within 180 days from the date of the request.

65759. In any action brought under this section:

(1) The provisions of the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, shall not apply to any action necessary to bring its general plan or relevant mandatory elements thereof into compliance with any court order or judgment under this section.

The local agency shall, however, prepare an initial study, within the time limitations specified in Section 65754, to determine the environmental effects of the proposed action necessary to comply with the court order. The initial study shall contain substantially the same information as is required for an initial study pursuant to subdivision (c) of Section 15080 of Title 14 of the California Administrative Code.

If as a result of the initial study, the local agency determines that the action may have a significant effect on the environment, the local agency shall prepare, within the time limitations specified in Section 65754, an environmental assessment, the content of which substantially conforms to the required content for a draft environmental impact report set forth in Article 9 (commencing with Section 15140) of Title 14 of the California Administrative Code. The local agency shall include notice of the preparation of the environmental assessment in all notices provided for the amendments to the general plan proposed to comply with the court order.

The environmental assessment shall be deemed to be a part of the

general plan and shall only be reviewable as provided in this article.

The local agency may comply with the provisions of the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, in any action necessary to bring its general plan or relevant mandatory elements thereof into compliance with any court order or judgment under this section so long as it does so within the time limitations specified in Section 65754.

(2) The court for good cause shown may grant not more than two extensions of time, not to exceed a total of 240 days, in order to meet the requirements imposed by Section 65754.

65760. In determining whether a housing development will have an impact on the ability of the city, county, or city and county to properly adopt and implement an adequate housing element, the court shall consider all relevant factors. There is a conclusive presumption that any housing development, 25 percent of which units are affordable to persons and families of low or moderate income, as defined by Section 50093 of the Health and Safety Code, can be developed without having an impact on the ability of the city, county, or city and county to properly adopt and implement an adequate housing element.

65761. In no event shall any court grant as relief in any action brought pursuant to this article the revocation of any building permits or related permits for the construction of residential housing which has been issued prior to the filing of the complaint in such action.

Nothing in this section shall be construed as a limitation on the ability to bring an action and to grant relief for a violation of Article 10.5 (commencing with Section 65560).

CHAPTER 28

An act making an appropriation to pay the claims of the State Board of Control, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 12, 1982. Filed with Secretary of State February 12, 1982]

I am deleting the $794,543 reappropriation contained in Section 3 of Assembly Bill No 171. The reappropriation would provide for funding of claims based on Sections 3400 to 3409 of Title 8 of the California Administrative Code, relating to firefighting protective clothing and equipment.

The State should not be responsible for costs mandated by federal law or regulation Furthermore, the reappropriation appears to be inconsistent with provisions of earlier enacted legislation (Chapter 1090, Statutes of 1981 and Chapter 1284, Statutes of 1974).

With this reduction, I approve Assembly Bill No. 171.

EDMUND G. BROWN JR , Governor

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

SECTION 1. The sum of twelve million four hundred four thousand six hundred seventy dollars ($12,404,670) is hereby appropriated from the General Fund according to the following schedule:

1. Four million two hundred sixteen thousand six hundred six dollars ($4,216,606) 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 calendar year 1980.

2. Six million eight hundred nine thousand three hundred nine dollars ($6,809,309) to the Controller for the payment of claims of school districts resulting from costs incurred in compliance with state-mandated legislation, specifically, those programs required by Chapter 856 of the Statutes of 1976 and Chapter 894 of the Statutes of 1977, pursuant to paragraph (1) of subdivision (d) of Section 2231 of the Revenue and Taxation Code, for the 1978–79 and 1979–80 fiscal years; provided, however, that only school districts maintaining junior or senior high schools shall be reimbursed from this appropriation, except that a county superintendent of schools may submit a combined claim on behalf of those school districts in compliance with Section 2233 of the Revenue and Taxation Code.

3. One million three hundred seventy-eight thousand seven hundred fifty-five dollars ($1,378,755) to the Controller for the payment of late claims presented to the State Board of Control pursuant to Section 2236 of the Revenue and Taxation Code.

SEC. 2. The sum of seven hundred ninety-four thousand five hundred forty-three dollars ($794,543) is hereby reappropriated from paragraph (d) of Item 835-001-001 of the 1981 Budget Act, Chapter 99 of the Statutes of 1981, to the State Board of Control for payment of claims awarded in reimbursement of costs mandated under Sections 3401 to 3409, inclusive, of Title 8 of the California Administrative Code.

SEC. 3. Notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, no appropriation is made by this act for the payment of claims for the 1980–81 fiscal year or for any future claims for reimbursement of costs incurred as a result of Chapter 856 of the Statutes of 1976 and Chapter 894 of the Statutes of 1977, since Chapter 1333 of the Statutes of 1980 already provides for reimbursement of this type.

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

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

CHAPTER 29

An act to amend Sections 84216, 87207, and 87210 of the Government Code, relating to the Political Reform Act of 1974.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 84216 of the Government Code is amended to read:

84216. Notwithstanding Section 82015, a loan received by a candidate or committee is a contribution unless the loan is received from a commercial lending institution in the ordinary course of business or it is clear from the surrounding circumstances that it is not made for political purposes. A loan which is not a contribution, but which is used by a candidate or committee for political purposes, shall be reported in the manner described in Section 84211.

SEC. 2. Section 87207 of the Government Code is amended to read:

87207. (a) When income is required to be reported under this article, the statement shall contain, except as provided in subsection (b):

(1) The name and address of each source of income aggregating two hundred fifty dollars ($250) or more in value, or fifty dollars ($50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

(2) A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was at least two hundred fifty dollars ($250) but did not exceed one thousand dollars ($1,000), whether it was in excess of one thousand dollars ($1,000) but was not greater than ten thousand dollars ($10,000), or whether it was greater than ten thousand dollars ($10,000);

(3) A description of the consideration, if any, for which the income was received;

(4) In the case of a gift, the amount and the date on which the gift was received.

(5) In the case of a loan, the annual interest rate and the security, if any, given for the loan.

(b) When income of a business entity, including income of a sole proprietorship, is required to be reported under this article, the statement shall contain:

(1) The name, address, and a general description of the business activity of the business entity;

(2) In the case of a business entity which provides legal or brokerage services, the name of every person who paid fees to the business entity if the filer's pro rata share of fees from such person

was equal to or greater than one thousand dollars ($1,000);

(3) In the case of a business entity not covered by paragraph (2), the name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars ($10,000) during a calendar year.

SEC. 3. Section 87210 of the Government Code is amended to read:

87210. No person shall make a gift totaling fifty dollars ($50) or more in a calendar year to a person described in Article 2 on behalf of another, or while acting as the intermediary or agent of another, without disclosing to the recipient of the gift both his own full name, street address, and business activity, if any, and the full name, street address, and business activity, if any, of the actual donor. The recipient of the gift shall include in his Statement of Economic Interests the full name, street address, and business activity, if any, of the intermediary or agent and the actual donor.

SEC. 4. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

CHAPTER 30

An act making an appropriation for the support of the California Conservation Corps, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. The sum of one million two hundred thousand dollars ($1,200,000) is hereby appropriated from the contingency reserve for economic uncertainties in the General Fund, continued in existence by Section 12.30 of the Budget Act of 1981 (Chapter 99, Statutes of 1981), for the support of the California Conservation Corps during the 1981–82 fiscal year to replace federal funds for the California Conservation Corps for the support of corpsmembers' salaries in the 1981–82 fiscal year and for state workers' compensation costs for the corps that are increased due to the loss of federal workers' compensation support in the 1981–82 fiscal year, each as determined by the Director of Finance.

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

In order for the funds appropriated by this act to be made available during the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 31

An act to amend Section 1141.11 of the Code of Civil Procedure, relating to courts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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. In the Superior Court of Sonoma County all at-issue civil actions pending between October 1, 1979, and October 1, 1983, 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; provided, however, that any superior or municipal court may provide by local rule that the provisions of this chapter shall apply to actions pending on or filed after July 1, 1979. Any action filed in such court after the conclusion of the pilot project shall be subject to the provisions of this chapter.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

In order to provide for continuity in the pilot project for arbitration in the Superior Court of Sonoma County, which project is scheduled to expire October 1, 1981, it is necessary that this act go into immediate effect.

CHAPTER 32

An act to amend Section 431 of the Military and Veterans Code, relating to armories, and making an appropriation therefor.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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, county, other political subdivision of the state, 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 that operation shall be reimbursed by the United States.

(c) All revenues or income from any armory shall be paid to the Commanding General who shall account for the revenues or income to the Controller at the close of each month in the form that the Controller prescribes and shall deposit the revenues and income into the Treasury to the credit of the General Fund. The revenues and income are hereby continuously appropriated to the Commanding General for allocation for the maintenance, repairs, improvements, and operating expenses of the armory from which the revenues and income were derived. 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 33

An act to add Chapter 12.2 (commencing with Section 13953) to Division 7 of the Water Code, relating to water quality.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Chapter 12.2 (commencing with Section 13953) is added to Division 7 of the Water Code, to read:

CHAPTER 12.2. SAN JOAQUIN VALLEY AGRICULTURAL DRAIN

13953. There shall be no discharge from a San Joaquin Valley agricultural drain to the Delta, Suisun Bay, or Carquinez Straits until the requirements of this division and the Federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) are satisfied.

13953.1. There shall be no discharge from a San Joaquin Valley drain into Monterey Bay or tributaries draining into Monterey Bay.

13953.2. If a San Joaquin Valley agricultural drain, including the drainage facility authorized as part of the San Luis Unit of the federal Central Valley Project, is constructed and discharges to the Delta, Suisun Bay, or Carquinez Straits, the state board shall permit the discharge pursuant to this division only if the state board finds that

the following additional requirements are satisfied:

(a) The discharge of the drain, which is to carry only subsurface agricultural drainage effluent, shall be located and shall discharge at rates of flow to protect the beneficial uses of the Delta, Suisun Marsh, and the bays westerly to the Golden Gate. If it is determined to be in the public interest to provide a substitute water supply to water users in lieu of modifying the operation or changing the discharge point of the drain, no added financial burden shall be placed on the water users solely by virtue of that substitution.

(b) The drainage facility shall include built-in operational flexibility, control, and treatment to protect the beneficial uses of the Delta, Suisun Marsh, and the bays westerly to the Golden Gate.

(c) There is established an acceptable comprehensive monitoring program prior to and during the operation of the drain to determine the impact of the discharge effluent, if any, on the Delta, Suisun Marsh, and the bays westerly to the Golden Gate.

(d) A program has been developed, funded, and initiated to evaluate the feasibility of using drain water to establish wetland habitat capable of producing wintering waterfowl food supplies.

(e) The repayment schedule for the drain takes into account the following:

(1) The quantity of effluent discharged into the drain by the discharger.

(2) The concentration of salts in the effluent of the discharger.

(3) The distance the effluent of the discharger is carried in the drain.

(4) The quantity of water applied in the areas contributing to the drainage problem.

(f) There is an enforceable provision in the permit that any surface or subsurface effluent leakage shall be confined within the drainage facility right-of-way, and that in the event that this condition is violated the drainage facility shall not be operated until the leakage is stopped.

(g) The alignment of the drainage facility, to the extent feasible, shall be designed to minimize severance and access problems to land, roadways, and other facilities along the right-of-way.

13953.3. Subsurface drainage effluent may be made available for any beneficial uses for which it is suitable, including, but not limited to, industrial uses, powerplant cooling, energy development, enhancement of fish and wildlife resources, and irrigation. These programs may reduce the demands for new fresh water supplies.

13953.4. It is the intent of the Legislature that, to the extent feasible, features for the enhancement of fish and wildlife resources shall be incorporated into the drain. The state's participation in the drain shall be subject to the Davis-Dolwig Act (Chapter 10 (commencing with Section 11900) of Part 3 of Division 10).

CHAPTER 34

An act to add Title 4.5 (commencing with Section 4400) to Part 3 of the Penal Code, relating to county jails, providing the funds necessary therefor through the issuance and sale of bonds of the State of California, and providing for the submission of the measure to a vote of the people at an election.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Title 4.5 (commencing with Section 4400) is added to Part 3 of the Penal Code, to read:

TITLE 4.5. COUNTY JAIL CAPITAL EXPENDITURE BOND ACT OF 1981

CHAPTER 1. FINDINGS AND DECLARATIONS

4400. This title shall be known and may be cited as the County Jail Capital Expenditure Bond Act of 1981.

4401. It is found and declared that:

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

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

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

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

(e) A 1980 survey authorized by the State Board of Corrections concluded that more than two hundred million dollars ($200,000,000) would be necessary merely to bring county and city jails up to the standards in effect when they were built. Subsequent hearings by the Senate Judiciary Committee's Subcommittee on Corrections concluded that at least five hundred million dollars ($500,000,000) would be necessary to bring such facilities up to present standards, without allowing for inflationary increases in construction costs in ensuing years.

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

CHAPTER 2. FISCAL PROVISIONS

4410. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued pursuant to this title, and the provisions of that law are included in this title as though set out in full in this chapter except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 20 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of such series.

4411. As used in this title, and for the purpose of this title, the following words shall have the following meanings:

(a) "Committee" means the County Jail Capital Expenditure Finance Committee created by Section 4413.

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

4412. There is in the State Treasury the County Jail Capital Expenditure Fund, which fund is hereby created.

4413. For the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this title, the County Jail Capital Expenditure Finance Committee is hereby created. The committee consists of the Governor or his designated representative, the Controller, the Treasurer, and the Director of Finance. The County Jail Capital Expenditure Committee shall be the "committee" as that term is used in the State General Obligation Bond Law, and the Treasurer shall serve as chairman of the committee. The Board of Corrections is hereby designated as "the board" for purposes of this title and for the purposes of the State General Obligation Bond Law.

4414. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of two hundred eighty million dollars ($280,000,000), in the manner provided in this title. Such debt or debts, liability or liabilities, shall be created for the purpose of providing the funds to be used for the object and work specified in Section 4415 and for administrative costs incurred in connection therewith.

4415. Moneys in the fund shall be available for expenditure in accordance with this title by the Board of Corrections. Prior to the disbursement of any money in the fund the board, the Subcommittee on Corrections of the Senate Judiciary Committee and the Subcommittee on County Jails of the Assembly Criminal Justice Committee shall reexamine the factors specified in subdivisions (a) and (b) to determine whether they are still suitable and applicable to the distribution of the proceeds of the bonds authorized by this title. Moneys in the fund shall be available for expenditure for the following purposes:

(a) For the construction, reconstruction, remodeling, and replacement of county jail facilities, and the performance of deferred

maintenance activities on such facilities pursuant to rules and regulations adopted by the Board of Corrections, in accordance with the provisions of Section 6029.1. No expenditure shall be made unless county matching funds of 25 percent are provided.

(b) In performing the duties set forth in subdivision (a), the Board of Corrections shall consider all of the following:

(1) The extent to which the county requesting aid has exhausted all other available means of raising the requested funds for the capital improvements and the extent to which the funds from the County Jail Capital Expenditure Fund will be utilized to attract other sources of capital financing for county jail facilities.

(2) The extent to which the capital improvements are necessary to the life or safety of the persons confined or employed in the facility or the health and sanitary conditions of the facility.

(3) The extent to which the county has utilized reasonable alternatives to pre-conviction and post-conviction incarceration, including, but not limited to, programs to facilitate release upon one's own recognizance where appropriate to individual's pending trial, sentencing alternatives to custody, and civil commitment or diversion programs consistent with public safety for those with drug or alcohol-related problems or mental or developmental disabilities.

4416. (a) When sold, the bonds authorized by this title shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

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

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

4417. All money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this title shall be available for transfer to the General Fund. When transferred to the General Fund such money shall be applied as a reimbursement to the General Fund on account of principal and interest on the bonds which has been paid from the General Fund.

4418. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this title, such an amount as will equal the following:

(a) That sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the

provisions of this title, as principal and interest become due and payable.

(b) That sum as is necessary to carry out the provisions of Section 4419, which sum is appropriated without regard to fiscal years.

4419. For the purpose of carrying out the provisions of this title, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this title. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this title. Any money made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this title. Such withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by such sums in the Pooled Money Investment Fund.

4420. The committee may authorize the State Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

4421. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 4415 but shall not be available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as herein provided.

4422. All proposed appropriations for the projects specified in this title, shall be included in a section in the Budget Bill for the 1982–83 and each succeeding fiscal year, for consideration by the Legislature. All appropriations shall be subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditures of state funds, unless expressly exempted from such laws by a statute enacted by the Legislature. No funds derived from the bonds authorized by this title may be expended pursuant to an appropriation not contained in such section of the Budget Act.

SEC. 2. Section 1 of this act shall become operative upon the adoption by the people of the measure as set forth in that section.

SEC. 3. This act shall be submitted to a vote of the people at either a direct primary or a general election next following a period of 131 days after the effective date of this act. Except as otherwise provided in this act, all of the provisions of law relating to the submission of measures proposed by the Legislature shall apply to the measure submitted pursuant to this act.

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

SEC. 5. Notwithstanding any other provision of law, all ballots of

the election shall have printed thereon and in a square thereof, the words: "For the County Jail Capital Expenditure Bond Act of 1981," and in the same square under those words, the following in eight-point type: "This act provides for the construction, reconstruction, remodeling, and replacement of county jails and the performance of deferred maintenance thereon pursuant to a bond issue of two hundred eighty million dollars ($280,000,000)." In the square immediately below the square containing such words, there shall be printed on the ballot the words, "Against the County Jail Capital Expenditure Bond Act of 1981," and in the same square immediately below those words, in eight-point type: "This act provides for the construction, reconstruction, remodeling, and replacement of county jails and the performance of deferred maintenance thereon pursuant to a bond issue of two hundred eighty million dollars ($280,000,000)." Opposite the words "For the County Jail Capital Expenditure Bond Act of 1981," and "Against the County Jail Capital Expenditure Bond Act of 1981," there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting of the election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, such use of such voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section.

SEC. 6. The votes cast for or against the measure set forth in Section 1 of this act shall be counted, returned, and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appears that the act shall have received a majority of all the votes cast for and against it at the election, then the same shall have effect as provided in Section 2.

CHAPTER 35

An act to amend Section 3439.09 of, and to add Section 1954.1 to, the Civil Code, and to amend Section 1800 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 February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 1954.1 is added to the Civil Code, to read:

1954.1. In any general assignment for the benefit of creditors, as defined in Section 493.010 of the Code of Civil Procedure, the assignee shall have the right to occupy, for a period of up to 90 days after the date of the assignment, any business premises held under

a lease by the assignor upon payment when due of the monthly rental reserved in the lease for the period of such occupancy, notwithstanding any provision in the lease (whether heretofore or hereafter entered into) for the termination thereof upon the making of the assignment or the insolvency of the lessee or other condition relating to the financial condition of the lessee. This section shall be construed as establishing the reasonable rental value of the premises recoverable by a landlord upon a holding-over by the tenant upon the termination of a lease under the circumstances specified herein.

SEC. 2. Section 3439.09 of the Civil Code is amended to read:

3439.09. (a) Where a conveyance or obligation is fraudulent as to a creditor, such creditor, when his claim has matured, may, as against any person except a purchaser or encumbrancer for fair consideration without knowledge of the fraud at the time of the purchase, or one who has derived title immediately or mediately from such a purchaser or encumbrancer:

(1) Have the conveyance set aside or obligation annulled to the extent necessary to satisfy his claim, or

(2) Disregard the conveyance and attach or levy execution upon the property conveyed.

(b) An assignee of a general assignment for the benefit of creditors, as defined in Section 493.010 of the Code of Civil Procedure, may exercise any or all of the rights specified in subdivision (a) if and to the extent they are available to any one or more creditors of the assignor who are beneficiaries of the assignment.

(c) A purchaser or encumbrancer who without actual fraudulent intent has given less than a fair consideration for the conveyance or obligation, may retain the property or obligation as security for repayment.

SEC. 3. Section 1800 of the Code of Civil Procedure is amended to read:

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 "insider" means:

(A) If the assignor is an individual, any of the following:

(i) A relative of the assignor or of a general partner of the assignor.

(ii) A partnership in which the assignor is a general partner.

(iii) A general partner of the assignor.

(iv) A corporation of which the assignor is a director, officer, or person in control.

(B) If the assignor is a corporation, any of the following:

(i) A director of the assignor.

(ii) An officer of the assignor.

(iii) A person in control of the assignor.

(iv) A partnership in which the assignor is a general partner.

(v) A general partner of the assignor.

(vi) A relative of a general partner, director, officer, or person in control of the assignor.

(C) If the assignor is a partnership, any of the following:

(i) A general partner in the assignor.

(ii) A relative of a general partner in, general partner of, or person in control of the assignor.

(iii) A partnership in which the assignor is a general partner.

(iv) A general partner of the assignor.

(v) A person in control of the assignor.

(D) An affiliate of the assignor or an insider of an affiliate as if such affiliate were the assignor.

(E) A managing agent of the assignor.

As used in this paragraph, "relative" means an individual related by affinity or consanguinity with the third degree as determined by the common law, or an individual in a step or adoptive relationship within such third degree; and an "affiliate" means a person that directly or indirectly owns, controls or holds with power to vote 20 percent or more of the outstanding voting securities of the assignor or 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by the assignor (excluding securities held in a fiduciary or agency capacity without sole discretionary power to vote, or held solely to secure a debt if the holder has not in fact exercised the power to vote), or a person who operates the business of the assignor under a lease or operating agreement or whose business is operated by the assignor under a lease or operating agreement.

(4) The term "judicial lien" means a lien obtained by judgment, levy, sequestration, or other legal or equitable process or proceeding.

(5) 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.

(6) The term "receivable" means a right to payment, whether or not such right has been earned by performance.

(7) The term "security agreement" means an agreement that creates or provides for a security interest.

(8) The term "security interest" means a lien created by an agreement.

(9) 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.

(10) 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) 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 or made between 90 days and one year before the date of making the assignment if the creditor, at the time of the transfer, was an insider and had reasonable cause to believe the debtor was insolvent at the time of the transfer; 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), 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. 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 conform state law with federal law and to insure that preferential treatment of landlords in the law is curtailed immediately, it is necessary that this act take effect immediately.

CHAPTER 36

An act to amend Sections 194, 315, 1300, 1501, and 5056 of the Corporations Code, relating to corporations, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 194 of the Corporations Code is amended to read:

194. "Vote" includes authorization by written consent, subject to the provisions of subdivision (b) of Section 307 and subdivision (d) of Section 603.

SEC. 2. Section 315 of the Corporations Code is amended to read:

315. (a) A corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer of the corporation or its parent or subsidiary, unless the transaction or an employee benefit plan authorizing such loans or guaranties, after disclosure of the right under such a plan to include officers or directors (1) is approved by the shareholders (Section 153), with the

shares owned by the director or officer, or by the directors or officers then eligible to participate in such plan not being entitled to vote thereon or (2) is approved by the unanimous vote of the shareholders.

(b) Notwithstanding subdivision (a), if the corporation has outstanding shares held of record by 100 or more persons (determined as provided in Section 605) on the date of approval by the board, and has a bylaw approved by the outstanding shares (Section 152) authorizing the board alone to approve such a loan or guaranty to an officer, whether or not a director, or an employee benefit plan authorizing such a loan or guaranty to an officer, such a loan or guaranty or employee benefit plan may be approved by the board alone by a vote sufficient without counting the vote of any interested director or directors if the board determines that such a loan or guaranty or plan may reasonably be expected to benefit the corporation.

(c) A corporation shall not make any loan of money or property to, or guarantee the obligation of, any person upon the security of shares of the corporation or of its parent, unless the loan or guaranty is (1) otherwise adequately secured, (2) made pursuant to an employee benefit plan permitted by Section 408, (3) approved by the shareholders (Section 153) with the shares owned by the borrower not entitled to vote, or (4) approved by unanimous vote of the shareholders.

(d) Notwithstanding subdivision (a), a corporation may advance money to a director or officer of the corporation or of its parent or any subsidiary for any 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.

(e) The provisions of subdivision (a) do not apply to the payment of premiums in whole or in part by a corporation on a life insurance policy on the life of a director or officer so long as repayment to the corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value.

(f) This section does not apply to any corporation subject to the Banking Law or to industrial loan companies or credit unions or to loans permitted under any statute regulating any special class of corporations.

SEC. 3. Section 1300 of the Corporations Code is amended to read:

1300. (a) If the approval of the outstanding shares (Section 152) of a corporation is required for a reorganization under subdivisions (a) and (b) or subdivision (e) of Section 1201, each shareholder of such corporation entitled to vote on the transaction and each shareholder of a disappearing corporation in a short-form merger may, by complying with this chapter, require the corporation in which the shareholder holds shares to purchase for cash at their fair

market value the shares owned by the shareholder which are dissenting shares as defined in subdivision (b). The fair market value shall be determined as of the day before the first announcement of the terms of the proposed reorganization or short-form merger, excluding any appreciation or depreciation in consequence of the proposed action, but adjusted for any stock split, reverse stock split or share dividend which becomes effective thereafter.

(b) As used in this chapter, "dissenting shares" means shares which come within all of the following descriptions:

(1) Which were not immediately prior to the reorganization or short-form merger either (i) listed on any national securities exchange certified by the Commissioner of Corporations under subdivision (o) of Section 25100 or (ii) listed on the list of OTC margin stocks issued by the Board of Governors of the Federal Reserve System, and the notice of meeting of shareholders to act upon the reorganization summarizes the provisions of this section and Sections 1301, 1302, 1303 and 1304; provided, however, that this provision does not apply to any shares with respect to which there exists any restriction on transfer imposed by the corporation or by any law or regulation; and provided, further, that this provision does not apply to any class of shares described in clause (i) or (ii) if demands for payment are filed with respect to 5 percent or more of the outstanding shares of that class.

(2) Which were outstanding on the date for the determination of shareholders entitled to vote on the reorganization and (i) were not voted in favor of the reorganization or, (ii) if described in clause (i) or (ii) of paragraph (1) (without regard to the provisos in that paragraph), were voted against the reorganization, or which were held of record on the effective date of a short-form merger; provided, however, that clause (i) rather than clause (ii) of this paragraph applies in any case where the approval required by Section 1201 is sought by written consent rather than at a meeting.

(3) Which the dissenting shareholder has demanded that the corporation purchase at their fair market value, in accordance with Section 1301.

(4) Which the dissenting shareholder has submitted for endorsement, in accordance with Section 1302.

(c) As used in this chapter, "dissenting shareholder" means the recordholder of dissenting shares and includes a transferee of record.

SEC. 4. Section 1501 of the Corporations Code is amended to read:

1501. (a) The board shall cause an annual report to be sent to the shareholders not later than 120 days after the close of the fiscal year, unless in the case of a corporation with less than 100 holders of record of its shares (determined as provided in Section 605) this requirement is expressly waived in the bylaws. Such report shall contain a balance sheet as of the end of that fiscal year and an income statement and statement of changes in financial position for that fiscal year, accompanied by any report thereon of independent

accountants or, if there is no such report, the certificate of an authorized officer of the corporation that the statements were prepared without audit from the books and records of the corporation.

Unless so waived, the report shall be sent to the shareholders at least 15 (or, if sent by third-class mail, 35) days prior to the annual meeting of shareholders to be held during the next fiscal year, but this requirement shall not limit the requirement for holding an annual meeting as required by Section 600.

Notwithstanding Section 114, the financial statements of any corporation with fewer than 100 holders of record of its shares (determined as provided in Section 605) required to be furnished by this subdivision and subdivision (c) of this section are not required to be prepared in conformity with generally accepted accounting principles if they reasonably set forth the assets and liabilities and the income and expense of the corporation and disclose the accounting basis used in their preparation.

(b) In addition to the financial statements required by subdivision (a), the annual report of any corporation having 100 or more holders of record of its shares (determined as provided in Section 605) and having no class of securities registered under Section 12 of the Securities Exchange Act of 1934, or exempted from such registration by Section 12(g)(2) of that act, shall also describe briefly:

(1) Any transaction (excluding compensation of officers and directors) during the previous fiscal year involving an amount in excess of forty thousand dollars ($40,000) (other than contracts let at competitive bid or services rendered at prices regulated by law) to which the corporation or its parent or subsidiary was a party and in which any director or officer of the corporation or of a subsidiary or (if known to the corporation or its parent or subsidiary) any holder of more than 10 percent of the outstanding voting shares of the corporation had a direct or indirect material interest, naming the person and stating the person's relationship to the corporation, the nature of the person's interest in the transaction and, where practicable, the amount of the interest; provided, that in the case of a transaction with a partnership of which the person is a partner, only the interest of the partnership need be stated; and provided, further that no such report need be made in the case of any transaction approved by the shareholders (Section 153).

(2) The amount and circumstances of any indemnification or advances aggregating more than ten thousand dollars ($10,000) paid during the fiscal year to any officer or director of the corporation pursuant to Section 317; provided, that no such report need be made in the case of indemnification approved by the shareholders (Section 153) under paragraph (2) of subdivision (e) of Section 317.

(c) If no annual report for the last fiscal year has been sent to shareholders, the corporation shall, upon the written request of any shareholder made more than 120 days after the close of that fiscal year, deliver or mail to the person making the request within 30 days

thereafter the financial statements required by subdivision (a) for that year. A shareholder or shareholders holding at least 5 percent of the outstanding shares of any class of a corporation may make a written request to the corporation for an income statement of the corporation for the three-month, six-month or nine-month period of the current fiscal year ended more than 30 days prior to the date of the request and a balance sheet of the corporation as of the end of such period and, in addition, if no annual report for the last fiscal year has been sent to shareholders, the statements referred to in subdivision (a) for the last fiscal year. The statements shall be delivered or mailed to the person making the request within 30 days thereafter. A copy of the statements shall be kept on file in the principal office of the corporation for 12 months and they shall be exhibited at all reasonable times to any shareholder demanding an examination of them or a copy shall be mailed to such shareholder.

(d) The quarterly income statements and balance sheets referred to in this section shall be accompanied by the report thereon, if any, of any independent accountants engaged by the corporation or the certificate of an authorized officer of the corporation that such financial statements were prepared without audit from the books and records of the corporation.

(e) In addition to the penalties provided for in Section 2200, the superior court of the proper county shall enforce the duty of making and mailing or delivering the information and financial statements required by this section and, for good cause shown, may extend the time therefor.

(f) In any action or proceeding under this section, if the court finds the failure of the corporation to comply with the requirements of this section to have been without justification, the court may award an amount sufficient to reimburse the shareholder for the reasonable expenses incurred by the shareholder, including attorneys' fees, in connection with the action or proceeding.

(g) This section applies to any domestic corporation and also to a foreign corporation having its principal executive office in this state or customarily holding meetings of its board in this state.

SEC. 5. Section 5056 of the Corporations Code is amended to read:

5056. (a) "Member" means any person who, pursuant to a specific provision of a corporation's articles or bylaws, has the right to vote for the election of a director or directors or on a disposition of all or substantially all of the assets of a corporation or on a merger or on a dissolution unless the provision granting such right to vote is only effective as a result of paragraph (2) of subdivision (a) of Section 7132. "Member" also means any person who is designated in the articles or bylaws as a member and, pursuant to a specific provision of a corporation's articles or bylaws, has the right to vote on changes to the articles or bylaws.

(b) The articles or bylaws may confer some or all of the rights of a member, set forth in this part and in Parts 2 through 5 of this

division, upon any person or persons who do not have any of the voting rights referred to in subdivision (a).

(c) Where a member of a corporation is not a natural person, such member may authorize in writing one or more natural persons to vote on its behalf on any or all matters which may require a vote of the members.

(d) A person is not a member by virtue of any of the following:

(1) Any rights such person has as a delegate.

(2) Any rights such person has to designate or select a director or directors.

(3) Any rights such person has as a director.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide incentive for quality corporate officers to join California firms it is necessary to afford a means of offsetting the high cost of housing in the state. This bill would serve this need by authorizing loans to corporate officers. In order to enable California corporations to compete nationally for quality management personnel, it is necessary for this act to take effect immediately.

CHAPTER 37

An act to add Sections 20017.93, 20750.82, and 22013.7 to the Government Code, relating to the Public Employees' Retirement System, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. The Legislature finds and declares that the inclusion of state park rangers in the state safety member category of membership in the Public Employees' Retirement System would not result in additional net costs because there are savings as well as costs in such inclusion. Furthermore, a study by the State Personnel Board has formally concluded that the duties and responsibilities of state park rangers meet the criteria for inclusion in the category of state safety member.

SEC. 2. Section 20017.93 is added to the Government Code, to read:

20017.93. "State safety member" also includes members employed in the Department of Parks and Recreation in the following classifications: state park ranger trainee, state park ranger I, state park ranger II, state park ranger III, state park ranger IV, and

state park technician.

"State safety member" also includes members employed in the Military Department in the following classifications: fire fighter guard, supervising fire fighter guard, and chief fire fighter guard.

Any person employed in the above classification in the department may elect, within 90 days of the operative date of this section to remain subject to the miscellaneous retirement benefit by filing an irrevocable notice of election with the board.

"State safety service", with respect to a member who becomes a state safety member pursuant to this section, shall also include service prior to January 1, 1982.

This section shall not become applicable to any member included in a classification until such time as a ruling or regulation authorizing the inclusion of persons employed in that classification within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 3. Section 20750.82 is added to the Government Code, to read:

20750.82. The state shall make the increased contributions required on account of liability for benefits provided by Section 20017.93 from social security contributions which would have been payable by the employer had Section 20017.93 not been enacted up to an amount necessary to fully fund the cost of such benefits.

SEC. 4. Section 22013.7 is added to the Government Code, to read:

22013.7. "Policeman" or "fireman," as used in this part, also includes persons employed in positions set forth in Section 20017.93; provided, such designation is not contrary to any definition, ruling, or regulation relating to the term "policeman" or "fireman" issued by the federal agency for the purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 5. Section 4 of this act shall not become operative until such time as a ruling or regulation authorizing the inclusion of persons employed in classifications set forth in Section 20017.93 of the Government Code within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The changes proposed to the statutes by this bill are estimated to save two million five hundred thousand dollars ($2,500,000) each year of General Fund expenditures therefor. In order that such savings may commence at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 38

An act to amend Section 396a of the Code of Civil Procedure, relating to civil procedure.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 396a of the Code of Civil Procedure is amended to read:

396a. In all actions and proceedings commenced in a justice or municipal court which are subject to the provisions of Sections 1812.10 and 2984.4 of the Civil Code, or subdivision (b) of Section 395 of the Code of Civil Procedure, or is an action or proceeding for an unlawful detainer as defined in Section 1161 of the Code of Civil Procedure plaintiff shall state facts in the complaint, verified by his oath, or the oath of his attorney, or in an affidavit of the plaintiff or of his attorney filed with the complaint, showing that the action has been commenced in the proper court for the trial of such action or proceeding, and showing that the action is subject to the provisions of Sections 1812.10 and 2984.4 of the Civil Code or subdivision (b) of Section 395 of the Code of Civil Procedure, or is an action for an unlawful detainer. When such affidavit is filed with the complaint, a copy thereof must be served with the summons. Except as herein provided, if such complaint or affidavit be not so filed, no further proceedings shall be had in the action or proceeding, except to dismiss the same without prejudice. However, the court may, on such terms as may be just, permit such affidavit to be filed subsequent to the filing of the complaint, and a copy of such affidavit shall be served on the defendant and the time to answer or otherwise plead shall date from such service. If it appears from such complaint or affidavit, or otherwise, that the court in which such action or proceeding is commenced is not the proper court for the trial thereof, the court in which such action or proceeding is commenced, or a judge thereof, shall, whenever such fact appears, transfer it to such proper court, on its own motion, or on motion of the defendant, unless the defendant consents in writing, or in open court (such consent in open court being entered in the minutes or docket of the court), to the keeping of the action or proceeding in the court where commenced. If such consent be given, the action or proceeding may continue in the court where commenced. Notwithstanding the provisions of Section 1801.1 and subdivision (f) of Section 2983.7 of the Civil Code that consent may be given by a defendant who is represented by counsel at the time the consent is given, and where an action or proceeding is subject to the provisions of subdivision (b) of Section 395 of the Code of Civil Procedure or is for an unlawful detainer, that consent may only be given by a defendant who is

represented by counsel at the time the consent is given. In any such case where the transfer of the action or proceeding is ordered under the provisions of this paragraph, if summons is served prior to the filing of such action or proceeding in the court to which it is transferred, as to any defendant, so served, who has not appeared in the action or proceeding, the time to answer or otherwise plead shall date from service upon such defendant of written notice of such filing.

When it appears from such complaint or affidavit of the plaintiff that the court in which such action or proceeding is commenced is a proper court for the trial thereof, all proper proceedings may be had, and the action or proceeding may be tried therein; provided, however, that in such case a motion for a transfer of the action or proceeding may be made as in other cases, within the time, upon the grounds, and in the manner provided in this title, and if upon such motion it appears that such action or proceeding is not pending in the proper court, or should for other cause be transferred, the same shall be ordered transferred as provided in this title.

When any such action or proceeding is ordered transferred as herein provided, proceedings shall be had, and the costs and fees shall be paid, as provided in Sections 398 and 399 of this code.

CHAPTER 39

An act making an appropriation to the Department of Justice to pay the settlement of claims, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. The sum of ninety thousand dollars ($90,000) is hereby appropriated from the General Fund in augmentation of Item 819-001-001 of the Budget Act of 1981 (Ch. 99, Stats. 1981) to pay the settlement of the claims of the plaintiffs in the case entitled Lombardo, et al. v. State of California, et al., case No. 259316, brought in the Superior Court of the State of California for the County of Orange.

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

In order to pay the settlement of an action brought by the plaintiff, and ending a hardship to such person as quickly as possible, it is necessary for this act to take effect immediately.

CHAPTER 40

An act to amend Sections 18035, 18036.5, 18059.5, 18060.5, 18085, and 18123.5 of, and to repeal Section 18070 of, the Health and Safety Code, to amend Sections 5831 and 10759.5 of, and to add Article 4 (commencing with Section 10910) to Chapter 3 of Part 5 of Division 2 of, the Revenue and Taxation Code, and to amend Sections 35252 and 35790 of the Vehicle Code, relating to mobilehomes, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982]

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

SECTION 1. Section 18035 of the Health and Safety Code is amended to read:

18035. (a) Every new or used mobilehome dealer, upon the buyer's signing of a purchase order, conditional sales contract, security agreement or other document executed for the sale of a new or used mobilehome subject to registration under this part, and after mutual endorsement of the purchase documents and receipt of deposit required by Section 18035.1, shall establish with an escrow agent an escrow account. The dealer shall cause to be deposited into that escrow account any cash or cash equivalent received at any time prior to delivery as a deposit, downpayment, or whole or partial payment for the mobilehome or accessory thereto. Such downpayment, or whole or partial payment shall include an amount designated as a deposit, which may be less than or equal to the total amount placed in escrow, and shall be subject to the provisions of subdivision (c). The parties shall provide for escrow instructions which identify the fixed amounts of the deposit, downpayment, and balance due prior to closing consistent with the amounts set forth in the purchase documents and receipt for deposit required by Section 18035.1. The deposits shall be made by the dealer within three working days of receipt, one of which shall be the day of receipt.

(b) The funds in the escrow account shall be disbursed pursuant to the escrow instructions which shall specify one of the following:

(1) Upon the buyer receiving delivery of the mobilehome on the site and the mobilehome passing inspection pursuant to Section 18613 or after the mobilehome has been delivered to the location specified in the escrow instructions when the installation is to be performed by the purchaser, all funds in the escrow shall be disbursed pursuant to the escrow instructions.

(2) Upon the buyer receiving delivery of an installed mobilehome not subject to the provisions of Section 18613 with delivery requirements as mutually agreed to and set forth in the sales documents, all funds in the escrow, other than escrow fees shall be

disbursed in accordance with escrow instructions.

(c) In the event any dispute arises between the parties to the escrow and upon notification in writing to the escrow agent, unless otherwise specified in the escrow instructions, all funds denoted as deposit shall be held in escrow until such time as a release is signed by the disputing party, or pursuant to new written escrow instructions signed by the parties involved, or pursuant to a final order for payment or division by a court of competent jurisdiction. Any other funds, other than escrow fees, shall be returned to the buyer.

(d) Escrow shall be for a period of time mutually agreed upon, in writing, by the buyer and the seller. However, the parties may, by mutual consent, extend the time, in writing, with notice to the escrow agent.

(e) No mobilehome dealer shall establish with an escrow agent any escrow account in an escrow company in which the mobilehome dealer has more than a 5 percent ownership interest.

(f) The escrow instructions may provide for the proration of any local property tax due or to become due on the mobilehome, and if any such tax, or the license fee imposed pursuant to Section 18115, or the registration fee imposed pursuant to Section 18114, is delinquent, the instructions may provide for the payment of such taxes or fees, or both, and any applicable penalties.

(g) No agreement shall contain any provision by which the buyer waives his rights under this section, and any such waiver shall be deemed contrary to public policy and shall be void and unenforceable.

(h) If a portion of the amount in the escrow is for accessories then that portion of the amount shall not be released until the accessories are actually installed.

(i) This section creates a civil cause of action against a buyer or dealer who violates the provisions of this section, and upon prevailing, the plaintiff in such action shall be awarded actual damages plus an amount not in excess of two thousand dollars ($2,000). In addition, attorneys' fees and court costs shall also be awarded a plaintiff who prevails in such action.

SEC. 2. Section 18036.5 of the Health and Safety Code is amended to read:

18036.5. (a) No conditional sale contract for the purchase of a mobilehome shall be enforceable, except by a bona fide purchaser, assignee, or pledgee for value or unless the violation is corrected as provided in subdivision (b), unless in the case of a contract entered into prior to October 1, 1982, the provisions of subdivisions (b) and (c) of Section 226.8 of Regulation Z, as amended through March 31, 1981, or of Section 226.18 of Regulation Z effective April 1, 1981, have been met or in the case of a contract entered into on or after October 1, 1982, unless the provisions of Section 226.18 of Regulation Z effective April 1, 1982, have been met.

As used in this subdivision, "Regulation Z" means any rule,

regulation, or interpretation promulgated by the Board of Governors of the Federal Reserve System under the federal Truth in Lending Act, as amended (15 U.S.C., Sec. 1601, et seq.), and any interpretation or approval issued by a published judicial decision or by an official or employee of the Federal Reserve System fully authorized by the board under the federal Truth in Lending Act, as amended, to issue these interpretations or approvals.

(b) Any disclosure violation may be corrected by the holder. However, a willful violation may not be corrected unless it is a violation appearing on the face of the contract and is corrected within 30 days of the execution of the contract or within 20 days of its sale, assignment, or pledge, whichever is later, as long as the 20-day period commences with the initial sale, assignment, or pledge of the contract. Any other violation appearing on the face of the contract may be corrected only within these time periods. A correction which will increase the amount of the contract balance or the amount of any installment, as those amounts appear on the conditional sale contract, is not effective unless the buyer concurs in writing to the correction. If notified in writing by the buyer of such a violation, the correction shall be made within 10 days' notice. The correction shall be made by mailing or delivering a corrected copy of the contract to the buyer. Any amount improperly collected by the holder from the buyer shall be credited against the indebtedness evidenced by the contract or returned to the buyer. A violation corrected as provided in this section shall not be the basis of any recovery by the buyer or affect the enforceability of the contract by the holder and shall not be deemed to be a substantive change in the agreement of the parties.

(c) If the violation is not corrected, the buyer may recover from the seller the total amount paid, pursuant to the terms of the contract, by the buyer to the seller or his or her assignee. The amount recoverable for property traded in as all or part of the downpayment shall be equal to the agreed cash value of the property as the value appears on the conditional sale contract or the fair market value of the property as of the time the contract is made, whichever is greater.

SEC. 3. Section 18059.5 of the Health and Safety Code is amended to read:

18059.5. With respect to escrows, it is unlawful to do any of the following:

(a) Violate any of the terms or provisions of Section 18035 relating to escrow, Section 18035.1, relating to purchase documents, and receipts for deposit pursuant to Section 18035.5, or any rule, regulation, or order issued by the department pursuant thereto.

(b) Provide any false or incomplete information to an escrow company.

SEC. 4. Section 18060.5 of the Health and Safety Code is amended to read:

18060.5. With respect to business practices, it is unlawful to do

any of the following:

(a) Knowingly purchase, sell, or otherwise acquire or dispose of a stolen mobilehome or commercial coach.

(b) Violate any of the terms or provisions of regulations promulgated under the authority of Section 18015.

(c) Cause the state or any person to suffer any loss or damage by reason of any fraud or deceit practiced on them or fraudulent representations made to any person in the sale or purchase of a mobilehome or commercial coach or parts or accessories thereof.

(d) Violate any of the terms and conditions of Chapter 3 (commencing with Section 1797) of Title 1.7 of Part 4 of Division 3 of the Civil Code.

(e) Move a mobilehome or commercial coach subject to registration pursuant to this part from a mobilehome park or other site of installation to another location without obtaining from the legal owner written, consent for the move as prescribed in Section 18082.

(f) Include as an added cost to the selling price of a mobilehome or commercial coach, an amount for licensing or transfer of title of the mobilehome or commercial coach, which amount is not due to the state unless, prior to the sale, the amount has been paid by a dealer to the state in order to avoid penalties that would have accrued because of late payment of those fees. However, a dealer may collect from the second purchaser of a mobilehome or commercial coach, a prorated fee based upon the number of months remaining in the registration year for that mobilehome or commercial coach, if the mobilehome or commercial coach was previously sold by the dealer and the sale was subsequently rescinded and all the fees that were paid, as required by this part and Chapter 2 (commencing with Section 10751) of Division 2 of the Revenue and Taxation Code, were returned to the first purchaser of the mobilehome.

(g) Participate in the sale of a mobilehome reported to the Department of Motor Vehicles under the provisions of Section 5900 of the Vehicle Code or to the department pursuant to this part without making the return and payment of any sales tax due and required by Section 6451 of the Revenue and Taxation Code.

(h) Fail to deliver or honor the terms and conditions of any warranty, as set forth in Chapter 3 (commencing with Section 1797) of Title 1.7 of Part 4 of Division 3 of the Civil Code.

(i) Display for sale, offer for sale, or sell, a mobilehome or commercial coach, representing that mobilehome or commercial coach to be of a year model different from the year model designated at the time of manufacture or first assembly as a completed mobilehome or commercial coach.

(j) Directly or indirectly authorize or advise another licensee to change the year model of a mobilehome or commercial coach in the inventory of the other licensee.

SEC. 5. Section 18070 of the Health and Safety Code is repealed.

SEC. 6. Section 18085 of the Health and Safety Code is amended to read:

18085. Application for the original registration of a mobilehome or commercial coach required to be registered under this part shall be made to the department, accompanied with payment of the required fees, upon the appropriate form approved by the department. The application shall include, but not be limited to all of the following:

(a) The true name and mailing address of the registered owner, the legal owner, if any, and junior lienholders, if any.

(b) The name of the county in which the registered owner resides.

(c) The situs address of the mobilehome or commercial coach, to include the county.

(d) A description of the mobilehome or commercial coach, including all of the following:

(1) The manufacturer's name and identification number.

(2) The date of manufacture.

(3) The serial number or numbers.

(4) The federal label number or numbers affixed pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C., Sec. 5401, et seq.), or, department insignia number or numbers affixed pursuant to Section 18026.

(5) The date first sold or leased to a purchaser or lessee for purposes other than resale.

(6) Any other information as may be reasonably required by the department to enable it to determine whether the mobilehome or commercial coach is lawfully entitled to registration.

SEC. 7. Section 18123.5 of the Health and Safety Code is amended to read:

18123.5. (a) A dealer who violates paragraph (1), (2), or (3) of subdivision (c) of Section 18080.5 shall pay to the department an administrative service fee of five dollars ($5) for each violation.

(b) A dealer who violates paragraph (4) of subdivision (c) of Section 18080.5, when selling a mobilehome or commercial coach, shall pay to the department an administrative service fee as follows:

(1) If the application is submitted after 10 calendar days but within 20 calendar days from the date of sale; ten dollars ($10).

(2) If the application is submitted after 20 calendar days but within 30 calendar days from the date of sale; twenty dollars ($20).

(3) If the application is submitted after 30 calendar days but within 60 calendar days from the date of sale; forty dollars ($40).

(4) If the application is submitted after 60 calendar days from the date of sale; two hundred dollars ($200).

(c) Each violation of subdivision (c) of Section 18080.5 shall be, in addition to the obligation to pay the administrative service fee, a separate cause for discipline pursuant to Section 18058.

(d) Nonpayment of an administrative service fee within 10 days after written demand from the department shall be a separate cause

for discipline pursuant to Section 18058.

SEC. 8. Section 5831 of the Revenue and Taxation Code is amended to read:

5831. (a) Except as provided in subdivision (f), the assessor shall, upon or prior to completion of the local roll:

(1) Notify each assessee whose mobilehome's taxable value has increased of the taxable value of that mobilehome as it shall appear on the completed local roll; and

(2) Notify each assessee whose mobilehome is to be placed on the local roll pursuant to subdivsion (b) of Section 5812 because its license fee has become delinquent for 120 days or more of the fact that the mobilehome is to be placed on the local roll, of his or her right to petition for reinstatement pursuant to Article 4 (commencing with Section 10910) of Chapter 3 of Part 5, and of the taxable value of the mobilehome. Such notification shall also be given to the legal owner, if any, of such mobilehome, at the same time it is given to the assessee.

(b) The information given by the assessor to the assessee and legal owner, as applicable, pursuant to paragraph (1) or (2) of subdivision (a) shall include a notification of hearings by the county board of equalization, which shall include the period during which assessment protests will be accepted and the place where they may be filed. The information shall also include an explanation of the stipulation procedure set forth in Section 1607 and the manner in which the assessee may request use of this procedure.

(c) The information shall also include the full value of the property.

(d) The information shall be furnished by the assessor to the assessee personally or by regular United States mail directed to him at his latest address known to the assessor.

(e) Neither the failure of the assessee to receive the information nor the failure of the assessor to so inform the assessee shall in any way affect the validity of any assessment or the validity of any taxes levied pursuant thereto.

(f) This section shall not apply to annual increases in the valuation of property which reflect the inflation rate, not to exceed 2 percent, pursuant to Section 5813.

(g) This section does not apply to increases in assessed value caused solely by changes in the assessment ratio provided for in Section 401.

SEC. 9. Section 10759.5 of the Revenue and Taxation Code is amended to read:

10759.5. (a) Notwithstanding the provisions of Section 10758, on or after July 1, 1980, any mobilehome, with respect to which the license fee required to be paid by this part has been delinquent for a period of 120 days or more, shall no longer be subject to the provisions of this part. Instead, that mobilehome shall be subject to the provisions of law governing local property taxation.

Except as provided in Article 4 (commencing with Section 10910)

of Chapter 3 of Part 5 of Division 2, if a mobilehome consists of two or more transportable sections which have been assembled as a single unit or were manufactured or fabricated for later assembly as a single unit, and each section has been separately registered under the Vehicle Code, and the license fee for any section of the mobilehome has been delinquent for 120 days or more, all sections of the mobilehome shall no longer be subject to the provisions of this part and shall become subject to the provisions of law governing local property taxation.

(b) In determining whether the license fee has been delinquent for 120 days or more, the 120-day period shall not include any days during which the mobilehome is the subject of any probate proceedings in this state. The 120-day period shall commence upon sale or distribution of the mobilehome by the executor or administrator. If the license fee was delinquent for 120 days or more prior to the date of death, the mobilehome shall be subject to property taxation.

(c) With regard to any mobilehome subject to local property taxation pursuant to the provisions of subdivision (a), the delinquent taxes and fees due under this part and under Article 2 (commencing with Section 9250) of Chapter 6 of Division 3 of the Vehicle Code as reported by the Department of Motor Vehicles or the Department of Housing and Community Development shall be added to the applicable property tax bill. The delinquent taxes and fees may be added to the secured roll and may be collected and distributed in the same manner as property taxes, or, in the alternative, may be added to the unsecured roll, collected like and distributed like all other taxes on that roll. If the amount of delinquent taxes and penalties does not appear in the records of the Department of Motor Vehicles or the Department of Housing and Community Development, the Department of Housing and Community Development shall determine from available information, if any, what the delinquent taxes and fees would have been had the mobilehome been registered. If the amount of delinquent fees cannot be determined by the Department of Housing and Community Development, there shall be added a penalty for failure to register in the amount of one hundred dollars ($100) or 1 percent of the current value of the mobilehome for each year or part thereof the mobilehome has been in this state without a current registration, not to exceed four years, whichever is more.

Whenever there is a transfer of registration, the liability for delinquent fees and penalties is that of the seller and not the buyer of the mobilehome.

(d) The State Board of Equalization shall adopt and amend as necessary rules and regulations to carry out as well as enforce the provisions of this section.

(e) For purposes of this section, "mobilehome" is defined in Section 396 of the Vehicle Code.

(f) If any mobilehome owner disputes the amount of delinquent

taxes and fees reported by the Department of Housing and Community Development, the owner shall pay the amount reported to the county tax collector. If the Department of Housing and Community Development determines that a refund is due, it shall notify the auditor who shall refund the overpayment or erroneous payment of fees and taxes to the owner.

(g) If the license fee has not been paid on or before the 60th day following the date on which the fee became delinquent, the Department of Housing and Community Development shall mail a notice to the registered owner informing the owner that the license fee is delinquent and the mobilehome will become subject to local property tax if the fees and penalties are not paid on or before the 120th day after the date of delinquency.

SEC. 10. Article 4 (commencing with Section 10910) is added to Chapter 3 of Part 5 of Division 2 of the Revenue and Taxation Code, to read:

Article 4. Petitions for Reinstatement of Mobilehomes

10910. Any assessee, registered owner, or legal owner of a mobilehome which has become subject to local property taxation because the license fee has been delinquent for 120 days or more may file a petition for reinstatement to the vehicle license fee in accordance with this article. That petition shall be filed with the Department of Housing and Community Development within 60 days of the date the notice of placement on the local roll was mailed by the assessor pursuant to Section 5831, or, when the date of delinquency occurs after the operative date of this section, within 180 days of the date of delinquency, whichever is earlier. The petition shall state the grounds upon which the petition is filed and shall be in a form and contain that information which the Department of Housing and Community Development may prescribe. If the petition is not timely filed, the placement of the mobilehome on the local property tax roll shall become final.

10911. Upon receipt of a timely petition, and a service fee to cover the cost of processing the petition, the director shall investigate into the circumstances presented in the petition. If the director determines that the failure to pay the license fee was due to reasonable cause and circumstances beyond the person's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the director may grant the petition, and upon payment to the Department of Housing and Community Development of all delinquent fees, the mobilehome shall be removed from the local roll and reinstated to the status of a mobilehome subject to the fee imposed pursuant to this part.

10912. The director shall grant or deny the petition, and notify the petitioner and the assessor of the county where the mobilehome is situated within 90 days of the date the petition is filed. Failure to act on the petition within 90 days shall be deemed a denial of the

petition. The decision of the director shall be final.

10913. If delinquent fees and penalties, or local property taxes, have been paid to a local tax collector for a mobilehome which is reinstated, the amount of those fees, penalties, and taxes shall be refunded by the county to which they were paid, to the person who paid them, within 30 days of the date of reinstatement. If those fees, penalties, and local property taxes have been billed on such a mobilehome but have not been paid, the billing, including any penalties, shall be canceled. If those fees, penalties, and taxes have been billed on a mobilehome for which a petition for reinstatement is denied, but have not been paid, those fees, penalties, and taxes may be paid within 60 days of the date of denial of the petition without penalty for time elapsed within that 60-day period.

10914. If the petitioner provides proof satisfactory to the director that the license fee was paid to a licensed dealer or to escrow and the fees become delinquent for 120 days or more as a result of the failure of the dealer or escrow officer to submit the report-of-sale and supporting documents along with the fee in a timely manner as required by subdivision (c) of Section 18080.5 of the Health and Safety Code, the director shall find that reasonable cause for delinquency exists, and the petition shall be granted and the mobilehome shall be reinstated upon payment of delinquent fees as provided in Section 10911.

10915. For purposes of this article, "director" means the Director of Housing and Community Development or his designee.

10916. The director may hire temporary staff as necessary to implement the provisions of this article in accordance with the state merit system administered by the State Personnel Board.

10917. Service fees received pursuant to this article shall be deposited in the Mobilehome-Manufactured Home Revolving Fund established pursuant to Section 18016.5 of the Health and Safety Code. The fees are continuously appropriated therefrom to the director to carry out the purposes of this article.

SEC. 11. Section 35252 of the Vehicle Code is amended to read:

35252. Notwithstanding Section 35250, no manufactured home, as defined in Section 387, required to be moved under the authority of a permit, shall exceed a height of 15 feet, measured from the surface upon which the vehicle stands.

SEC. 12. 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 manufactured home in excess of the maximum width but not exceeding 14 feet in total width, exclusive of lights and devices provided for in Sections 35109, 35110, and 35112, upon any highway under the jurisdiction of the party granting the permit.

(b) A public agency, in the exercise of its discretion in granting

permits for the movement of overwidth manufactured homes, 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) (1) The application for a special permit shall specifically describe the manufactured home to be moved and the particular highways over which the permit to operate is requested.

(2) The application for an annual permit shall specifically describe the power unit to be used to tow the overwidth manufactured homes 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 may establish seasonal or other time limitations within which a manufactured home may be moved on the highways indicated, and may require an undertaking or other security as it deems 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 manufactured homes under this section shall not be issued except to transporters or licensed manufacturers and dealers and only under the following conditions:

(1) The manufactured home for which the permit is issued shall comply with the provisions of Sections 35550 and 35551.

(2) In the case of a permit issued on an individual or repetitive trip basis, the applicant has first received the approval of a city or county if the trip will include movement on streets or highways under the jurisdiction of the city or county. The application for such a permit shall indicate the complete route of the proposed move and shall specify all cities and counties which have approved the move. This paragraph shall not be construed to require the Department of Transportation to verify the information provided by an applicant with respect to movement on streets or highways under local jurisdiction.

(3) It is a violation of any permit, which is issued by the Department of Transportation and which authorizes a move only on a state highway, for that move to be extended to a street or highway under the jurisdiction of a city or county unless the move has been approved by the city or county.

(f) The Department of Transportation, in cooperation with the Department of the California Highway Patrol, or the local authority may 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, the consent form as required by Section 18082 of the Health and Safety Code, and a copy of the tax clearance certificate, certificate of origin, or dealer's notice of transfer, when such certificate or notice is required to be issued, shall be carried in the manufactured home or power unit to which it refers and shall be

open to inspection by 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 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 that extent shall not be applicable to highways which are a part of that system.

SEC. 13. The assessee, registered owner, or legal owner of any mobilehome which has been placed on the local roll because the vehicle license on the mobilehome was delinquent for 120 days or more shall have a period of 60 days from the effective date of this act to file a petition for reinstatement as provided for in this act. The Director of Housing and Community Development, in cooperation with the county assessors, shall provide for adequate notice to all affected owners of mobilehomes.

SEC. 14. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to 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. 15. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 16. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 17. This act shall become operative on the date the Department of Housing and Community Development files regulations relating to this act with the Office of Administrative Law, but no later than March 1, 1982.

SEC. 19. The Legislature, by enacting Assembly Bill No. 1710 of the 1981–82 Regular Session, as Chapter 366 of the Statutes of 1981, increased the delinquent penalties for late payment of property taxes on the secured and unsecured rolls. However, Chapter 366, which

became effective January 1, 1982, does not express the intent of the Legislature regarding the operative dates of the penalty increases.

It is hereby declared to be the intent of the Legislature that the amendments to Sections 2617, 2618, 2704, 2705, 2759, 2760, 2761, 2762, 2922, and 2922.5 of the Revenue and Taxation Code made by Chapter 366 of the Statutes of 1981 shall become operative beginning with the assessment rolls for the 1982–83 fiscal year and that those sections, as they existed prior to their amendment by Chapter 366 of the Statutes of 1981, shall continue in effect as to delinquent taxes on the assessment rolls for the 1981–82 and prior fiscal years.

This act declares the intent of the Legislature in enacting Chapter 366 of the Statutes of 1981, and does not constitute a change in the law.

SEC. 20. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Under existing law, some mobilehome owners are being switched from the vehicle license fee to the local property tax because their license fees were delinquent for 120 days or more on all or part of their mobilehome at no fault of the owner. Existing law provides no way for these taxpayers to appeal this change, which has a severe financial impact. To prevent the hardships that will occur without any appeals procedure, and to avoid administrative problems and costs that will be incurred if this situation is not corrected as soon as possible, it is necessary for this act to take immediate effect.

CHAPTER 41

An act to amend Sections 190, 205, 1000, and 1080 of, to amend and renumber the heading of Article 3 (commencing with Section 1020) of, to add Article 3 (commencing with Section 1030) to, Chapter 16 of Division 3 of, to add Section 1138.14 to, and to repeal Section 1029 of, the Probate Code, relating to wills.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982]

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

SECTION 1. Section 190 of the Probate Code is amended to read:

190. As used in this chapter, unless otherwise clearly required by the context:

(a) "Beneficiary" means and includes any person entitled, but for his or her disclaimer, to take an interest (1) by intestate succession, (2) by devise, (3) by legacy or bequest, (4) by succession to a disclaimed interest, (5) by virtue of an election to take against a will, (6) as beneficiary of a testamentary trust, (7) pursuant to the

exercise or nonexercise of a power of appointment, (8) as donee of any power of appointment, (9) as beneficiary of an inter vivos gift, whether outright or in trust, (10) by grant, (11) as surviving joint tenant, (12) as beneficiary of or payee under an insurance, annuity, endowment, employment, deferred compensation, or other contract or arrangement, (13) as beneficiary of or payee under any pension, profit sharing, thrift, stock bonus, life insurance, survivor income, incentive, or other plan or program providing retirement, welfare, or fringe benefits with respect to employees or self-employed individuals, (14) as beneficiary of or payee under any testamentary or nontestamentary instrument, or (15) in any other manner not specifically enumerated herein.

(b) "Interest" means and includes the whole of any property, real or personal, legal or equitable, or any fractional part, share, or particular portion or specific assets thereof, or any estate in any such property, or power to appoint, consume, apply, or expend property, or any other right, power, privilege, or immunity relating thereto.

(c) "Disclaimer" means a written instrument which declines, refuses, renounces, or disclaims any interest which would otherwise be succeeded to by a beneficiary.

(d) "Disclaimant" means a person who executes a disclaimer on his or her own behalf or on behalf of another.

SEC. 1.2. Section 205 of the Probate Code is amended to read:

205. (a) Except as provided by Section 951.1, upon the death of a married person, the surviving spouse is personally liable for the debts of the deceased spouse chargeable against the community property and the debts of the deceased spouse chargeable against the separate property of the deceased spouse to the extent such separate property is characterized as quasi-community property under Section 201.5 by the provisions of Title 8 (commencing with Section 5100) of Part 5 of Division 4 of the Civil Code, unless the interests of both spouses in the community property or quasi-community property, or both, are administered under Division 3 (commencing with Section 300). The personal liability shall not exceed the value at the date of death, less the amount of any liens and encumbrances, of the interest of the surviving spouse (1) in the community property immediately prior to the death and (2) in quasi-community property arising by virtue of the death which is not exempt from execution plus the interest of the deceased spouse in such property passing to the surviving spouse without administration.

(b) If proceedings are commenced in this state for the administration of the estate of the deceased spouse and the time for filing or presenting claims has commenced, any action upon the liability of the surviving spouse pursuant to subdivision (a) shall be barred to the same extent as provided for claims under Article 1 (commencing with Section 700) of Chapter 12 of Division 3 except as to the following:

(1) Creditors who had commenced judicial proceedings for the enforcement of the debts and had served the surviving spouse with

process prior to the expiration of the time for filing or presenting claims.

(2) Creditors who secure the acknowledgment in writing of the liability of the surviving spouse for the debts.

(3) Creditors who file a timely claim in the proceedings.

(c) Except as provided by subdivision (b), any debt described in subdivision (a) may be enforced against the surviving spouse in the same manner as it could have been enforced against the deceased spouse if the deceased spouse had not died. In any action based upon the debt, the surviving spouse may assert any defenses, counterclaims, or setoffs which would have been available to the deceased spouse if the deceased spouse had not died.

SEC. 1.3. Section 1000 of the Probate Code is amended to read:

1000. When two months have elapsed after the commencement of the time for filing or presenting claims and upon bond—or with or without bond, as the court determines, when the time for filing or presenting claims has expired and all uncontested claims have been paid or are sufficiently secured by mortgage, or otherwise, but the estate is not in a condition to be finally closed and distributed—the executor or administrator, or any heir, devisee, or legatee, or the assignee, grantee, or successor in interest of any heir, devisee, or legatee, may petition the court for distribution of a legacy, devise, or share of the estate or any portion or portions thereof to which he or she is entitled or a payment on account of the legacies to the heirs, devisees, or legatees or any assignees, grantees, or successors in interest or where there are priorities, to those of the class or classes having priorities; or, if the decedent was a nonresident and left a will which has been duly proved or allowed in the state of his or her residence, and the will has been admitted to probate in this state pursuant to Article 4 (commencing with Section 360) of Chapter 1 of Division 3, or if the decedent died intestate, and an administrator has been duly appointed and qualified in the state of his or her residence, and it is necessary, in order that the estate or any part thereof may be distributed according to the will, or it is for the best interests of the estate, that any part of the estate in this state should be delivered to the executor or administrator in the state of the decedent's residence, the executor or administrator may petition the court for an order authorizing the delivery of such portion of the estate as the court shall deem safe and proper and for the best interests of the estate, to the executor or administrator in the state of decedent's residence.

The clerk shall set the petition for hearing by the court. At least 10 days before the hearing of the petition, notice of the hearing must be served upon the executor or administrator when he or she is not the petitioner, upon the devisees and legatees whose interest in the estate is affected by such petition for distribution, to the heirs of the decedent in intestate estates, to the State of California if any portion of the estate is to escheat to it, and to persons who have filed a request for special notice pursuant to Section 1202. Such notice shall be

delivered personally or sent by first-class mail, or sent by airmail to any person residing outside the jurisdiction of the United States, at his or her last known mailing address. Any person interested in the estate or any coexecutor or coadministrator may resist the petition.

SEC. 1.5. The heading of Article 3 (commencing with Section 1020) of Chapter 16 of Division 3 of the Probate Code is amended and renumbered to read:

Article 2. Final Distribution

SEC. 2. Section 1029 of the Probate Code is repealed.

SEC. 3. Article 3 (commencing with Section 1030) is added to Chapter 16 of Division 3 of the Probate Code, to read:

Article 3. Distribution in Satisfaction of Certain Bequests

1030. As used in this article:

(a) The term "pecuniary bequest" means a gift in a will which either is expressly stated as a fixed dollar amount or is a gift of a dollar amount determinable by the provisions of the will.

(b) The term "marital deduction" means the federal estate tax deduction allowed for transfers under Section 2056 of the Internal Revenue Code.

(c) The term "maximum marital deduction" means the maximum amount qualifying for the marital deduction.

(d) The term "marital deduction gift" means a gift intended to qualify for the marital deduction.

(e) References to a will include codicils.

(f) "Fiduciary" means executor, administrator, trustee, guardian, or conservator, or any other personal representative. References to a fiduciary in the singular includes the plural where the context requires.

(g) Reference to the "Internal Revenue Code" is to the United States Internal Revenue Code of 1954, as amended from time to time. Each reference to a section of the Internal Revenue Code refers as well to any subsequent provisions of law enacted in its place.

(h) The term "gift" refers to all legacies, devises, and bequests made in a will.

1031. (a) This article shall apply to any distribution made after the effective date of this article, whether the testator died before or after such date. However, this article shall not apply to any will the terms of which expressly or by necessary implication make this article inapplicable.

(b) By an appropriate statement made in the testator's will, a testator may incorporate by reference the terms of this article, or any of its sections, as it may exist at the time the testator signs the will. The effect of incorporating this article or any of its sections in a will is to make the incorporated sections a part of the will as though the language of the incorporated sections was set forth verbatim in the

will. Unless a will incorporating any section of this article expressly provides otherwise, the will automatically incorporates any of those sections' amendments.

1032. (a) If a will contains a marital deduction gift, the provisions of the will, including any power, duty, or discretionary authority given to the fiduciary, shall be construed to comply with the marital deduction provisions of the Internal Revenue Code and the regulations thereunder in order to conform to that intent. Whether the will contains a marital deduction gift depends upon the intention of the testator at the time the will is executed. If the testator has adequately evidenced an intention to make a marital deduction gift, the fiduciary shall not take any action or have any power that may impair that deduction. This chapter shall not apply to a trust which qualifies for the marital deduction under Section 20.2056(e)-2(b) of the Code of Federal Regulations (the so-called "estate trust"). This chapter shall neither require nor prohibit a fiduciary making the election referred to in Section 2056(b)(7) of the Internal Revenue Code.

(b) If a will indicates the testator's intention at the time the will is executed to comply with the Internal Revenue Code requirements for a charitable remainder unitrust or a charitable remainder annuity trust as each is defined in Section 664 of the Internal Revenue Code, the provisions of the will, including any power, duty, or discretionary authority given to the fiduciary, shall be construed to comply with the charitable deduction provisions of Section 2055 of the Internal Revenue Code and the charitable remainder trust provisions of Section 664 of the Internal Revenue Code in order to conform to that intent. In no event shall the fiduciary take any action or have any power that may impair the charitable deduction. After the death of the testator, the provisions of the will may be augmented in any manner consistent with subdivision (e) of Section 2055 of the Internal Revenue Code upon a petition provided for in subdivision (b) of Section 1120 of the Probate Code.

1033. (a) If a will authorizes the fiduciary to satisfy a pecuniary bequest wholly or partly by distribution of property other than money, the assets selected for that purpose shall be valued at their respective fair market values on the date or dates of distribution, unless the will expressly provides otherwise. If the provisions of the will permit the fiduciary to value the assets selected for such distribution as of a date other than the date or dates of distribution, then, unless the will expressly provides otherwise, the assets selected by the fiduciary for that purpose shall have an aggregate fair market value on the date or dates of distribution which, when added to any cash distributed, will amount to no less than the amount of such gift as stated in, or determined by, the provisions of the will.

(b) Marital deduction gifts shall be satisfied with only assets which qualify for those deductions.

1034. If a will dated on or before September 13, 1981, indicates the testator's intention to make a gift that will provide the testator's

estate with the maximum marital deduction, then the will passes to the recipient an amount equal to the maximum marital deduction which would have been allowed as of the date of the testator's death for federal estate tax purposes under federal law as it existed before August 13, 1981, (before the applicability of the Economic Recovery Tax Act of 1981) adjusted under all of the following, if applicable:

(a) The provisions of Section 2056(c)(1)(B) and (C) of the Internal Revenue Code as were in effect immediately before the Economic Recovery Tax Act of 1981, if required;

(b) So that the testator's gross estate does not include any property by reason of Section 2602(c)(5)(A) of the Internal Revenue Code; and

(c) To reduce the amount passing under the gift by the final federal estate tax values of any other asset (1) passing from the testator to the testator's surviving spouse under the testator's will or outside of the will and (2) which qualifies for the marital deduction.

1035. If a will indicates the testator's intention to make a marital deduction gift in trust, in addition to the other provisions of this article, each of the following provisions shall also apply to such trust:

(a) The only income beneficiary of a marital deduction trust shall be the testator's surviving spouse.

(b) The income beneficiary shall be entitled to all of the trust income until the trust terminates.

(c) The trust income shall be payable to the income beneficiary not less frequently than annually.

(d) The income beneficiary shall have the right to require that the trustee of the trust make any unproductive property productive or to convert it into productive property within a reasonable time.

(e) Except in the case of a qualified terminal interest property resulting from an election pursuant to Section 2056(b)(7) of the Internal Revenue Code, upon termination of the trust, all of the remaining trust assets, including accrued or undistributed income, shall pass either to the income beneficiary or pursuant to the exercise of a general power of appointment granted to the income beneficiary in favor of the income beneficiary's estate or to any other person or entity, in trust or outright. The general power of appointment shall be exercisable by the income beneficiary alone and in all events and the income beneficiary, or a fiduciary acting in behalf of the income beneficiary if he or she is then a minor or incompetent, may exercise it in a will or an instrument other than a will unless the instrument creating the power specifically directs otherwise.

1036. If a will contains a marital deduction gift, whether outright or in trust and whether or not there is a specific reference to this article, any survivorship requirement expressed in the will in excess of six months shall not apply to the property passing under a marital deduction, but shall be limited to a six-month period beginning with the testator's death.

1037. No inference shall be drawn from the enactment of this

article as to the law as it might exist prior to the enactment of this article.

1038. If any provision of this article or application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the article which can be given effect without the invalidated provision or application, and to this end the provisions of this article are declared to be severable.

1039. The failure to comply with the provisions of this article shall not invalidate the interest of a good faith purchaser, lessee, or encumbrancer for value in real property acquired without knowledge of an alleged violation of this article.

SEC. 3.5. Section 1080 of the Probate Code is amended to read:

1080. Anytime after the commencement of the time for filing or presenting claims and prior to the time a petition for final distribution has been filed, the executor or administrator, or any person claiming to be an heir of the decedent or entitled to distribution of the estate or any part thereof, may file a petition setting forth his or her claim or reason and praying that the court determine who are entitled to distribution of the estate. The clerk shall set the petition for hearing by the court and give notice thereof for the period and in the manner required by Section 1200. At least 10 days before the date set for the hearing of the petition by the court, the petitioner also shall cause notice of the hearing thereof to be mailed to the executor or administrator and to all legatees and devisees and to all known heirs of the decedent, and to all persons (or their attorneys, if they have appeared by attorney) who have requested notice as provided in Section 1202 of this code, or who have given notice of appearance in person or by attorney, addressed to them at their respective post office addresses given in their requests for special notice or notice of appearance, if any, otherwise at their respective offices or places of residence, if known, and if not, at the county seat of the county where the proceedings are pending, or to be personally served upon such persons. Any person may appear and file a written statement setting forth his interest in the estate. No other pleadings are necessary and the allegations of each claimant shall be deemed to be denied by each of the other claimants to the extent that they conflict with any claim of the latter.

Whenever any estate involves, or may involve, a charitable trust, other than a charitable trust with a designated trustee which may lawfully accept such trust or involves or may involve a bequest or devise for a charitable purpose without an identified legatee, devisee, or beneficiary thereof, or an escheat to the State of California, the Attorney General shall be deemed to be a person entitled to distribution within the meaning of this section and shall be entitled to file the petition referred to in this section and shall be given written notice of the hearing in the same manner as legatees and devisees.

SEC. 4. Section 1138.14 is added to the Probate Code, to read:

1138.14. The provisions of Article 3 (commencing with Section

1030) of Chapter 16 shall apply to gifts, whether outright or in trust, made in a trust which is subject to this article and is executed or amended after or before the effective date of this section. However, this section shall not apply to any trust the terms of which expressly or by necessary implication make this section inapplicable to it. For purposes of this section, all references in Article 3 (commencing with Section 1030) of Chapter 16 to a "testator" shall refer to the trustor and all references to a "will" shall refer to a trust which is subject to this article.

CHAPTER 42

An act to amend Sections 3411, 3413, 3415, 3416, 3417, 3418, 3419, 3420, 3421, 3422, and 3424 of, to add Chapter 2.3 (commencing with Section 999b) to, and to add and repeal Chapter 2.7 (commencing with Section 1001) of, Title 6 of Part 2 of, the Penal Code, relating to crimes, making an appropriation therefor and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Chapter 2.3 (commencing with Section 999b) is added to Title 6 of Part 2 of the Penal Code, to read:

CHAPTER 2.3. CAREER CRIMINALS

999b. The Legislature hereby finds a substantial and disproportionate amount of serious crime is committed against the people of California by a relatively small number of multiple and repeat felony offenders, commonly known as career criminals. In enacting this chapter, the Legislature intends to support increased efforts by district attorneys' offices to prosecute career criminals through organizational and operational techniques that have been proven effective in selected counties in this and other states.

999c. (a) There is hereby established in the Office of Criminal Justice Planning a program of financial and technical assistance for district attorneys' offices, designated the California Career Criminal Prosecution Program. All funds appropriated to the Office of Criminal Justice Planning for the purposes of this chapter shall be administered and disbursed by the executive director of such office in consultation with the California Council on Criminal Justice, and shall to the greatest extent feasible be coordinated or consolidated with federal funds that may be made available for these purposes.

(b) The executive director is authorized to allocate and award funds to counties in which career criminal prosecution units are

established in substantial compliance with the policies and criteria set forth below in Sections 999d, 999e, 999f, and 999g.

(c) Such allocation and award of funds shall be made upon application executed by the county's district attorney and approved by its board of supervisors. Funds disbursed under this chapter shall not supplant local funds that would, in the absence of the California Career Criminal Prosecution Program, be made available to support the prosecution of felony cases. Funds available under this program shall not be subject to review as specified in Section 14780 of the Government Code.

(d) Annually, commencing April 1, 1982, the executive director shall, in cooperation with public defender representatives, prepare a report to the Legislature describing the operation and results of the statewide program and assessing any and all fiscal and workload burdens imposed by the statewide program upon local court public defender offices and assigned counsel with recommendations where appropriate.

999d. Career criminal prosecution units receiving funds under this chapter shall concentrate enhanced prosecution efforts and resources upon individuals identified under selection criteria set forth in Section 999e. Enhanced prosecution efforts and resources shall include, but not be limited to:

(a) "Vertical" prosecutorial representation, whereby the prosecutor who makes the initial filing or appearance in a career criminal case will perform all subsequent court appearances on that particular case through its conclusion, including the sentencing phase;

(b) Assignment of highly qualified investigators and prosecutors to career criminal cases; and

(c) Significant reduction of caseloads for investigators and prosecutors assigned to career criminal cases.

999e. (a) An individual shall be the subject of career criminal prosecution efforts who is under arrest for the commission or attempted commission of one or more of the following felonies: robbery, burglary, arson, any unlawful act relating to controlled substances in violation of Section 11351 or 11352 of the Health and Safety Code, receiving stolen property, grand theft and grand theft auto; and who is either being prosecuted for three or more separate offenses not arising out of the same transaction involving one or more of such felonies, or has suffered at least one conviction during the preceding 10 years for any felony listed in paragraph (1) of this subdivision, or at least two convictions during the preceding 10 years for any felony listed in paragraph (2) of this subdivision:

(1) Robbery as defined in Section 211, burglary of the first degree, arson as defined in Section 451, unlawfully causing a fire as defined in Section 452, forcible rape, sodomy or oral copulation committed with force, lewd or lascivious conduct committed upon a child, kidnapping as defined in Section 209, or murder.

(2) Grand theft, grand theft auto, receiving stolen property,

robbery other than that described in paragraph (1) above, burglary of the second degree, kidnapping as defined in Section 207, assault with a deadly weapon or instrument, or any unlawful act relating to controlled substances in violation of Section 11351 or 11352 of the Health and Safety Code.

For purposes of this chapter, the 10-year periods specified in this section shall be exclusive of any time which the arrested person has served in state prison.

(b) In applying the career criminal selection criteria set forth above, a district attorney may elect to limit career criminal prosecution efforts to persons arrested for any one or more of the felonies listed in subdivision (a) of this section if crime statistics demonstrate that the incidence of such one or more felonies presents a particularly serious problem in the county.

(c) In exercising the prosecutorial discretion granted by Section 999g, the district attorney shall consider the following: (1) the character, background, and prior criminal background of the defendant; and (2) the number and the seriousness of the offenses currently charged against the defendant.

999f. (a) Each district attorney's office establishing a career criminal prosecution unit and receiving state support under this chapter shall adopt and pursue the following policies for career criminal cases:

(1) A plea of guilty or a trial conviction will be sought on all the offenses charged in the accusatory pleading against an individual meeting career criminal selection criteria.

(2) All reasonable prosecutorial efforts will be made to resist the pretrial release of a charged defendant meeting career criminal selection criteria.

(3) All reasonable prosecutorial efforts will be made to persuade the court to impose the most severe authorized sentence upon a person convicted after prosecution as a career criminal.

(4) All reasonable prosecutorial efforts will be made to reduce the time between arrest and disposition of charge against an individual meeting career criminal selection criteria.

(b) The prosecution shall not negotiate a plea agreement with a defendant in a career criminal prosecution; and Sections 1192.1 to 1192.5, inclusive, shall not apply, nor shall any plea of guilty or nolo contendere authorized by any such section, or any plea of guilty or nolo contendere as a result of any plea agreement be approved by the court in a career criminal prosecution.

(c) For purposes of this section a "plea agreement" means an agreement by the defendant to plead guilty or nolo contendere in exchange for any or all of the following: a dismissal of charges, a reduction in the degree of a charge, a change of a charge to a lesser or different crime, a specific manner or extent of punishment.

(d) This section does not prohibit the reduction of the offense charged or dismissal of counts in the interest of justice when a written declaration by the prosecuting attorney stating the specific

factual and legal basis for such reduction or dismissal is presented to the court and the court, in writing, acknowledges acceptance of such declaration. A copy of such declaration and acceptance shall be retained in the case file. The only basis upon which charges may be reduced or counts dismissed by the court shall be in cases where the prosecuting attorney decides that there is insufficient evidence to prove the people's case, the testimony of a material witness cannot be obtained, or a reduction or dismissal would not result in a substantial change in sentence.

In any case in which the court or magistrate grants the prosecuting attorney's motion for a reduction of charges or dismissal of counts because there would be no substantial change in sentence, the court or magistrate shall require the prosecuting attorney to put on the record in open court the following:

(1) The charges filed in the complaint or information and the maximum statutory penalty that could be given if the defendant were convicted of all such charges.

(2) The charges which would be filed against the defendant if the court or magistrate grants the prosecuting attorney's motion and the maximum statutory penalty which can be given for these charges.

(e) This section does not prohibit a plea agreement when there are codefendants, and the prosecuting attorney determines that the information or testimony of the defendant making the agreement is necessary for the conviction of one or more of the other codefendants. The court shall condition its acceptance of the plea agreement on the defendant giving the information or testimony.

Before the court can accept the plea agreement, the prosecuting attorney shall present a written declaration to the court, specifying the legal and factual reasons for the agreement, and the court shall acknowledge in writing its acceptance of that declaration. A copy of the declaration and acceptance shall be retained in the case file.

999g. The selection criteria set forth in Section 999e shall be adhered to for each career criminal case unless, in the reasonable exercise of prosecutor's discretion, extraordinary circumstances require the departure from such policies in order to promote the general purposes and intent of this chapter.

999h. The characterization of a defendant as a "career criminal" as defined by this chapter may not be communicated to the trier of fact.

SEC. 2. Chapter 2.7 (commencing with Section 1001) is added to Title 6 of Part 2 of the Penal Code, to read:

CHAPTER 2.7. MISDEMEANOR DIVERSION

1001. It is the intent of the Legislature that neither this chapter, Chapter 2.5 (commencing with Section 1000) of this title, nor any other provision of law be construed to preempt other current or future pretrial or precomplaint diversion programs. It is also the intent of the Legislature that current or future posttrial diversion

programs not be preempted, except as provided in Section 13201, 13201.5, or 13352.5 of the Vehicle Code. Sections 1001.2 to 1001.11, inclusive, of this chapter shall apply only to pretrial diversion programs as defined in Section 1001.1 herein.

1001.1. As used in Sections 1001.2 to 1001.11, inclusive, of this chapter, pretrial diversion refers to the procedure of postponing prosecution of an offense filed as a misdemeanor either temporarily or permanently at any point in the judicial process from the point at which the accused is charged until adjudication.

1001.2. (a) This chapter shall not apply to any pretrial diversion or posttrial programs for the treatment of problem drinking or alcoholism utilized for persons convicted of one or more offenses under Section 23152 or 23153 or former Section 23102 of the Vehicle Code or to pretrial diversion programs established pursuant to Chapter 2.5 (commencing with Section 1000) of this title nor shall this chapter be deemed to authorize any pretrial diversion or posttrial programs for persons alleged to have committed violation of Section 23152 or 23153 of the Vehicle Code.

(b) The district attorney of each county shall review annually any diversion program established pursuant to this chapter, and no program shall continue without the approval of the district attorney. No person shall be diverted under a program unless it has been approved by the district attorney. Nothing in this subdivision shall authorize the prosecutor to determine whether a particular defendant shall be diverted.

1001.3. At no time shall a defendant be required to make an admission of guilt as a prerequisite for placement in a pretrial diversion program.

1001.4. A divertee is entitled to a hearing, as set forth by law, before his or her pretrial diversion can be terminated for cause.

1001.5. No statement, or information procured therefrom, made by the defendant in connection with the determination of his or her eligibility for diversion, and no statement, or information procured therefrom, made by the defendant, subsequent to the granting of diversion or while participating in such program, and no information contained in any report made with respect thereto, and no statement or other information concerning the defendant's participation in such program shall be admissible in any action or proceeding. However, if a divertee is recommended for termination for cause, information regarding his or her participation in such program may be used for purposes of the termination proceedings.

1001.6. At such time that a defendant's case is diverted, any bail bond or undertaking, or deposit in lieu thereof, on file by or on behalf of the defendant shall be exonerated, and the court shall enter an order so directing.

1001.7. If the divertee has performed satisfactorily during the period of diversion, the criminal charges shall be dismissed at the end of the period of diversion.

1001.8. Any record filed with the Department of Justice shall

indicate the disposition of those cases diverted pursuant to this chapter.

1001.9. Upon successful completion of a diversion program, the arrest upon which the diversion was based shall be deemed to have never occurred. The divertee may indicate in response to any question concerning his or her prior criminal record that he or she was not arrested or diverted for such offense. A record pertaining to an arrest resulting in successful completion of a diversion program shall not, without the divertee's consent, be used in any way which could result in the denial of any employment, benefit, license, or certificate.

1001.11. This chapter shall remain in effect until January 1, 1985, and on such date is repealed. However, if at the time this chapter is repealed a defendant has already been referred to and accepted by a diversion program or if a defendant is then participating in such a program, that defendant shall be allowed to continue in and complete such program.

SEC. 3. Section 3411 of the Penal Code is amended to read:

3411. The Department of Corrections shall on or before January 1, 1980, establish and implement a community treatment program under which mother inmates who have one or more children under the age of six years, whether born prior to or after January 1, 1976, shall be eligible to participate within the provisions of this section. The community treatment program shall provide for the release of the mother and child or children to a public or private facility in the community suitable to the needs of the mother and child or children, and which will provide the best possible care for the mother and child. In establishing and operating such program, the department shall have as a prime concern the establishment of a safe and wholesome environment for the participating children.

SEC. 4. Section 3413 of the Penal Code is amended to read:

3413. In determining how to implement this chapter, the Department of Corrections shall be guided by the need to utilize the most cost-efficient methods possible. Therefore, the Director of Corrections may enter into contracts, with the approval of the Director of General Services, with appropriate public or private agencies, to provide housing, sustenance, services as provided in subdivisions (a) and (b) of Section 3412, and supervision for such inmates as are eligible for placement in community treatment programs. Prisoners in the care of such agencies shall be subject to all provisions of law applicable to them.

SEC. 5. Section 3415 of the Penal Code is amended to read:

3415. (a) The probation department shall, no later than the day that any woman is sentenced to the state prison, notify such woman of the provisions of this chapter, if the term of the state imprisonment does not exceed six years on the basis of either the probable release or parole date computed as if the maximum amount of good time credit would be granted. The probation department shall determine such term of state imprisonment at such time for the purposes of this

section.

(b) The woman may, upon the receipt of such notice and upon sentencing to a term in state prison, give notice of her desire to be admitted to a program under this chapter. The probation department or the defendant shall transmit such notice to the Department of Corrections, and to the appropriate local social services agency that conducts investigations for child neglect and dependency hearings.

SEC. 6. Section 3416 of the Penal Code is amended to read:

3416. If any woman received by or committed to the Department of Corrections has a child under six years of age, or gives birth to a child while an inmate under the jurisdiction of the Department of Corrections, such child and his or her mother shall, upon her request, be admitted to and retained in a community treatment program established by the Department of Corrections subject to the provisions of this chapter.

SEC. 7. Section 3417 of the Penal Code is amended to read:

3417. Subject to reasonable rules and regulations promulgated pursuant to Section 3414, the Department of Corrections shall admit to the program any applicant whose child was born prior to the receipt of the inmate by the department, if all of the following requirements are met:

(a) The applicant has a probable release or parole date with a maximum time to be served of six years, calculated after deduction of any possible good time credit.

(b) The applicant was the primary caretaker of the infant prior to incarceration. "Primary caretaker" as used in this chapter means a parent who has consistently assumed responsibility for the housing, health, and safety of the child prior to incarceration. A parent who, in the best interests of the child, has arranged for temporary care for the child in the home of a relative or other responsible adult shall not for that reason be excluded from the category, "primary caretaker."

(c) The applicant had not been found to be an unfit parent in any court proceeding. An inmate applicant shall not be denied the opportunity to participate in the program based in whole or in part on a determination that she is an unfit mother unless that decision is made pursuant to Section 232 of the Civil Code, Section 2625 of the Penal Code, or Section 600 of the Welfare and Institutions Code.

(d) The Department of Corrections shall determine if the applicant meets the requirements of this section within 30 days of the parent's application to the program. The department shall establish an appeal procedure for the applicant to appeal an adverse decision by the department.

SEC. 8. Section 3418 of the Penal Code is amended to read:

3418. In the case of any inmate who gave birth to a child after the date of sentencing, and in the case of any inmate who gave birth to a child prior to such date and meets the requirements of Section 3417 but has not yet made application for admission to a program, the department shall, at the earliest possible date, but in no case later

than the birth of the child, or the receipt of the inmate to the custody of the Department of Corrections, as the case may be, notify the inmate of the provisions of this chapter.

SEC. 9. Section 3419 of the Penal Code is amended to read:

3419. In the case of any inmate who gives birth after her receipt by the Department of Corrections, the department shall, subject to reasonable rules and regulations promulgated pursuant to Section 3414, upon her request, declare the inmate eligible to participate in a program pursuant to this chapter if all of the requirements of Section 3417 are met.

SEC. 10. Section 3420 of the Penal Code is amended to read:

3420. (a) Within five days after the receipt of an inmate by the Department of Corrections who has already applied for admission to a program, or of her application for admission to a program, whichever is later, the department shall give notice of her application to the child's current caretaker or guardian, if any, and if it has not already been notified pursuant to Section 3415, the appropriate local social services agency that conducts investigations for child neglect and dependency hearings.

(b) The department and the individuals and agencies notified shall have five days from the date of such notice to decide whether or not to challenge the appropriateness of the applicant's entry into the program. Lack of a petition filed by that time shall result in a presumption that the individuals and agencies notified do not challenge the appropriateness of the applicant's entry into the program.

(c) The local agency which has been notified pursuant to Section 3415 shall not initiate the process of considering whether or not to file until after the sentencing court has sentenced the applicant.

(d) The appropriate local agency that conducts investigations for child neglect and dependency hearings, the Department of Corrections, and the current guardian or caretaker of the child, shall have the authority to file for a fitness proceeding against the mother after the mother has applied in writing to participate in the program.

(e) The determination of whether or not to file shall be based in part on the likelihood of the mother being a fit parent for the child in question both during the program and afterwards. Program content shall be taken into account in this determination. There shall be a presumption affecting the burden of producing evidence in favor of filing for a fitness proceeding under the following circumstances:

(1) The applicant was convicted of one or more of the following violent felonies:

(i) Murder.

(ii) Mayhem.

(iii) Kidnapping as defined in Section 207 or 209.

(iv) Lewd acts on a child under 14 as defined in Section 288.

(v) Any other felony in which the defendant inflicts great bodily injury on a person other than accomplices which has been alleged

and proven.

(vi) Forceable rape in violation of subdivision (2), (3), or (4) of Section 261.

(vii) Sodomy by force, violence, duress, menace, or threat of great bodily injury.

(viii) Oral copulation by force, violence, duress, menace, or threat of great bodily injury.

(2) The applicant was convicted of child abuse in the current or any proceeding.

(f) Fitness petitions shall be resolved in the court of first instance as soon as possible for purposes of this section. Given the need to place the child as soon as possible, the first determination by the court as to the applicant's fitness as a mother shall determine her eligibility for the program for the current application. Outcomes of appeals shall not affect eligibility.

SEC. 11. 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 six years, 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. 12. Section 3422 of the Penal Code is amended to read:

3422. The costs for care of any mother and child placed in a community treatment program pursuant to this section shall be paid for out of funds allocated to the department in the normal budgetary process. The department shall make diligent efforts to procure other funding sources for the program.

SEC. 13. Section 3424 of the Penal Code is amended to read:

3424. On or before March 30, 1983, the Department of Corrections shall evaluate the cost efficiency and effect of this chapter and shall report back to the Legislature on efforts to procure outside funding sources together with the department's recommendations as to whether or not this chapter should be altered or repealed and if so, why.

SEC. 14. The sum of one million nine hundred thirty thousand nine hundred twenty-six dollars ($1,930,926), contained in Item 810-101-001(d), of the Budget Act of 1981, is hereby reappropriated from the General Fund to the Office of Criminal Justice Planning for allocation pursuant to Chapter 2.3 (commencing with Section 999b) of Title 6 of Part 2 of the Penal Code.

Funds reappropriated pursuant to this section shall be used to support career criminal felony prosecutions commencing on or after January 1, 1982.

SEC. 15. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to avoid long-term disruption of important criminal justice programs, it is necessary that this act become effective immediately.

CHAPTER 43

An act to amend Sections 65588, 65590, and 65700 of, to add an article heading to Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 of, and to add Section 65590.1 to, the Government Code, to amend Sections 30113, 30168, 30170, 30171, 30200, 30233, 30241, 30315, 30333, 30512, 30514, 30519, 30520, 30600.5, 30603, 30607.2, 30610, 30624, and 30625 of, and to add Sections 30011, 30519.1, 30600.1, 30600.6, 30601.5, 30603.1, 30610.8, 30613, and 30624.7 to, the Public Resources Code, to amend and supplement the Budget Act of 1981 by adding Section 2.00J thereto, and to amend Section 2 of Chapter 1359 of the Statutes of 1980, relating to coastal resources, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 65588 of the Government Code is amended to read:

65588. (a) Each local government shall review its housing element as frequently as appropriate to evaluate all of the following:

(1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

(2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.

(3) The progress of the city, county, or city and county in implementation of the housing element.

(b) The housing element shall be revised as appropriate, but not less than every five years, to reflect the results of this periodic review, except that the first such revision shall be accomplished by July 1, 1984.

(c) The review and revision of housing elements required by this section shall take into account any low- or moderate-income housing which has been provided or required pursuant to Section 65590.

SEC. 2. An article heading is added to Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 of the Government Code, immediately preceding Section 65590 thereof, to read:

Article 10.7. Low- and Moderate-Income Housing Within the Coastal Zone

SEC. 3. Section 65590 of the Government Code is amended to read:

65590. (a) In addition to the requirements of Article 10.6 (commencing with Section 65580), the provisions and requirements of this section shall apply within the coastal zone as defined and delineated in Division 20 (commencing with Section 30000) of the Public Resources Code. Each respective local government shall comply with the requirements of this section in that portion of its jurisdiction which is located within the coastal zone.

(b) The conversion or demolition of existing residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, shall not be authorized unless provision has been made for the replacement of those dwelling units with units for persons and families of low or moderate income. Replacement dwelling units shall be located within the same city or county as the dwelling units proposed to be converted or demolished. The replacement dwelling units shall be located on the site of the converted or demolished structure or elsewhere within the coastal zone if feasible, or, if location on the site or elsewhere within the coastal zone is not feasible, they shall be located within three miles of the coastal zone. The replacement dwelling units shall be provided and available for use within three years from the date upon which work commenced on the conversion or demolition of the residential dwelling unit. In the event that an existing residential dwelling unit is occupied by more than one person or family, the provisions of this subdivision shall apply if at least one such person or family, excluding any dependents thereof, is of low or moderate income.

For purposes of this subdivision, a residential dwelling unit shall be deemed occupied by a person or family of low or moderate income if the person or family was evicted from that dwelling unit within one year prior to the filing of an application to convert or demolish the unit and if the eviction was for the purpose of avoiding the requirements of this subdivision. If a substantial number of persons or families of low or moderate income were evicted from a single residential development within one year prior to the filing of an application to convert or demolish that structure, the evictions shall be presumed to have been for the purpose of avoiding the requirements of this subdivision and the applicant for the conversion or demolition shall bear the burden of proving that the evictions were not for the purpose of avoiding the requirements of this subdivision.

The requirements of this subdivision for replacement dwelling units shall not apply to the following types of conversion or demolition unless the local government determines that replacement of all or any portion of the converted or demolished

dwelling units is feasible, in which event replacement dwelling units shall be required:

(1) The conversion or demolition of a residential structure which contains less than three dwelling units, or, in the event that a proposed conversion or demolition involves more than one residential structure, the conversion or demolition of 10 or fewer dwelling units.

(2) The conversion or demolition of a residential structure for purposes of a nonresidential use which is either "coastal dependent," as defined in Section 30101 of the Public Resource Code, or "coastal related," as defined in Section 30101.3 of the Public Resources Code. However, the coastal-dependent or coastal-related use shall be consistent with the provisions of the land use plan portion of the local government's local coastal program which has been certified as provided in Section 30512 of the Public Resources Code. Examples of coastal-dependent or coastal-related uses include, but are not limited to, visitor-serving commercial or recreational facilities, coastal-dependent industry, or boating or harbor facilities.

(3) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has within the area encompassing the coastal zone, and three miles inland therefrom, less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use.

(4) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has established a procedure under which an applicant for conversion or demolition will pay an in-lieu fee into a program, the various provisions of which, in aggregate, will result in the replacement of the number of dwelling units which would otherwise have been required by this subdivision. As otherwise required by this subdivision, the replacement units shall, (i) be located within the coastal zone if feasible, or, if location within the coastal zone is not feasible, shall be located within three miles of the coastal zone, and (ii) shall be provided and available for use within three years from the date upon which work commenced on the conversion or demolition.

The requirements of this subdivision for replacement dwelling units shall not apply to the demolition of any residential structure which has been declared to be a public nuisance under the provisions of Division 13 (commencing with Section 17000) of the Health and Safety Code, or any local ordinance enacted pursuant to those provisions.

For purposes of this subdivision, no building, which conforms to the standards which were applicable at the time the building was constructed and which does not constitute a substandard building, as provided in Section 17920.3 of the Health and Safety Code, shall be deemed to be a public nuisance solely because the building does not conform to one or more of the current provisions of the Uniform Building Code as adopted within the jurisdiction for new construction.

(c) The conversion or demolition of any residential structure for purposes of a nonresidential use which is not "coastal dependent", as defined in Section 30101 of the Public Resources Code, shall not be authorized unless the local government has first determined that a residential use is no longer feasible in that location. If a local government makes this determination and authorizes the conversion or demolition of the residential structure, it shall require replacement of any dwelling units occupied by persons and families of low or moderate income pursuant to the applicable provisions of subdivision (b).

(d) New housing developments constructed within the coastal zone shall, where feasible, provide housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code. Where it is not feasible to provide these housing units in a proposed new housing development, the local government shall require the developer to provide such housing, if feasible to do so, at another location within the same city or county, either within the coastal zone or within three miles thereof. In order to assist in providing new housing units, each local government shall offer density bonuses or other incentives, including, but not limited to, modification of zoning and subdivision requirements, accelerated processing of required applications, and the waiver of appropriate fees.

(e) Any determination of the "feasibility" of an action required to be taken by this section shall be reviewable pursuant to the provisions of Section 1094.5 of the Code of Civil Procedure.

(f) The housing provisions of any local coastal program prepared and certified pursuant to Division 20 (commencing with Section 30000) of the Public Resources Code prior to January 1, 1982, shall be deemed to satisfy all of the requirements of this section. Any change or alteration in those housing provisions made on or after January 1, 1982, shall be subject to all of the requirements of this section.

(g) As used in this section:

(1) "Conversion" means a change of a residential dwelling to a condominium, cooperative, or similar form of ownership; or a change of a residential dwelling to a nonresidential use.

(2) "Demolition" means the demolition of a residential dwelling which has not been declared to be a public nuisance under Division 13 (commencing with Section 17000) of the Health and Safety Code or any local ordinance enacted pursuant to those provisions.

(3) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technical factors.

(h) With respect to the requirements of Sections 65583 and 65584, compliance with the requirements of this section is not intended and shall not be construed as any of the following:

(1) A statutory interpretation or determination of the local government actions which may be necessary to comply with the requirements of those sections; except that compliance with this

section shall be deemed to satisfy the requirements of paragraph (2) of subdivision (c) of Section 65583 for that portion of a local government's jurisdiction which is located within the coastal zone.

(2) A limitation on the program components which may be included in a housing element, or a requirement that a housing element be amended in order to incorporate within it any specific provision of this section or related policies. Any revision of a housing element pursuant to Section 65588 shall, however, take into account any low- or moderate-income housing which has been provided or required pursuant to this section.

(3) Except as otherwise specifically required by this section, a requirement that a local government adopt individual ordinances or programs in order to implement the requirements of this section.

(i) No provision of this section shall be construed as increasing or decreasing the authority of a local government to enact ordinances or to take any other action to ensure the continued affordability of housing.

(j) Local governments may impose fees upon persons subject to the provisions of this section to offset administrative costs incurred in order to comply with the requirements of this section.

(k) This section establishes minimum requirements for housing within the coastal zone for persons and families of low or moderate income. It is not intended and shall not be construed as a limitation or constraint on the authority or ability of a local government, as may otherwise be provided by law, to require or provide low- or moderate-income housing within the coastal zone which is in addition to the requirements of this section.

SEC. 3.5. Section 65590.1 is added to the Government Code, to read:

65590.1. Any local government which receives an application as provided in Section 30600.1 of the Public Resources Code to apply the requirements of Section 65590 to a proposed development shall apply these requirements within 90 days from the date on which it has received that application and accepted it as complete. In the event that the local government has granted final discretionary approval to the proposed development, or has determined that no such approval was required, prior to receiving the application, it shall, nonetheless, apply the requirements and is hereby authorized to conduct proceedings as may be necessary or convenient for the sole purpose of doing so.

SEC. 4. Section 65700 of the Government Code is amended to read:

65700. (a) The provisions of this chapter shall not apply to a charter city, except to the extent that the same may be adopted by charter or ordinance of the city; except that charter cities shall adopt general plans in any case, and such plans shall be adopted by resolution of the legislative body of the city, or the planning commission if the charter so provides, and such plans shall contain the mandatory elements required by Article 5 (commencing with

Section 65300) of Chapter 3 of this title.

(b) Notwithstanding subdivision (a), the provisions of Sections 65590 and 65590.1 shall be applicable to charter cities.

SEC. 5. Section 30011 is added to the Public Resources Code, to read:

30011. Nothing in this division shall authorize the commission to review a local government's application of the requirements of Section 65590 of the Government Code to any development. In addition, the commission shall not require any applicant for a coastal development permit or any local government to provide certification or other evidence of compliance with the requirements of Section 65590 of the Government Code. The commission may, however, solely in connection with coastal development permit applications described in subdivision (c) of Section 30600.1, require information about the status of a local government's action to apply the requirements of Section 65590 of the Government Code. This information shall be used for the purpose of determining time limits for commission action on these applications as provided in that subdivision (c).

SEC. 5.1. Section 30113 of the Public Resources Code is amended to read:

30113. "Prime agricultural land" means those lands defined in paragraph (1), (2), (3), or (4) of subdivision (c) of Section 51201 of the Government Code.

SEC. 5.5. Section 30168 of the Public Resources Code, as added by Chapter 1109 of the Statutes of 1979, is amended to read:

30168. In Orange County:

(a) In the City of Huntington Beach, approximately 9.5 acres are added as specifically shown on map 28.

(b) In the City of Costa Mesa, approximately 15 acres are excluded as specifically shown on map 28.

(c) In the City of Newport Beach, approximately 22.6 acres adjacent to Pacific Coast Highway are added as specifically shown on map 28; provided, however, that the area described in this subdivision shall be excluded from the coastal zone, if the Department of Transportation, within one year from the effective date of this act, enters into an agreement for use of this area for hospital-related purposes.

(d) In the Niguel Hill area, the developed portions of Pacific Island Village are excluded as specifically shown on map 29.

(e) In the communities of Dana Point and Laguna Niguel, approximately 450 acres inland of the Pacific Coast Highway are excluded as specifically shown on map 29A.

(f) In the community of Capistrano Beach, approximately 381 acres seaward of the San Diego Freeway are excluded as specifically shown on map 29A.

(g) In the City of San Clemente, approximately 230 acres seaward of the San Diego Freeway are added as specifically shown on map 29B, dated September 1, 1981, and filed on September 1, 1981, with

the Office of the Secretary of State.

(h) In the City of San Clemente, approximately 214 acres inland and seaward of the San Diego Freeway are excluded as specifically shown on maps 29A and 30.

SEC. 6. Section 30170 of the Public Resources Code is amended to read:

30170. In San Diego County:

(a) In the City of Oceanside, approximately 500 acres are excluded as specifically shown on maps 30A and 31.

(b) In the City of Carlsbad, approximately 180 acres in the downtown area, except for the Elm Street corridor, are excluded as specifically shown on map 31.

(c) In the City of Carlsbad the area lying north of the Palomar Airport as generally shown on maps 31 and 32 and as specifically described in this subdivision is excluded.

Those portions of lots "F" and "G" of Rancho Agua Hedionda, part in the City of Carlsbad and part in the unincorporated area of the County of San Diego, State of California, according to the partition map thereof No. 823, filed in the office of the county recorder of such county, November 16, 1896, described as follows:

Commencing at point 1 of said lot "F" as shown on said map; thence along the boundary line of said lot "F" south 25° 33′ 56″ east, 229.00 feet to point 23 of said lot "F" and south 54° 40′ 19″ east, 1347.00 feet; thence leaving said boundary line south 35° 19′ 44″ west, 41.28 feet to the true point of beginning, which point is the true point of beginning, of the land described in deed to Japatul Corporation recorded December 8, 1975, at recorder's file/page No. 345107 of official records to said county; thence along the boundary line of said land south 35° 19′ 44″ west, 2216.46 feet and north 53° 02′ 49″ west, 1214.69 feet to the northeast corner of the land described in deed to Japatul Corporation recorded December 8, 1975, at recorder's file/page No. 345103 of said official records; thence along the boundary lines of said land as follows: West, 1550 feet, more or less, to the boundary of said lot "F"; south 00° 12′ 00″ west, 550 feet, more or less, to point 5 of said lot "F"; south 10° 25′ 10″ east along a straight line between said point 5 and point 14 of said lot "F", to point 14 of said lot "F": thence along the boundary of said lot "F" south 52° 15′ 45″ east (record south 51° 00′ 00″ east) 1860.74 feet more or less to the most westerly corner of the land conveyed to James L. Hieatt, et ux, by deed recorded June 11, 1913, in Book 617, page 54 of deed, records of said county; thence along the northwesterly and northeasterly boundary of Hieatt's land as follows: North 25° 00′ 00″ east, 594.00 feet and south 52° 15′ 45″ east (record south 51° 00′ 00″ east per deed) 1348.61 feet to a point of intersection with the northerly line of Palomar County Airport, said point being on the boundary of the land conveyed to Japatul Corporation by deed recorded December 8, 1975, at recorder's file/page No. 345107 of said official records; thence along said boundary as follows: North 79° 10′ 00″ east, 4052.22 feet north 10° 50′ 00″ west, 500.00 feet; north 79° 10′

00" east 262.00 feet, south 10° 50' 00" east, 500.00 feet; north 79° 10' 00" east, 1005 feet, more or less, to the westerly line of the land conveyed to the County of San Diego by deed recorded May 28, 1970, at recorder's file/page No. 93075 of said official records; thence continuing along the boundary of last said Japatul Corporation's land north 38° 42' 44" west, 2510.58 feet to the beginning of a tangent 1845.00 foot radius curve concave northeasterly; along the arc of said curve through a central angle of 14° 25' 52" a distance of 464.70 feet to a point of the southerly boundary of the land allotted to Thalia Kelly Considine, et al, by partial final judgment in partition, recorded January 18, 1963, at recorder's file/page No. 11643 of said official records; thence continuing along last said Japatul Corporation's land south 67° 50' 28" west, 1392.80 feet north 33° 08' 52" west, 915.12 feet and north 00° 30' 53" west, 1290.37 feet to the southerly line of said land conveyed to the County of San Diego, being also the northerly line of last said Japatul Corporation's land; thence along said common line north 74° 57' 25" west, 427.67 feet to the beginning of a tangent 2045.00 foot radius curve concave northerly; and westerly along the arc of said curve through a central angle of 16° 59' 24", a distance of 606.41 feet to the true point of beginning.

And those properties known as assessors parcel Nos. 212-020-08, 212-020-22, and 212-020-23.

Excepting therefrom, that portion, if any, conveyed to the County of San Diego, by quitclaim deed recorded January 12, 1977, at recorder's file/page No. 012820 of said official records.

No development may occur in the area described in this subdivision until a plan for drainage of the parcel to be developed has been approved by the local government having jurisdiction over the area after consultation with the commission and the Department of Fish and Game. The plan shall assure that no detrimental increase occurs in runoff of water from the parcel to be developed and shall require that the facilities necessary to implement the plan are installed as part of the development.

(d) In the City of Carlsbad and adjacent unincorporated areas, approximately 600 acres consisting of the Palomar Airport and an adjoining industrial park are excluded as specifically shown on maps 31 and 32.

(e) An area consisting of approximately 333 acres lying west and south of the Palomar Airport and bounded on the south by Palomar Airport Road is excluded as specifically shown on maps 31 and 32.

No development may occur in the area described in this subdivision until a plan for drainage of the parcel to be developed has been approved by the local government having jurisdiction over the area after consultation with the commission and the Department of Fish and Game. The plan shall assure that no detrimental increase occurs in runoff of water from the parcel to be developed and shall require that the facilities necessary to implement the plan are installed as part of the development.

(f) On or before October 1, 1980, the commission shall, after public hearing and in consultation with the City of Carlsbad, prepare, approve, and adopt a local coastal program for the following parcels in the vicinity of Batiquitos Lagoon within the City of Carlsbad: lands owned by Rancho La Costa, a registered limited partnership, lands (consisting of approximately 80 acres) owned by Standard Pacific of San Diego, Inc., that were conveyed by Rancho La Costa on October 8, 1977, and lands owned by the Occidental Petroleum Company. Such parcels shall be determined by ownership as of September 12, 1979. As used in this subdivision, "parcels" means the parcels identified in this paragraph. The local coastal program required by this subdivision shall include all of the following elements:

(1) Protection of agricultural lands and uses to the extent feasible.

(2) Minimization of adverse impacts from sedimentation.

(3) Protection of feasible public recreational opportunities.

(4) Provision for economically feasible development consistent with the three elements specified in this subdivision.

The local coastal program required by this subdivision shall, after adoption by the commission, be deemed certified and shall for all purposes of this division constitute certified local coastal program segments for those parcels in the City of Carlsbad. The segments of the city's local coastal program for those parcels may be amended pursuant to the provisions of this division relating to the amendment of local coastal programs. In addition, until such time as (i) the City of Carlsbad adopts or enacts the implementing actions contained in any such local coastal program, or (ii) other statutory provisions provide alternately for the adoption, certification, and implementation of a local coastal program for those parcels, the local coastal program required by this subdivision may also be amended by the commission at the request of the owner of any of those parcels. For administrative purposes, the commission may group these requests in order to schedule them for consideration at a single commission hearing; provided, however, that the commission shall schedule these requests for consideration at least once during each four-month period, beginning January 1, 1982. After either of these events occur, however, these property owners shall no longer be eligible to request the commission to amend the local coastal program.

If the commission fails to adopt such local coastal program within the time limits specified in this subdivision, those parcels shall be excluded from the coastal zone and shall no longer be subject to the provisions of this division. It is the intent of the Legislature in enacting this subdivision that a procedure to expedite the preparation and adoption of a local coastal program for those parcels be established so that the public and affected property owners know as soon as possible what the permissible uses of such lands are.

(g) In the vicinity of the intersection of Del Mar Heights Road and the San Diego Freeway, approximately 250 acres are excluded as

specifically shown on map 33.

(h) In the vicinity of the intersection of Carmel Valley Road and the San Diego Freeway, approximately 45 acres are added as specifically shown on map 33.

In the City of San Diego, the Carmel Valley area consisting of approximately 1,400 acres as shown on map 33 which has been placed on file with the Secretary of State on January 23, 1980, shall be excluded from the coastal zone after the City of San Diego submits, and the commission certifies, a drainage plan and a transportation plan for the area. The city shall implement and enforce the certified drainage and transportation plans. Any amendments or changes to the underlying land use plan for the area that affects drainage, or to either the certified drainage or transportation plan, shall be reviewed and processed in the same manner as an amendment of a certified local coastal program pursuant to Section 30514. Any land use not in conformance with the certified drainage and transportation plans may be appealed to the commission pursuant to the appeals procedure as provided by Chapter 7 (commencing with Section 30600). The drainage plan and any amendments thereto shall be prepared after consultation with the Department of Fish and Game and shall ensure that problems resulting from water runoff, sedimentation, and siltation are adequately identified and resolved.

(i) Near the head of the south branch of Los Penasquitos Canyon, the boundary is moved seaward to the five-mile limit as described in Section 30103 and as specifically shown on map 33.

(j) In the City of San Diego, approximately 1,855 acres known as the Mount Soledad and La Jolla Mesa areas are added as specifically shown on map 34; provided, however, that on or before February 29, 1980, and pursuant to either subdivision (d) of Section 30610 or Section 30610.5, the commission shall exclude from coastal development permit requirements any single-family residence within the area specified in this subdivision. No coastal development permit shall be required for any improvement, maintenance activity, relocation, or reasonable expansion of any commercial radio or television transmission facilities within the area specified in this subdivision unless any such proposed activity could result in a significant change in the density or intensity of use in such area or could have a significant adverse impact on highly scenic resources of public importance; provided, however, that no prior review by the commission of any such activity shall be required.

(k) In the City of San Diego, approximately 30 acres known as the Famosa Slough is added as specifically shown on maps 34 and 35.

SEC. 7. Section 30171 of the Public Resources Code is amended to read:

30171. (a) On or before October 1, 1980, the commission shall submit to the City of Carlsbad an initial draft of the land use portion of the local coastal program for the area specifically delineated on maps 154 and 155 which have been placed on file with the Secretary of State on April 22, 1980.

(b) On or before July 1, 1981, the commission shall, after public hearing and consultation with the City of Carlsbad, adopt a local coastal program for that area within the City of Carlsbad which is specifically delineated on maps 154 and 155 which have been placed on file with the Secretary of State on April 22, 1980. The local coastal program for such area shall, after adoption by the commission, be deemed certified, and shall, for all purposes of this division, constitute the certified local coastal program for such area. The local coastal program for such area may be amended pursuant to the provisions of this division relating to the amendment of local coastal programs. In addition, until such time as (i) the City of Carlsbad adopts or enacts the implementing actions contained in any such local coastal program, or (ii) other statutory provisions provide alternately for the adoption, certification, and implementation of a local coastal program for that area, the local coastal program required by this subdivision may also be amended by the commission at the request of any owner of property located within the area. For administrative purposes, the commission may group these requests in order to schedule them for consideration at a single commission hearing; provided, however, that the commission shall schedule these requests for consideration at least once during each four-month period, beginning January 1, 1982. After either of these events occur, however, these property owners shall no longer be eligible to request the commission to amend the local coastal program.

(c) If the commission fails to adopt such local coastal program within the time limits specified in this subdivision, such area shall be excluded from the coastal zone and shall no longer be subject to the provisions of this division. It is the intent of the Legislature, in enacting this section, that a procedure to expedite the preparation and adoption of a local coastal program in this specified area be established so that the public and affected property owners know as soon as possible what the permissible uses of such lands are.

(d) This section is not intended and shall not be construed as authorizing any modification, extension, or alteration in any deadline or other provisions of any contract between the commission or any regional coastal commission and any person, business, or corporation with respect to planning services for the area delineated on maps 154 and 155.

SEC. 8. Section 30200 of the Public Resources Code is amended to read:

30200. (a) Consistent with the coastal zone values cited in Section 30001 and the basic goals set forth in Section 30001.5, and except as may be otherwise specifically provided in this division, the policies of this chapter shall constitute the standards by which the adequacy of local coastal programs, as provided in Chapter 6 (commencing with Section 30500), and the permissibility of proposed developments subject to the provisions of this division are determined. All public agencies carrying out or supporting activities outside the coastal zone that could have a direct impact on resources

within the coastal zone shall consider the effect of such actions on coastal zone resources in order to assure that these policies are achieved.

(b) Where the commission or any local government in implementing the provisions of this division identifies a conflict between the policies of this chapter, Section 30007.5 shall be utilized to resolve the conflict and the resolution of such conflicts shall be supported by appropriate findings setting forth the basis for the resolution of identified policy conflicts.

SEC. 9. Section 30233 of the Public Resources Code is amended to read:

30233. (a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:

(1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.

(2) Maintaining existing, or restoring previously dredged, depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.

(3) In wetland areas only, entrance channels for new or expanded boating facilities; and in a degraded wetland, identified by the Department of Fish and Game pursuant to subdivision (b) of Section 30411, for boating facilities if, in conjunction with such boating facilities, a substantial portion of the degraded wetland is restored and maintained as a biologically productive wetland; provided, however, that in no event shall the size of the wetland area used for such boating facility, including berthing space, turning basins, necessary navigation channels, and any necessary support service facilities, be greater than 25 percent of the total wetland area to be restored.

(4) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities.

(5) Incidental public service purposes, including, but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.

(6) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.

(7) Restoration purposes.

(8) Nature study, aquaculture, or similar resource-dependent activities.

(b) Dredging and spoils disposal shall be planned and carried out to avoid significant disruption to marine and wildlife habitats and water circulation. Dredge spoils suitable for beach replenishment should be transported for such purposes to appropriate beaches or into suitable longshore current systems.

(c) In addition to the other provisions of this section, diking,

filling, or dredging in existing estuaries and wetlands shall maintain or enhance the functional capacity of the wetland or estuary. Any alteration of coastal wetlands identified by the Department of Fish and Game, including, but not limited to, the 19 coastal wetlands identified in its report entitled, "Acquisition Priorities for the Coastal Wetlands of California", shall be limited to very minor incidental public facilities, restorative measures, nature study, commercial fishing facilities in Bodega Bay, and development in already developed parts of south San Diego Bay, if otherwise in accordance with this division.

For the purposes of this section, "commercial fishing facilities in Bodega Bay" means that not less than 80 percent of all boating facilities proposed to be developed or improved, where such improvement would create additional berths in Bodega Bay, shall be designed and used for commercial fishing activities.

(d) Erosion control and flood control facilities constructed on watercourses can impede the movement of sediment and nutrients which would otherwise be carried by storm runoff into coastal waters. To facilitate the continued delivery of these sediments to the littoral zone, whenever feasible, the material removed from these facilities may be placed at appropriate points on the shoreline in accordance with other applicable provisions of this division, where feasible mitigation measures have been provided to minimize adverse environmental effects. Aspects that shall be considered before issuing a coastal development permit for such purposes are the method of placement, time of year of placement, and sensitivity of the placement area.

SEC. 10. Section 30241 of the Public Resources Code is amended to read:

30241. The maximum amount of prime agricultural land shall be maintained in agricultural production to assure the protection of the areas' agricultural economy, and conflicts shall be minimized between agricultural and urban land uses through all of the following:

(a) By establishing stable boundaries separating urban and rural areas, including, where necessary, clearly defined buffer areas to minimize conflicts between agricultural and urban land uses.

(b) By limiting conversions of agricultural lands around the periphery of urban areas to the lands where the viability of existing agricultural use is already severely limited by conflicts with urban uses or where the conversion of the lands would complete a logical and viable neighborhood and contribute to the establishment of a stable limit to urban development.

(c) By permitting the conversion of agricultural land surrounded by urban uses where the conversion of the land would be consistent with Section 30250.

(d) By developing available lands not suited for agriculture prior to the conversion of agricultural lands.

(e) By assuring that public service and facility expansions and

nonagricultural development do not impair agricultural viability, either through increased assessment costs or degraded air and water quality.

(f) By assuring that all divisions of prime agricultural lands, except those conversions approved pursuant to subdivision (b), and all development adjacent to prime agricultural lands shall not diminish the productivity of prime agricultural lands.

SEC. 11. Section 30315 of the Public Resources Code is amended to read:

30315. The commission shall meet at least once a month at a place convenient to the public. All meetings of the commission shall be open to the public.

A majority of the total appointed membership of the commission shall constitute a quorum. Any action taken by the commission under this division requires a majority vote of the members present at the meeting of the commission, with a quorum being present, unless otherwise specifically provided for in this division.

SEC. 12. Section 30333 of the Public Resources Code is amended to read:

30333. Except as provided in Section 18930 of the Health and Safety Code, the commission may adopt or amend, by vote of a majority of the appointed membership thereof, rules and regulations to carry out the purposes and provisions of this division, and to govern procedures of the commission.

Except as provided in Section 18930 of the Health and Safety Code and paragraph (3) of subdivision (a) of Section 30620, these rules and regulations shall be adopted in accordance with the provisions of Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code. These rules and regulations shall be consistent with this division and other applicable law.

SEC. 12.5. Section 30512 of the Public Resources Code is amended to read:

30512. (a) The land use plan of a proposed local coastal program shall be submitted to the commission. The commission shall, within 90 days after the submittal, after public hearing, either certify or refuse certification, in whole or in part, the land use plan pursuant to the following procedure:

(1) No later than 60 days after a land use plan has been submitted to it, the commission shall, after public hearing and by majority vote of those present, determine whether the land use plan, or a portion thereof applicable to an identifiable geographic area, raises no substantial issue as to conformity with the policies of Chapter 3 (commencing with Section 30200).

If the commission determines that no substantial issue is raised, the land use plan, or portion thereof applicable to an identifiable area, which raises no substantial issue, shall be deemed certified as submitted. The commission shall adopt findings to support its action.

(2) Where the commission determines pursuant to paragraph (1) that one or more portions of a land use plan applicable to one or more

identifiable geographic areas raise no substantial issue as to conformity with the policies of Chapter 3 (commencing with Section 30200), the remainder of that land use plan applicable to other identifiable geographic areas shall be deemed to raise one or more substantial issues as to conformity with the policies of Chapter 3 (commencing with Section 30200). The commission shall identify each such substantial issue for each such geographic area.

(3) The commission shall hold at least one public hearing on the matter or matters which have been identified as substantial issues pursuant to paragraph (2). No later than 90 days after the submittal of the land use plan, the commission shall determine whether or not to certify the land use plan, in whole or in part. If the commission fails to act within the required 90-day period, the land use plan, or portion thereof, shall be deemed certified by the commission.

(b) If the commission determines not to certify a land use plan, in whole or in part, the commission shall provide a written explanation and may suggest modifications, which, if adopted and transmitted to the commission by the local government, shall cause the land use plan to be deemed certified upon confirmation of the executive director. The local government may elect to meet the commission's refusal of certification in a manner other than as suggested by the commission and may then resubmit its revised land use plan to the commission. If a local government requests that the commission not recommend or suggest modifications which, if made, will result in certification, the commission shall refuse certification with the required findings.

(c) The commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200). Except as provided in paragraph (1) of subdivision (a), a decision to certify shall require a majority vote of the appointed membership of the commission.

(d) This section shall become inoperative and shall have no force or effect on the date, if any, of a final judicial decision that its provisions are inconsistent with the requirements of the federal coastal act. On and after that date, any reference to this section shall be deemed to be reference to Section 30512.1.

SEC. 13. Section 30514 of the Public Resources Code is amended to read:

30514. (a) A certified local coastal program and all local implementing ordinances, regulations, and other actions may be amended by the appropriate local government, but no such amendment shall take effect until it has been certified by the commission.

(b) Any proposed amendments to a certified local coastal program shall be submitted to, and processed by, the commission in accordance with the applicable procedures and time limits specified in Sections 30512 and 30513, except that the commission shall make no determination as to whether a proposed amendment raises a

substantial issue as to conformity with the policies of Chapter 3 (commencing with Section 30200) as would otherwise be required by Section 30512. In no event shall there be more than three of these submittals of proposed amendments in any calendar year. However, there are no limitations on the number of amendments included in each of the three submittals.

(c) The commission shall, by regulation, establish a procedure whereby proposed amendments to a certified local coastal program may be reviewed and designated by the executive director of the commission as being minor in nature or as requiring rapid and expeditious action. This procedure shall include provisions authorizing local governments to propose amendments to the executive director for such review and designation. Proposed amendments that are so designated shall not be subject to the provisions of subdivision (b) or Sections 30512 and 30513 and shall take effect on the 10th working day after such designation. Amendments that allow changes in uses shall not be so designated.

(d) For the purpose of this section, an "amendment of a certified local coastal program" includes, but is not limited to, any action by the local government which authorizes a use of a parcel of land other than that designated in the certified local coastal program as a permitted use of such parcel.

SEC. 14. Section 30519 of the Public Resources Code is amended to read:

30519. (a) Except for appeals to the commission, as provided in Section 30603, after a local coastal program, or any portion thereof, has been certified and all implementing actions within the area affected have become effective, the development review authority provided for in Chapter 7 (commencing with Section 30600) shall no longer be exercised by the regional commission or by the commission where there is no regional commission over any new development proposed within the area to which such certified local coastal program, or any portion thereof, applies and shall at that time be delegated to the local government that is implementing such local coastal program or any portion thereof.

(b) Subdivision (a) shall not apply to any development proposed or undertaken on any tidelands, submerged lands, or on public trust lands, whether filled or unfilled, lying within the coastal zone, nor shall it apply to any development proposed or undertaken within ports covered by Chapter 8 (commencing with Section 30700) or within any state university or college within the coastal zone; however, this section shall apply to any development proposed or undertaken by a port or harbor district or authority on lands or waters granted by the Legislature to a local government whose certified local coastal program includes the specific development plans for such district or authority.

(c) The commission may, from time to time, recommend to the appropriate local government local coastal program amendments to accommodate uses of greater than local importance, which uses are

not permitted by the applicable certified local coastal program. These uses may be listed generally or the commission may recommend specific uses of greater than local importance for consideration by the appropriate local government.

SEC. 14.5. Section 30519.1 is added to the Public Resources Code, to read:

30519.1. (a) This section shall apply only to those parcels and areas within the City of Carlsbad for which a local coastal program has been prepared and certified by the commission pursuant to subdivision (f) of Section 30170 or Section 30171.

(b) Any provisions of any such local coastal program with respect to housing for persons and families of low or moderate income shall have no force or effect after January 1, 1982. After that date, housing requirements for those parcels and areas shall be determined pursuant to Section 65590 of the Government Code.

(c) Until such time as, (i) the City of Carlsbad adopts or enacts the implementing actions contained in any such local coastal program, or (ii) other statutory provisions provide alternately for the adoption, certification, and implementation of a local coastal program for those parcels and areas, coastal development permits for those parcels and areas shall be issued by the commission as provided in this subdivision. Notwithstanding any other provision of this division, the commission shall issue a coastal development permit if it finds that a proposed development is in conformity with the certified local coastal program, exclusive of any provisions with respect to housing for persons and families of low or moderate income which have been rendered inoperative pursuant to subdivision (b).

SEC. 15. Section 30520 of the Public Resources Code is amended to read:

30520. (a) If the application of any certified local coastal program, or any portion thereof, is prohibited or stayed by any court, the permit authority provided for in Chapter 7 (commencing with Section 30600) shall be exercised pursuant to the provisions of this section until a final court order has withdrawn such prohibition or stay. A coastal development permit shall be issued by the affected local government or the commission on appeal, if that local government or the commission on appeal finds that the proposed development is in conformity with the provisions of Chapter 3 (commencing with Section 30200) or the applicable certified land use plan if the court-ordered prohibition or stay applies only to the zoning ordinances, zoning district maps, or, where necessary, the other implementing actions which are required pursuant to this chapter. Any development approved by a local government pursuant to this subdivision may be appealed to the commission by any person, including the executive director or any commissioner during the period the permit provisions of this section are in effect.

(b) Until a local government has adopted an interim ordinance prescribing procedures for issuing coastal development permits in

the circumstances described in subdivision (a), the permit authority provided for in Chapter 7 (commencing with Section 30600) shall be reinstated in the commission. A coastal development permit shall be issued by the commission if the commission finds that the proposed development is in conformity with the provisions of Chapter 3 (commencing with Section 30200) or the applicable certified land use plan, if the court-ordered prohibition or stay applies only to zoning ordinances, zoning district maps, or, where necessary, the other implementing actions which are required pursuant to this chapter.

(c) The permit authority provided for in this section shall be limited to only those developments which would be affected by the court-ordered prohibition or stay.

SEC. 15.5. Section 30600.1 is added to the Public Resources Code, to read:

30600.1. (a) In the event that an applicant for a coastal development permit had, prior to January 1, 1982, received from the appropriate local government final discretionary approval to proceed with a proposed development, but had not been issued a coastal development permit prior to that date, the provisions of subdivision (b) or (c) shall apply to any requirements for housing for persons or families of low or moderate income which may be applicable to the proposed development.

(b) In the event that the commission has approved an application for a coastal development permit, but the applicant has not complied with conditions in regard to such housing which were imposed by the commission as part of its approval, the applicant shall do either of the following:

(1) Comply with the housing and other applicable conditions imposed by the commission, in which event the coastal development permit shall be issued and the provisions of Section 65590 of the Government Code shall not apply to the development.

(2) Apply to the appropriate local government as provided in Section 65590.1 of the Government Code to have that local government apply the requirements of Section 65590 of the Government Code to the proposed development, in which event, no condition previously imposed by the commission with respect to such housing shall be applicable to the proposed development.

(c) In the event that application has not been acted upon prior to January 1, 1982, the commission shall process the application as otherwise required by this division, but shall not impose any condition or requirement with respect to housing for persons or families of low or moderate income on the proposed development. The applicant shall apply to the appropriate local government as provided in Section 65590.1 of the Government Code to have that local government apply the requirements of Section 65590 of the Government Code to the proposed development. The commission, at its discretion, may defer action on this application until the local government has acted to apply the requirements of Section 65590 of

the Government Code. The time limits otherwise applicable to commission action on this application shall be stayed during any such period of deferral. If however any such application is for a conversion of a residential dwelling as defined in paragraph (1) of subdivision (g) of Section 65590 of the Government Code, the commission shall not defer processing of such application but shall defer the final issuance of a coastal development permit until the local government has applied the requirements of Section 65590 of the Government Code.

SEC. 16. Section 30600.5 of the Public Resources Code is amended to read:

30600.5. (a) Prior to the certification of a local coastal program and notwithstanding the provisions of subdivision (a) of Section 30519, after the effective date of this section, the authority for issuance of coastal development permits provided for in Chapter 7 (commencing with Section 30600) shall be delegated to local governments pursuant to the provisions of this section.

(b) Except for any development specified in subdivision (b) of Section 30519 and Section 30601 or with respect to any development proposed by any state agency, the authority for issuance of coastal development permits provided for in Chapter 7 (commencing with Section 30600) shall be delegated to the respective local governments within 120 days after (1) the effective date of certification of a land use plan pursuant to Chapter 6 (commencing with Section 30500) or (2) the effective date of this section, whichever occurs last. This delegation shall only apply with respect to those areas governed by the certified land use plan or a certified portion thereof, applicable to an identifiable geographic area.

(c) Notwithstanding any other provision of this division, after delegation of authority to issue coastal development permits pursuant to subdivision (b), a coastal development permit shall be issued by the respective local government or the commission on appeal, if that local government or the commission on appeal finds that the proposed development is in conformity with the certified land use plan.

(d) Any action taken by a local government on a coastal development permit application pursuant to the provisions of this section may be appealed to the commission pursuant to Section 30602. The commission shall hear an appeal brought pursuant to the provisions of this section, unless it determines that the local government action taken raises no substantial issue as to conformity with the certified land use plan. For purposes of this subdivision, failure by any local government to act within any time limit specified in this division shall constitute an "action taken."

(e) The commission shall, following a public hearing and within 90 days after the effective date of this section, adopt minimum standards for public notice, hearing, and appeal procedures to govern local government review of coastal development permit applications pursuant to this section. The standards shall, as nearly as

practical, follow the standards required for local agencies after certification of local coastal programs for appealable developments and shall ensure that the notice and hearing required for the coastal development permit can be provided at the same time as the notice and hearing requirements for other local land use decisions which may be necessary for the project requiring the permit. Within 60 days prior to assumption of authority for issuance of coastal development permits pursuant to this section, the local government shall provide drafts of all procedures for issuance of coastal development permits to the executive director of the commission. Delegation of the authority to issue coastal development permits pursuant to subdivision (b) shall not occur until the local government has provided copies of all the adopted procedures for the issuance of coastal development permits to the executive director of the commission. Any amendments to the procedures shall also be furnished to the executive director for his information.

(f) Prior to the delegation of authority to issue coastal development permits as provided in subdivision (b), a local government, after appropriate notice and hearing, shall adopt an ordinance prescribing the procedures to be used in issuing such coastal development permits. Each such ordinance shall incorporate at least the minimum standards for public notice, hearings, and appeals established by the commission pursuant to subdivision (e). In addition, each such ordinance shall contain provisions which prohibit the issuance of a coastal development permit for any development which may conflict with the ordinances which are being prepared to implement the certified land use plan.

(g) In order to expedite certification of complete local coastal programs and the transfer of coastal development controls to local government, the commission shall, on request from a local government, prepare the ordinances necessary for that local government to implement the coastal permit responsibilities of this division.

(h) The time limits set forth in subdivision (b) shall be extended, by right, for not more than 90 days if a local government, by resolution of its governing body, so requests.

(i) The provisions of this section and of any local ordinance enacted pursuant thereto shall have no further force or effect or application after that local government's local coastal program has been certified and taken effect pursuant to the provisions of this division.

(j) This section shall become inoperative and shall have no force or effect on the date, if any, of a final judicial decision that its provisions are inconsistent with the requirements of the federal coastal act.

SEC. 17. Section 30600.6 is added to the Public Resources Code, to read:

30600.6. (a) The Legislature finds that some new cost may be incurred by local governments when the authority to issue coastal

development permits is delegated to these local governments as provided in Section 30600.5. It is the intent of the Legislature that during the period prior to certification of a local government's local coastal program these new costs shall be funded as provided in this section.

(b) If a local government has been delegated authority to issue coastal development permits as provided in Section 30600.5, any new costs incurred by reason thereof shall be recovered from fees charged to individual permit applicants. Such fees shall cover only those costs which meet all of the following criteria:

(1) The costs are attributable to the actual issuance of coastal development permits, including a pro rata share of general administrative costs.

(2) The costs would not have been incurred except for the delegation of authority to issue coastal development permits as provided in Section 30600.5.

(3) The costs are of a type which would not normally be incurred by the local government in carrying out its land use planning and regulatory responsibilities pursuant to other provisions of law.

(c) A local government may elect not to levy fees as provided in this section. If the local government does not levy such fees, it shall not be eligible to be reimbursed for such costs pursuant to other provisions of law.

(d) After certification of its local coastal program, each respective local government shall be reimbursed for costs associated with implementation of that local coastal program as provided in Article 4 (commencing with Section 30350) of Chapter 4.

SEC. 18. Section 30601.5 is added to the Public Resources Code, to read:

30601.5. Where the applicant for a coastal development permit is not the owner of a fee interest in the property on which a proposed development is to be located, but can demonstrate a legal right, interest, or other entitlement to use the property for the proposed development, the commission shall not require the holder or owner of any superior interest in the property to join the applicant as coapplicant. All holders or owners of any other interests of record in the affected property shall be notified in writing of the permit application and invited to join as coapplicant. In addition, prior to the issuance of a coastal development permit, the applicant shall demonstrate the authority to comply with all conditions of approval.

SEC. 19. Section 30603 of the Public Resources Code is amended to read:

30603. (a) After certification of its local coastal program, an action taken by a local government on a coastal development permit application may be appealed to the commission for only the following types of developments:

(1) Developments approved by the local government between the sea and the first public road paralleling the sea or within 300 feet of the inland extent of any beach or of the mean high tide line of the

sea where there is no beach, whichever is the greater distance.

(2) Developments approved by the local government not included within paragraph (1) of this subdivision that are located on tidelands, submerged lands, public trust lands, within 100 feet of any wetland, estuary, stream, or within 300 feet of the top of the seaward face of any coastal bluff.

(3) Developments approved by the local government not included within paragraph (1) or (2) of this subdivision that are located in a sensitive coastal resource area.

(4) Any development approved by a coastal county that is not designated as the principal permitted use under the zoning ordinance or zoning district map approved pursuant to Chapter 6 (commencing with Section 30500).

(5) Any development which constitutes a major public works project or a major energy facility.

(b) The grounds for an appeal pursuant to paragraph (1) of subdivision (a) shall be limited to one or more of the following allegations:

(1) The development fails to provide adequate physical access or public or private commercial use or interferes with such uses.

(2) The development fails to protect public views from any public road or from a recreational area to, and along, the coast.

(3) The development is not compatible with the established physical scale of the area.

(4) The development may significantly alter existing natural landforms.

(5) The development does not comply with shoreline erosion and geologic setback requirements.

(c) The grounds for an appeal pursuant to paragraph (2), (3), (4), or (5) of subdivision (a) shall be limited to an allegation that the development does not conform to the certified local program.

(d) Any action described in subdivision (a) shall become final after the 10th working day, unless an appeal is filed within that time.

SEC. 20. Section 30603.1 is added to the Public Resources Code, to read:

30603.1. (a) In any city and county which so requests, the commission may adjust the inland boundary of the area within which the issuance of coastal development permits may be appealed to the commission pursuant to paragraph (1) of subdivision (a) of Section 30603. Any such adjustment shall be made solely to avoid the circumstance of having the boundary of that area bisect an individual parcel of property. The adjustment may be made landward or seaward, but shall be the minimum distance necessary, consistent with the policies of Chapter 3 (commencing with Section 30200), to avoid bisecting a parcel of property.

(b) If the commission subsequently finds that the circumstances which warranted a boundary adjustment pursuant to subdivision (a) have changed, it may, after notice to the city and county, readjust the boundary so that it is consistent with the changed circumstances. The

requirements of subdivision (a) shall apply to any such boundary adjustment.

SEC. 21. Section 30607.2 of the Public Resources Code is amended to read:

30607.2. (a) Conditions requiring housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, which were incorporated into a coastal development permit issued prior to January 1, 1982, may, at the request of the permittee, be amended or modified by the commission or by a local government having the authority to issue coastal development permits. In approving such amendments or modifications, only those conditions and requirements authorized by Section 65590 of the Government Code may be imposed on the permittee.

(b) Any person who, prior to January 1, 1982, has been issued a coastal development permit which contains requirements for low- and moderate-income housing but who, prior to January 1, 1982, has not performed substantial work on the development site (such as grading, installation of streets, sewers or utilities or construction of major buildings) may elect to proceed under either of the following options:

(1) To proceed pursuant to all of the requirements of the coastal development permit, in which event the provisions of subdivision (a) shall apply to any subsequent request to amend or alter the coastal development permit in regard to housing requirements.

(2) To proceed without complying with the housing requirements contained in the coastal development permit, in which event the housing requirements for the development shall be governed by Section 65590 of the Government Code.

(c) On or after January 1, 1982, no new coastal development permit or amendment to any existing permit for a sewer project shall be denied, restricted, or conditioned in order to implement housing policies or programs.

(d) Nothing in this section shall authorize or require the modification or amendment to any terms or conditions of any previously issued coastal development permit which guarantees housing opportunities for persons and families of low or moderate income where the term or condition has been met through an agreement executed and recorded on or before January 1, 1982, between an applicant and the commission. Further, nothing in this section shall impair the commission's authority to deny, restrict, or condition new permits or amendments to existing permits based on any requirement of this division.

SEC. 22. Section 30610 of the Public Resources Code is amended to read:

30610. Notwithstanding any provision in this division to the contrary, no coastal development permit shall be required pursuant to this chapter for the following types of development and in the following areas:

(a) Improvements to existing single-family residences; provided, however, that the commission shall specify, by regulation, those classes of development which involve a risk of adverse environmental effect and shall require that a coastal development permit be obtained under this chapter.

(b) Improvements to any structure other than a single-family residence or a public works facility; provided, however, that the commission shall specify, by regulation, those types of improvements which (1) involve a risk of adverse environmental effect, (2) adversely affect public access, or (3) involve a change in use contrary to any policy of this division. Any improvement so specified by the commission shall require a coastal development permit.

(c) Maintenance dredging of existing navigation channels or moving dredged material from such channels to a disposal area outside the coastal zone, pursuant to a permit from the United States Army Corps of Engineers.

(d) Repair or maintenance activities that do not result in an addition to, or enlargement or expansion of, the object of such repair or maintenance activities; provided, however, that if the commission determines that certain extraordinary methods of repair and maintenance that involve a risk of substantial adverse environmental impact, it shall, by regulation, require that a permit be obtained under this chapter.

(e) Any category of development, or any category of development within a specifically defined geographic area, that the commission, after public hearing, and by two-thirds vote of its appointed members, has described or identified and with respect to which the commission has found that there is no potential for any significant adverse effect, either individually or cumulatively, on coastal resources or on public access to, or along, the coast and, where such exclusion precedes certification of the applicable local coastal program, that such exclusion will not impair the ability of local government to prepare a local coastal program.

(f) The installation, testing, and placement in service or the replacement of any necessary utility connection between an existing service facility and any development approved pursuant to this division; provided, however, that the commission may, where necessary, require reasonable conditions to mitigate any adverse impacts on coastal resources, including scenic resources.

(g) The replacement of any structure, other than a public works facility, destroyed by natural disaster. Such replacement structure shall conform to applicable existing zoning requirements, shall be for the same use as the destroyed structure, shall not exceed either the floor area, height, or bulk of the destroyed structure by more than 10 percent, and shall be sited in the same location on the affected property as the destroyed structure.

As used in this subdivision, "natural disaster" means any situation in which the force or forces which destroyed the structure to be replaced were beyond the control of its owner.

As used in this subdivision, "bulk" means total interior cubic volume as measured from the exterior surface of the structure.

(h) Any activity anywhere in the coastal zone that involves the conversion of any existing multiple-unit residential structure to a time-share project, estate, or use, as defined in Section 11003.5 of the Business and Professions Code. If any improvement to an existing structure is otherwise exempt from the permit requirements of this division, no coastal development permit shall be required for that improvement on the basis that it is to be made in connection with any conversion exempt pursuant to this subdivision. The division of a multiple-unit residential structure into condominiums, as defined in Section 783 of the Civil Code, shall not be considered a time-share project, estate, or use for purposes of this subdivision.

SEC. 23. Section 30610.8 is added to the Public Resources Code, to read:

30610.8. (a) The Legislature hereby finds and declares that a dispute exists at the Hollister Ranch in Santa Barbara County with respect to the implementation of public access policies of this division and that it is in the interest of the state and the property owners at the Hollister Ranch to resolve this dispute in an expeditious manner. The Legislature further finds and declares that public access should be provided in a timely manner and that in order to achieve this goal, while permitting property owners to commence construction, the provisions of this section are necessary to promote the public's welfare.

(b) For purposes of Section 30610.3 and with respect to the Hollister Ranch public access program, the in-lieu fee shall be five thousand dollars ($5,000) for each permit. Upon payment by the applicant for a coastal development permit of this in-lieu fee to the State Coastal Conservancy for use in implementing the public access program, the applicant may immediately commence construction if the other conditions of the coastal development permit, if any, have been met. No condition may be added to a coastal development permit that was issued prior to the effective date of this section for any development at the Hollister Ranch.

(c) It is the intent of the Legislature that the State Coastal Conservancy and the State Public Works Board utilize their authority provided under law to implement, as expeditiously as possible, the public access policies and provisions of this division at the Hollister Ranch in Santa Barbara County.

(d) All in-lieu fees received pursuant to this section shall be credited as a reimbursement to the appropriation made by Section 2.00J of the Budget Act of 1981.

SEC. 24. Section 30613 is added to the Public Resources Code, to read:

30613. (a) The provisions of subdivision (b) of Section 30519, subdivision (b) of Section 30600, and subdivision (b) of Section 30610.5, which apply to lands subject to the public trust shall not apply to any lands which may be subject to the public trust but which

the commission, after consultation with the State Lands Commission, determines are (1) filled and developed and are (2) located within an area which is committed to urban uses.

(b) No later than 120 days after receiving a request from a local government, the commission shall determine the lands within the jurisdiction of that local government to which the provisions of subdivision (a) apply.

(c) The provisions of this section shall apply to lands which have been the subject of coastal development permits, local coastal programs, categorical exclusions or urban exclusions, which have previously been approved, authorized, or certified by the commission.

SEC. 25. Section 30624 of the Public Resources Code is amended to read:

30624. (a) The commission shall provide, by regulation, for the issuance of coastal development permits by the executive director of the commission or, where the coastal development permit authority has been delegated to a local government pursuant to Section 30600.5, by an appropriate local official designated by resolution of the local government without compliance with the procedures specified in this chapter in cases of emergency, other than an emergency provided for under Section 30611, and for the following nonemergency developments: improvements to any existing structure; any single-family dwelling; any development of four dwelling units or less within any incorporated area that does not require demolition; any other developments not in excess of one hundred thousand dollars ($100,000) other than any division of land; and any development specifically authorized as a principal permitted use and proposed in an area for which the land use portion of the applicable local coastal program has been certified. Such permit for nonemergency development shall not be effective until after reasonable public notice and adequate time for the review of such issuance has been provided.

(b) If one-third of the appointed members of the commission so request at the first meeting following the issuance of such permit by the executive director, such issuance shall not be effective, and, instead, the application shall be processed in accordance with the commission's procedures for permits and pursuant to the provisions of this chapter.

(c) Any permit issued by a local official pursuant to the provisions of this section shall be scheduled on the agenda of the governing body of the local agency at its first scheduled meeting after that permit has been issued. If, at that meeting, one-third of the members of that governing body so request, the permit issued by the local official shall not go into effect and the application for a coastal development permit shall be processed by the local government pursuant to Section 30600.5.

(d) No monetary limitations shall be required for emergencies covered by the provisions of this section.

SEC. 26. Section 30624.7 is added to the Public Resources Code, to read:

30624.7. The commission may, after a public hearing, by regulation, adopt procedures for the issuance by the executive director of waivers from coastal development permit requirements for any development that is de minimis. A proposed development is de minimis if the executive director determines that it involves no potential for any adverse effect, either individually or cumulatively, on coastal resources and that it will be consistent with the policies of Chapter 3 (commencing with Section 30200).

A waiver shall not take effect until it has been reported to the commission at the regularly scheduled meeting following its issuance by the executive director. If one-third of the appointed membership of the commission so request, at this meeting, such issuance shall not be effective and, instead, an application for a coastal development permit shall be required and processed in accordance with the provisions of this chapter.

SEC. 27. Section 30625 of the Public Resources Code is amended to read:

30625. (a) Except as otherwise specifically provided in subdivision (a) of Section 30602, any appealable action on a coastal development permit or claim of exemption for any development by a local government or a regional commission or port governing body may be appealed to the commission by an applicant, any aggrieved person except in the case of denials by a regional commission, or any two memebers of the commission. The regional commission, with respect to appeals pursuant to subdivision (a) of Section 30602, or the commission may approve, modify, or deny such proposed development, and if no action is taken within the time limit specified in Sections 30621 and 30622, the decision of the regional commission, the local government, or port governing body, as the case may be, shall become final, unless the time limit in Section 30621 or 30622 is waived by the applicant.

For purposes of this division, failure by any regional commission to act within any time limit specified in this division shall constitute an "action taken".

(b) The regional commission with respect to appeals pursuant to subdivision (a) of Section 30602, or the commission shall hear an appeal unless it determines the following:

(1) With respect to appeals pursuant to subdivision (a) of Section 30602, that no substantial issue exists as to conformity with Chapter 3 (commencing with Section 30200).

(2) With respect to appeals to the commission after certification of a local coastal program, that no substantial issue exists with respect to the grounds on which an appeal has been filed pursuant to Section 30603.

(3) With respect to appeals to the commission after certification of a port master plan, that no substantial issue exists as to conformity with the certified port master plan.

(c) Decisions of the commission, where applicable, shall guide the regional commissions, local governments, or port governing bodies in their future actions under the provisions of this division.

SEC. 28. Section 2.00J is added to the Budget Act of 1981, to read:

Sec. 2.00J. 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 1981–82 fiscal year beginning July 1, 1981, and ending June 30, 1982. Appropriations for capital outlay, unless otherwise provided herein, shall be available for expenditure during the 1981–82, 1982–83, and 1983–84 fiscal years, except that appropriations for studies, planning, and working drawings, and minor capital outlay shall, except as provided herein, be available for expenditure only during the 1981–82 fiscal year. In addition, every appropriation made in this act for construction, or working drawings and construction, that has not been approved by the State Public Works Board on or before June 30, 1982, shall, except as provided herein, revert as of that date to the fund from which the appropriation was made. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

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

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

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

376-001-721J—For support of the State Coastal Conservancy for deposit to the Coastal Access Account to implement a public access program at the Hollister Ranch in Santa Barbara County pursuant to Sections 30610.3 and 30610.8 of the Public Resources Code, payable from the Parklands Fund of 1980 pursuant to subdivision (d) of Section 5096.151 of the Public Resources Code 500,000

SEC. 29. Section 2 of Chapter 1359 of the Statutes of 1980 is amended to read:

Sec. 2. In view of the findings of Section 1 of this act, the counties described in Section 1 of this act shall adopt general plans for all areas of their counties not within the coastal zone, which meet all the

requirements of Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of Title 7 of the Government Code, not later than May 1, 1982. Notwithstanding the requirements of Article 5 that a general plan be countywide in scope, the general plans prepared pursuant to this section for the areas not within the coastal plan shall have the same effect with regard to those areas as if the general plans were countywide. Not later than July 1, 1982, the counties shall adopt general plans for the entire area of their counties, including the areas within the coastal zones, which meet all the requirements of Article 5; provided, however, that Sections 1 and 2 of this act shall not be construed to limit the requirements of the California Coastal Act (Division 20 (commencing with Section 30000) of the Public Resources Code).

SEC. 30. Except as provided in Section 17 of this act, local governments shall be reimbursed pursuant to Sections 30340.5 and 30340.6 of the Public Resources Code for any costs that may be incurred by them in carrying out any program or performing any service required to be carried on or performed by this act, except in carrying out Section 29 of this act.

SEC. 31. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to avoid undue delay in issuance of coastal development permits and to clarify ambiguities in postcertification appeals procedures, it is necessary that this act take effect immediately.

CHAPTER 44

An act to add Section 229 to the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982]

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

SECTION 1. Section 229 is added to the Revenue and Taxation Code, to read:

229. (a) A floating home shall be assessed in the same manner as real property.

(b) For purposes of determining the valuation of floating homes pursuant to this section, the procedures set forth in Section 110.1 shall apply, except that:

(1) The 1979 lien date shall be substituted for the 1975 lien date.

(2) The 1979–80 assessment roll shall be substituted for the 1975–76 assessment roll.

(3) The date January 1, 1983, shall be substituted for the dates June 30, 1980, and June 30, 1981.

(c) A floating home is defined as a floating structure which is designed and built to be used as a stationary waterborne residential dwelling; which has no mode of power of its own and is designed not to have such mode of power; which is dependent for utilities upon a continuous utility linkage to a source originating on shore; and which has a permanent continuous hookup to a shoreside sewage system. A floating home does not include a vessel.

SEC. 2. 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.

SEC. 3. Section 1 of this act shall become operative with respect to the 1982–83 fiscal year and fiscal years thereafter.

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

In order to provide sufficient time for county tax assessors to make necessary revisions in the assessment of floating homes in this state with respect to the 1982–83 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 45

An act to add Section 12463.2 to the Government Code, and to add Sections 2237.2, 2237.3, and 2237.4 to the Revenue and Taxation Code, relating to taxation, and making an appropriation therefor.

[Approved by Governor February 17, 1982 Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 12463.2 is added to the Government Code, to read:

12463.2. The Controller shall compile and publish annually the information received pursuant to Sections 2237.2 and 2237.3 of the Revenue and Taxation Code concerning that portion of the ad valorem property tax rate levied by each local agency (as defined by Section 95 of the Revenue and Taxation Code) in this state which is in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution.

SEC. 2. Section 2237.2 is added to the Revenue and Taxation Code, to read:

2237.2. (a) Annually, no later than 90 days following the end of

the fiscal year, each local agency (as defined in Section 95) shall report to the Controller any ad valorem property tax levied by or on behalf of the local agency for the current fiscal year at a rate which is in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution. For purposes of this section, ad valorem property taxes levied by the county or by a special district governed by the board of supervisors at a rate in excess of the limitation prescribed in subdivision (a) of Section 1 of Article XIII A of the Constitution shall be reported by the county auditor.

(b) The information to be reported pursuant to this section shall be provided on a form to be specified by the Controller and shall include all of the following information:

(1) A description of the local obligation or indebtedness for which the tax is levied.

(2) The reason for the exemption from the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution.

(3) The date of the election authorizing each tax levy, the results of the election, and a copy of the ballot measure, if the levy was authorized by election.

(4) The tax rate and the total revenues expected to be generated in the fiscal year.

(5) Actual revenues, if any, generated from the levy in the prior fiscal year and actual expenditures, if any, made in the prior year for the local obligation or indebtedness for which the tax was levied.

(6) Any other information relating to the levy of property tax at a rate in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A which the Controller deems relevant.

(c) With respect to ad valorem property tax levies in excess of the rate limitation prescribed in subdivision (a) of Section 1 of Article XIII A of the Constitution which have been authorized by the voters but not collected during the fiscal year, each local agency shall report the information specified in paragraphs (1), (2), and (3) of subdivision (b).

(d) The official of each local agency responsible for submitting the report required by this section shall certify that the information submitted is, to the best of his or her knowledge, true and accurate.

(e) The Controller shall require that any property tax levied at a rate in excess of the limit prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution be reported in the manner specified in this section.

(f) For purposes of this section, an "ad valorem property tax" shall be any tax or assessment imposed on the basis of the value of the real property, including any special ad valorem assessment.

SEC. 3. Section 2237.3 is added to the Revenue and Taxation Code, to read:

2237.3. (a) No later than April 1, 1983, each local agency (as defined in Section 95) shall report to the Controller any ad valorem property tax levied in fiscal year 1978–79, 1979–80, 1980–81, 1981–82, or 1982–83 by, or on behalf of, the local agency at a rate which is in

excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution. For purposes of this section, ad valorem property taxes levied by the county or by a special district governed by the board of supervisors at a rate in excess of the limitation prescribed in subdivision (a) of Section 1 of Article XIII A of the Constitution shall be reported by the county auditor.

(b) The information to be reported pursuant to this section shall be provided on a form to be specified by the Controller and shall include all of the following information:

(1) A description of the local obligation or indebtedness for which the tax was levied.

(2) The reason for the exemption from the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution.

(3) The date of the election authorizing each tax levy, the results of the election, and a copy of the ballot measure, if the levy was authorized by election.

(4) The tax rate and the total revenues generated in each of the fiscal years.

(5) Actual revenues, if any, generated from the levy in the prior fiscal year and actual expenditures, if any, made in the prior year for the local obligation or indebtedness for which the tax was levied.

(6) Any other information relating to the levy of property tax at a rate in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A which the Controller deems relevant.

(c) With respect to ad valorem property tax levies in excess of the rate limitation prescribed in subdivision (a) of Section 1 of Article XIII A of the Constitution which have been authorized by the voters but not collected in fiscal years 1978–79, 1979–80, 1980–81, 1981–82, or 1982–83, each local agency shall report the information specified in paragraphs (1), (2), and (3) of subdivision (b).

(d) The official of each local agency responsible for submitting the report required by this section shall certify that the information submitted is, to the best of his or her knowledge, true and accurate.

(e) The Controller shall require that any property tax levied in fiscal years 1978–79, 1979–80, 1980–81, 1981–82, or 1982–83 at a rate which is in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution be reported in the manner specified in this section.

(f) For purposes of this section, an "ad valorem property tax" means any tax or assessment imposed on the basis of the value of the real property, including any special ad valorem assessment.

(g) If a local agency fails to file a report required by this section by April 1, 1983, the Controller and the county auditor in the succeeding fiscal year shall reduce the payment they are required to make to such jurisdiction based on claims filed pursuant to Section 16113 of the Government Code. The reduction shall be 10 percent of the prior year's payment or five thousand dollars ($5,000), whichever is less.

SEC. 4. Section 2237.4 is added to the Revenue and Taxation

Code, to read:

2237.4. If a local agency fails to file by October 1 each year a report required by Section 2237.2, the Controller and the county auditor in the succeeding fiscal year shall reduce the payment they are required to make to such jurisdiction based on claims filed pursuant to Section 16113 of the Government Code. The reduction shall be 10 percent of the prior year's payment or five thousand dollars ($5,000), whichever is less.

SEC. 5. It is the intent of the Legislature, in requiring the reporting and publishing of information pursuant to this act, to make available to the public information on ad valorem property taxes levied by local governments at rates in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution.

It is not the intent of the Legislature in enacting this act to address in any way the constitutionality of any ad valorem property taxes levied at rates in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution.

SEC. 6. There is hereby appropriated the sum of twenty-four thousand five hundred dollars ($24,500) from the General Fund to the Controller to carry out the duties prescribed by this act.

SEC. 7. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 8. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 46

An act to amend Section 654.2 of the Penal Code, to amend Sections 226 and 5353 of the Public Utilities Code, and to amend Sections 233, 260, 465, 9107, and 12804 of, and to add Sections 522, 668, and 34509 to, the Vehicle Code, relating to ridesharing.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 654.2 of the Penal Code is amended to read:

654.2. The provisions of Section 654.1 of the Penal Code shall not apply to the selling, furnishing, or providing of transportation of any person or persons in any of the following circumstances:

(1) When no compensation is paid or to be paid, either directly or indirectly, for such transportation.

(2) For the furnishing or providing of transportation to or from work of employees engaged in farmwork on any farm of the State of California.

(3) For the furnishing or providing of transportation to and from work of employees of any nonprofit cooperative association, organized pursuant to any law of the State of California.

(4) For the transportation of persons wholly or substantially within the limits of a single municipality or of contiguous municipalities.

(5) For transportation of persons over a route wholly or partly within a national park or state park where the transportation is sold in conjunction with or as part of a rail trip or trip over a regularly operated motorbus transportation system or line.

(6) For the transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which is used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

SEC. 2. Section 226 of the Public Utilities Code is amended to read:

226. "Passenger stage corporation" includes every corporation or person engaged as a common carrier, for compensation, in the ownership, control, operation, or management of any passenger stage over any public highway in this state between fixed termini or over a regular route except those, 98 percent or more of whose operations as measured by total route mileage operated, are exclusively within the limits of a single city or city and county, or whose operations consist solely in the transportation of bona fide pupils attending an institution of learning between their homes and that institution.

For the purposes of this section, the percentage of the route mileage within the limits of any city shall be determined by the Public Utilities Commission on the first day of January of each year, and the percentage so determined shall be presumed to continue for the year.

"Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation or management of any passenger stage over any public highway in this state, whether between fixed termini or over a regular route or otherwise, engaged in the transportation of any pupils or students to and from a public or private school, college or university, or to and from activities of a public or private school,

college or university, where the rate, charge, or fare for that transportation is not computed, collected, or demanded on an individual fare basis.

"Passenger stage corporation" does not include the transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which is used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

"Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation or management of any medical transportation vehicles.

SEC. 3. Section 5353 of the Public Utilities Code is amended to read:

5353. The provisions of this chapter do not apply to:

(a) Transportation service rendered wholly within the corporate limits of a single city or city and county.

(b) Transportation of school pupils conducted by or under contract with the governing board of any school district entered into pursuant to the Education Code.

(c) Common carrier transportation services between fixed termini or over a regular route which are subject to authorization pursuant to the provisions of Article 2 (commencing with Section 1031) of Chapter 5 of Part 1 of Division 1 of this code.

(d) Transportation services occasionally afforded for farm employees moving to and from farms on which employed when the transportation is performed by the employer in vehicles owned or leased by him, or by a nonprofit agricultural cooperative association organized and acting within the scope of its powers under Chapter 4 (commencing with Section 1190) of Division 6 of the Food and Agricultural Code, and without any requirement for the payment of compensation therefor by the employees.

(e) Transportation service rendered by a publicly owned transit system.

(f) Passenger vehicles carrying passengers on a noncommercial enterprise basis.

(g) Taxicab transportation service licensed and regulated by a city or county, by ordinance or resolution, rendered in vehicles designed for carrying not more than eight persons excluding the driver.

(h) Transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

(i) Medical transportation vehicles.

SEC. 4. Section 233 of the Vehicle Code is amended to read:

233. A "bus" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 persons including the driver, and used or maintained for the transportation of passengers, except that a vanpool vehicle, as defined in Section 668, and any motor vehicle, other than a motortruck or truck tractor, designed for carrying not more than 15 persons, including the driver, when the driver is transporting only members of the household of the owner thereof, shall not be considered to be a bus for the purposes of this section.

SEC. 5. Section 260 of the Vehicle Code is amended to read:

260. (a) A "commercial vehicle" is a vehicle of a type required to be registered under this code used or maintained for the transportation of persons for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property.

(b) Passenger vehicles which are not used for the transportation of persons for hire, compensation, or profit and housecars are not commercial vehicles. This subdivision shall not apply to Chapter 4 (commencing at Section 6700) of Division 3.

(c) Any vanpool vehicle is not a commercial vehicle.

SEC. 6. Section 465 of the Vehicle Code is amended to read:

465. A "passenger vehicle" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying not more than 10 persons including the driver, and used or maintained for the transportation of persons. The term "passenger vehicle" shall include a housecar.

SEC. 7. Section 522 is added to the Vehicle Code, to read:

522. "Ridesharing" means two or more persons traveling by any mode, including but not limited to, carpooling, vanpooling, buspooling, taxipooling, jitney, and public transit.

SEC. 8. Section 668 is added to the Vehicle Code, to read:

668. A "vanpool vehicle" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 but not more than 15 persons including the driver, which is maintained and used primarily for the nonprofit work-related transportation of adults for the purposes of ridesharing.

SEC. 9. Section 9107 of the Vehicle Code is amended to read:

9107. The weight fees for commercial vehicles specified in Section 9400 shall not apply to any of the following:

(a) Any vehicle operated by a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, which is subject to the jurisdiction of the Public Utilities Commission, if both of the following conditions are met:

(1) When the vehicle is operated exclusively on any line or lines having a one-way route mileage not exceeding 15 miles, and if each such line is operated:

(A) In urban or suburban areas or between cities in close proximity, or

(B) Between nonadjacent urban or suburban areas or cities, the area between which is substantially residential, commercial, or industrial as distinguished from rural.

(2) When the principal business of the passenger stage corporation is the operation of vehicles on a route or routes as defined in paragraph (1) of this subdivision.

(b) Any vehicle operated exclusively on any line or lines within the limits of a single city by a person engaged as a common carrier of passengers 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 state corporation subject to the jurisdiction of the Public Utilities Commission.

(c) Vanpool vehicles.

SEC. 10. Section 12804 of the Vehicle Code is amended to read:

12804. (a) The examination shall include a test of the applicant's knowledge and understanding of the provisions of this code governing the operation of vehicles upon the highways, the ability to read and understand simple English used in highway traffic and directional signs, and his understanding of traffic signs and signals, including the bikeway signs, markers, and traffic control devices established by the Department of Transportation. The applicant shall be required to give an actual demonstration of his ability to exercise ordinary and reasonable control in operating a motor vehicle by driving the motor vehicle under the supervision of an examining officer and submit to an examination appropriate to the type of motor vehicle or combination of vehicles he desires a license to drive, except that the department may waive the driving test part of the examination of an applicant who holds a valid license issued by another state, territory or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico. The examination shall also include a test of the hearing and eyesight of the applicant and those other matters as may be necessary to determine the applicant's mental and physical fitness to operate a motor vehicle upon the highways and whether any ground exists for refusal of a license under this code. The examination for a class 1 or class 2 license under subdivision (b) of this section shall also include a report of a medical examination of the applicant given not more than two years prior to the date of the application by a physician licensed to practice medicine. The report shall be on a form approved by the department or by the Federal Highway Administration or the Federal Aviation Administration of the United States Department of Transportation. In establishing the requirements, consideration may be given to the standards presently required of motor carrier drivers by the Federal Highway Administration of the United States Department of Transportation. Any physical defect of the applicant, which, in the opinion of the department, is compensated to insure safe driving ability, shall not prevent the issuance of a license to the applicant.

(b) In accordance with the following classifications, any applicant for a driver's license shall be required to submit to an examination appropriate to the type of motor vehicle or combination of vehicles the applicant desires a license to drive:

(1) Class 1. Any combination of vehicles and includes the operation of all vehicles under class 2 and class 3.

(2) Class 2. Any bus, any single vehicle with three or more axles, any such vehicles towing another vehicle weighing less than 6,000 pounds gross, and all vehicles covered under class 3.

(3) Class 3. A three-axle housecar, any three-axle vehicle weighing less than 6,000 pounds gross, any two-axle vehicle, any three-axle housecar or vehicle towing another vehicle weighing less than 6,000 pounds gross, and any two-axle vehicle weighing 4,000 pounds or more unladen when towing either a trailer coach not exceeding 9,000 pounds gross or a trailer or semitrailer not exceeding 9,000 pounds gross designed and used exclusively for hauling livestock when the hauling of livestock is not for compensation, except a bus, two-wheel motorcycle, two-wheel motor-driven cycle, or "farm labor vehicle."

(4) Class 4. Any two-wheel motorcycle, any two-wheel motor-driven cycle, or any motorized bicycle. Authority to operate vehicles included in a class 4 license may be granted by endorsement on a class 1, 2 or 3 license upon completion of appropriate examination.

(c) Class 1 and class 2 driver's licenses shall be valid for operating class 1 or class 2 vehicles only when a medical certificate approved by the department or the Federal Highway Administration or the Federal Aviation Administration of the United States Department of Transportation is in the licensee's immediate possession which has been issued within two years of the date of the operation of that vehicle, otherwise the license shall be valid only for operating class 3 vehicles and class 4 vehicles if so endorsed.

(d) A farm labor vehicle driver certificate shall not be valid unless the driver is in possession of a medical certificate issued within the past two years.

(e) The department may accept a certificate of driving experience in lieu of a driving test on class 1 or 2 applications when the certificate is issued by an employer of the applicant, provided the applicant has first qualified for a class 3 license and also met the other examination requirements for the license for which he or she is applying. The certificate may be submitted as evidence of the applicant's experience or training in the operation of the types of equipment covered by the license for which he or she is applying.

(f) The department may accept a certificate of competence in lieu of a driving test on class 4 applications when the certificate is issued by a law enforcement agency for its officers who operate class 4 vehicles in their duties, provided the applicant has also met the other examination requirements for the license for which he or she is applying.

(g) Notwithstanding the provisions of subdivision (b), any person holding a valid California driver's license of any class may operate a motorized bicycle without taking any special examination for the operation of a motorized bicycle, and without having a class 4 endorsement on that license.

(h) Drivers of vanpool vehicles, may operate with class 3 licenses, but shall possess evidence of a medical examination required for a class 2 license when operating vanpool vehicles. The driver shall keep in the vanpool vehicle a statement signed under penalty of perjury that he or she has not been convicted of reckless driving, drunk driving, or a hit and run offense in the last five years in order to be eligible to drive the vanpool vehicle.

SEC. 11. Section 34509 is added to the Vehicle Code, to read:

34509. Vanpool vehicles, as defined in Section 668, and vanpool vehicles when used for purposes other than traveling to and from a work location and transporting not more than 10 persons including the driver, shall be exempt from the regulations adopted pursuant to Section 34501, except that the following shall apply:

(a) The vanpool vehicle shall be equipped with an operable fire extinguisher which is of the dry chemical or carbon dioxide type with an aggregate rating of at least 4-B:C and which is securely mounted and readily accessible.

(b) The vanpool vehicle shall be equipped with a first aid kit, conforming to the minimum requirements for schoolbuses. First aid kits shall be readily visible, accessible, and plainly marked "First Aid Kit."

(c) The vanpool vehicle shall be regularly and systematically inspected, maintained, and lubricated in accordance with the manufacturer's recommendations, or more often if necessary to ensure the safe operating condition of the vehicle. The maintenance shall include, as a minimum, an in-depth inspection of the vehicle's brake system, steering components, lighting system, and wheels and tires, to be performed at intervals of not more than every six months or 6,000 miles, whichever occurs first.

(d) Operators of vanpool vehicles shall document each systematic inspection, maintenance, and lubrication and repair performed for each vehicle under their control. Required records shall include services performed, the person performing the service, the date, and the mileage on the vehicle at the time of the repair. The records shall be maintained with the vehicle for one year, and shall be presented upon demand to any authorized representative of the California Highway Patrol.

(e) Vanpool vehicles being operated pursuant to the exemptions specified in this section shall display, upon the rear and sides of the vehicle, a sign or placard, clearly visible and discernable for a distance of not less than 50 feet, indicating that the vehicle is being used as a vanpool vehicle.

CHAPTER 47

An act to amend Section 25150 of the Government Code, relating to publication of proceedings of the board of supervisors.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 25150 of the Government Code is amended to read:

25150. (a) Except as otherwise provided in subdivision (b), within 10 days after each session of the board of supervisors, it shall cause to be published a fair statement of all its proceedings.

(b) In lieu of the requirements imposed by subdivision (a), the board of supervisors of any county with a population of 250,000 persons or greater, as determined by the 1980 federal decennial census, may provide copies of agendas and summaries of proceedings to every newspaper, radio and television station, and library in the county, and to any other person who requests such information.

CHAPTER 48

An act to add and repeal Section 698 of the Military and Veterans Code, relating to veterans herbicide exposure, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Whereas the physical health and welfare of the over 500,000 California Vietnam veterans is a vital concern of the State of California; and, whereas, the Legislature finds and declares that a large number of Vietnam veterans were exposed to Agent Orange and other defoliants during their service in Vietnam, the Legislature finds that it is a legitimate concern and responsibility of the State of California to establish an outreach program to identify those Vietnam veterans who have potential health risks and existing health problems claimed to result from their exposure to Agent Orange or other defoliants and to provide support services to these veterans.

SEC. 2. Section 698 is added to the Military and Veterans Code, to read:

698. (a) The department shall assist Vietnam veterans, and the dependents of those veterans, in presenting and pursuing claims that a veteran or dependent asserts that he or she may have against the

United States arising out of exposure to herbicides, including Agent Orange. As part of the department's assistance in the preparation and filing claims for damages alleged to be due to herbicide exposure, the department shall:

(1) Cooperate with the State Department of Health Services and other state, federal, and private agencies to organize and distribute the information on the effects of Agent Orange and other herbicides on Vietnam veterans, as identified pursuant to subdivision (b).

(2) Provide an outreach program to inform California Vietnam veterans of the possible detrimental effects of herbicide exposure in Vietnam. This program shall include, but not be limited to, dissemination of information to county veteran service officers and other California veteran agencies and organizations.

(3) Retain information on those Vietnam veterans responding to the outreach program.

(4) Provide referral for administrative and medical services.

(5) Report to the Legislature on or before January 1, 1985, on the Agent Orange Program. The report shall include, but not be limited to, the following:

(A) The number of California veterans identified as having been exposed to Agent Orange and other defoliants.

(B) The number of California veterans filing claims for compensation for service-related exposure to Agent Orange and other defoliants.

(C) A categorization of symptoms reported by the veterans.

(D) A summary of medical test results from exposed veterans.

(E) The availability of federal and private funds to offset state expenses incurred in assisting veterans in filing defoliant-related claims.

(b) As used in this section, "Agent Orange" means the herbicide composed primarily of trichlorophenoxy acetic acid and dichlorophenoxy acetic acid.

(c) This section 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. 3. Nothing in this act shall constitute a finding, determination, or presumption by the Legislature of any causal relationship between exposure to Agent Orange or any other herbicide and alleged health problems of Vietnam veterans.

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

In order for the benefits of this act to become available to veterans and dependents as soon as possible, it is necessary for this act to become effective immediately.

CHAPTER 49

An act to amend Sections 2, 12, 12.1, 14.9, and 14.26 of, and to add Sections 7.6, 14.18, and 14.19 to, the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961), relating to the Kern County Water Agency, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 2 of the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961) is amended to read:

Sec. 2. As used in this act, the following words shall have the following respective meanings unless the context indicates otherwise:

(a) "Agency" means the Kern County Water Agency.

(b) "County" means the County of Kern of the State of California, and "board of supervisors" means the Board of Supervisors of the County of Kern.

(c) "United States" means the United States of America including any one or more of the bureaus, commissions, divisions, departments, boards, agencies, and officers of the United States of America.

(d) "State" means the State of California including any one or more of the bureaus, commissions, divisions, departments, boards, agencies, and officers of the State of California.

(e) "Work" or "works" includes dams and damsites, reservoirs and reservoir sites, and all conduits and other facilities useful in the control, conservation, diversion, transmission and distribution of water; any replacement, renovation or improvement of the foregoing; and all land, property, franchises, easements, rights-of-way and privileges necessary or useful to operate or maintain any of the foregoing.

(f) "District" means any of the following lying within or partially within the agency: irrigation districts, county water districts, water conservation districts, water districts, water storage districts, soil conservation districts, municipalities, towns, flood control districts, and any other districts or political subdivisions of the state, other than the County of Kern, empowered by law to appropriate water and deliver water to water users.

(g) "Member unit" means any district which enters into a contract with the agency for (i) the repayment in whole or in part to the agency or any other person, corporation, public district, State of California or any political subdivision thereof, or the United States, of any or all the construction costs of any works constructed by or on behalf of the agency or such district, or for (ii) the underwriting in whole or in part of any or all of such construction costs, or for (iii)

the repayment in whole or in part to the agency or any other person, corporation, public district, State of California or any political subdivision thereof, or the United States of any or all of the cost of furnishing water or a water supply to the agency or such district or the underwriting in whole or in part of such cost, or for (iv) the payment in whole or in part for water to be furnished or sold to such district by the agency, the state or the United States.

(h) "Elector" or "qualified elector" or "voter" or "qualified voter" means any elector of the county qualified under the laws of the State of California to vote in the county at general elections.

(i) "May" is permissive and "shall" is mandatory.

(j) "Board" means the board of directors of the agency.

(k) "Agency election" means the election held in every even-numbered year, and consolidated with the general election, as defined in Section 23 of the Elections Code, for the election of directors.

(*l*) "Channel protection work" means work which is done periodically or on a continuing basis to maintain the integrity of any channel owned by the agency or any channel for which the agency has flood control responsibility under this act.

(m) "Maintenance work" means work that is performed periodically or on a continuing basis for the purpose of preserving, maintaining, and keeping any roadway, structure, or other facility belonging to the agency as nearly as possible in its original condition as constructed or subsequently improved. Such work shall not include the replacement of any roadway, structure, or facility whether such replacement is in whole or in part.

(n) "Emergency work" means any work which must be performed without undue delay to protect life and property from impending flood or eminent threat of flood or to preserve or protect an existing water supply.

(o) "Force account" means work which is performed under the direct supervision of the agency through the acquisition of materials on the open market and the use of day labor, or the rental of equipment, or contracted labor, or the employees of the agency, or any combination thereof.

SEC. 2. Section 7.6 is added to the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961), to read:

Sec. 7.6. The board of directors shall not approve an agency budget or submit it to the board of supervisors for approval unless the board has first conducted a public hearing.

The board shall publish a notice of the hearing pursuant to Section 6066 of the Government Code.

SEC. 3. Section 12 of the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961) is amended to read:

Sec. 12. All contracts for any improvement or unit of work, when the cost according to the estimate of the engineer will exceed ten thousand dollars ($10,000), shall be let to the lowest responsible bidder or bidders as provided in this section. The board shall first

determine whether the contract shall be let as a single unit for the whole of the work, or divided into severable convenient parts. The board shall advertise for bids by three insertions in a daily newspaper of general circulation or by two insertions in a weekly newspaper of general circulation printed and published in the agency, inviting sealed proposals for the construction or performance of the improvement or work. The call for bids shall state whether the work shall be performed in one unit or divided into parts. The work may be let under a single contract or several contracts, as stated in such call. The board shall require the successful bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material. The bonds shall comply with Chapter 3 (commencing at Section 4200) of Division 5 of Title 1 of the Government Code. The board may reject any and all bids. In the event all proposals are rejected or no proposals are received, or the estimated cost of the work does not exceed ten thousand dollars ($10,000), or the work consists of channel protection, maintenance work, or emergency work, the board may have the work done by force account without advertising for bids. The agency may purchase in the open market without advertising for bids, materials and supplies for use in any work, either under contract or by force account; provided, however, that materials and supplies for use in any new construction work or improvement, except work referred to in the preceding sentence, may not be purchased if the cost thereof exceeds ten thousand dollars ($10,000), without advertising for bids and awarding the contract therefor to the lowest responsible bidder.

SEC. 4. Section 12.1 of the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961) is amended to read:

Sec. 12.1. (a) Except as otherwise provided in subdivision (b), no works or improvements shall be undertaken by the agency, including proceedings pursuant to either Section 16 or Section 14.4 of this act, unless an investigation and report has been made and a hearing has been held thereon as provided in either this section or Section 14.6.

The board shall make or cause to be made an engineering study and report upon the proposed works or improvements, together with estimates of the cost thereof. The board may, after reviewing the report and estimates of cost, thereafter adopt a resolution declaring its intention to proceed with the proposed works or improvements, briefly describing the same and describing the area which will be benefited thereby, whether all or part of the agency or any one or more of the member units therein. The resolution shall further declare that a public hearing will be held thereon at a specified day, hour and place, where all persons interested may appear and be heard.

The resolution shall be published in a newspaper of general circulation within the area to be benefited by the proposed work or

improvement once a week for two weeks, and the last day of publication shall be not less than seven days before the day fixed for the public hearing.

At any time before or during the public hearing, any holder of title to real property in the area to be benefited may file a written protest thereto with the secretary of the board. If before the conclusion of said hearing written protests have been filed by a majority in number of the holders of title to the real property in the area benefited and who are also the holders in title to a majority of the real property in the said area according to assessed valuation as shown by the last equalized assessment roll, then the board shall not proceed further with the proposed work or improvement until proceedings are commenced and completed hereunder without such protest; provided, that such proceedings shall not be commenced for a period of six months after the date of any such majority protest.

(b) The provisions of subdivision (a) shall not apply to (1) channel protection work, maintenance work, or emergency work or (2) to any work or improvement for which a specific appropriation is contained in the agency's budget and for which no special tax or assessment to pay the cost thereof shall be levied.

SEC. 5. Section 14.9 of the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961) is amended to read:

Sec. 14.9. The board shall exclude from the proposed improvement district all the lands of any district, not lying wholly within any other district within the agency that is also a city, unless prior to the conclusion of the hearing such district files with the secretary of the board a resolution adopted by a majority vote of the governing body of said district consenting to the inclusion of the lands within said district in the proposed improvement district.

SEC. 6. Section 14.18 is added to the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961), to read:

Sec. 14.18. (a) Subject to the provisions of Section 14.19, the board may, by resolution adopted after notice and public hearing, determine and propose for adoption an annual assessment on real property within an improvement district sufficient to cover the cost of any work or improvement or purpose for which the improvement district was formed or to pay for the cost of the maintenance, operation, and administration of such work, improvement, or purpose, except that the board shall not impose an assessment upon a federal or state governmental agency or another local agency.

(b) The benefit assessment shall be imposed against parcels of real property on the basis of the estimated benefits to be derived by the property from the work or improvement or purpose for which the assessment is levied or the maintenance, operation, and administration of such work, improvement, or purpose.

(c) Whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within an area proposed to be assessed, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the assessment only if,

and to the extent that, it is found that it will benefit from the 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 the event of delinquencies, as other parcels in the assessment area. In determining whether or not the railroad, gas, water, or electric utility right-of-way or electric line right-of-way benefits from the services provided, its use as a right-of-way for a railroad, gas, water, or electric utility shall be presumed to be permanent.

(d) For the first fiscal year in which a benefit assessment is proposed to be imposed pursuant to this section, the board shall cause a written report to be prepared and filed with the clerk of the agency which shall contain all of the following information:

(1) A description of the service proposed to be financed through the revenue derived from the assessment.

(2) A description of each lot or parcel of property proposed to be subject to the benefit assessment. The assessor's parcel number shall be a sufficient description of the parcel.

(3) The amount of the proposed assessment for each parcel.

(4) The basis and schedule of the assessment.

(e) The clerk shall cause notice of the filing of the report and of a time, date, and place of hearing thereon to be published pursuant to Section 6066 and posted in at least three public places within the jurisdiction of the agency.

(f) At the hearing, the board shall hear and consider all protests. At the conclusion of the hearing, the board may adopt, revise, change, reduce, or modify the proposed assessment. The board shall make a determination upon the assessment as described in the report or as determined at the hearing, and shall, by resolution, determine the proposed assessment.

(g) The proposition shall be submitted to the eligible voters within the improvement district and shall take effect upon approval of two-thirds of the voters voting on the proposition.

(h) The board may annually thereafter determine the cost of the service which is financed by the assessment and, by resolution, determine and impose the assessment.

(i) The board may provide for the collection of the assessment in the same manner, and subject to the same penalties and priority of lien, as other charges and taxes fixed and collected by or on behalf of the agency, except that, if for the first year the assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

(j) If the assessments are collected by the county, the county may deduct its reasonable costs incurred for the service before remittal

of the balance to the agency's treasury.

SEC. 7. Section 14.19 is added to the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961), to read:

Sec. 14.19. (a) For an improvement district formed prior to the effective date of Section 14.18, the board shall not impose a benefit assessment on real property within the improvement district unless the board first adopts an amendment to the resolution pursuant to which the improvement district was formed authorizing the board to impose such benefit assessments. No such amendment shall be adopted by the board until after the board has held a public hearing. The hearing shall be held and notice thereof shall be given substantially in accordance with the provisions of Sections 14.5 and 14.6. If, prior to the conclusion of the hearing, the board receives a majority protest to the proposed resolution substantially in accordance with the provisions of Sections 14.7 and 14.8, the proceedings shall be terminated and no further proceedings shall be instituted for that purpose for a period of one year.

(b) For an improvement district formed after the effective date of Section 14.18, the board shall not impose a benefit assessment on real property within the improvement district unless the board has been authorized to impose such benefit assessment by both the resolution initiating the formation of the improvement district as required by Section 14.4 and the resolution forming the improvement district.

SEC. 8. Section 14.26 of the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961) is amended to read:

Sec. 14.26. The annual engineering report required by Section 14.25 for a given year shall be delivered to the secretary of the board in writing on or before February 1st of the succeeding year. Said secretary shall publish, pursuant to Section 6061 of the Government Code, a notice of the receipt of such report and of the public hearing to be held on the third Monday of March, in a newspaper of general circulation printed and published within the agency, at least 10 days prior to the date at which the public hearing regarding said engineering report shall be held. Said notice, among other information which the agency may provide therein, shall designate the place where such hearing shall be held and contain an invitation to all operators of water-producing facilities within the improvement district to call at the offices of the agency to examine said engineering report.

There shall be held by the board on the third Monday of March of each year a public hearing at which time any operator of a water-producing facility within the improvement district, or any person interested in the condition of the groundwater supplies or the surface water supplies of the improvement district, may in person, or by representative, appear and submit evidence concerning the groundwater conditions and the surface water supplies within the improvement district. Appearances also may be made supporting or protesting said written engineering report. The board shall, before

the levy of the groundwater charge, find and determine the estimated amount of agricultural water to be withdrawn from the groundwater supplies of the improvement district for the ensuing water year; the amount of water other than agricultural water to be drawn from the groundwater supplies of the improvement district for the ensuing water year; the estimated amount of water necessary for surface distribution in the improvement district for the ensuing water year; and the amount of water the district is obligated by contract to purchase. Said findings and determinations by the board shall be conclusive and binding upon all persons and parties.

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

In order to permit the Kern County Water Agency to undertake emergency work necessary to provide flood protection and to protect existing water supplies at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 50

An act to add Section 25502.7 to the Government Code, relating to counties.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 25502.7 is added to the Government Code, to read:

25502.7. Notwithstanding the provisions of Sections 25502.3, 25502.4, and 25502.5, the board of supervisors may, whenever it has proclaimed a local emergency pursuant to Section 8630, direct the purchasing agent to engage independent contractors to perform sundry services related to the local emergency for the county and officers thereof, with or without the furnishing of materials, within the amounts the board of supervisors may establish, and upon such direction, the purchasing agent shall so engage independent contractors.

The board of supervisors may establish rules and regulations to effectuate the purposes of this section. Those rules and regulations shall include provisions for informal bidding procedures to the extent that such procedures are feasible under emergency circumstances.

CHAPTER 51

An act to amend Sections 8160.1, 8180, 8182, and 8183 of the Government Code, relating to the Capitol area, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 8160.1 of the Government Code is amended to read:

8160.1. The following terms, used in this article, shall be given the following meanings:

(a) "Metropolitan area" means the greater metropolitan Sacramento area, including the City of Sacramento, the County of Sacramento, and the eastern part of Yolo County.

(b) "Central city" means that area of the City of Sacramento bounded on the north by the American River, on the west by the Sacramento River, and on the south and east by Interstate Highway 80.

(c) "Core area" means that area of the City of Sacramento within the area bounded by "G" Street on the north, "R" Street on the south, Fifth Street on the west, and 17th Street on the east.

(d) "Capitol area" means that area of the City of Sacramento which is bounded on the north by "L" Street, on the south by "R" Street, excepting that portion lying between 11th and 12th Streets which southern boundary shall be the alley lying between "R" and "S" Street on the west by Fifth Street, and on the east by 17th Street, and referring specifically to those blocks within those boundaries containing state-owned properties. The streets bounding the Capitol area are included therein, and this does not constitute a change in, but is declaratory of the existing law.

(e) "Department" means the Department of General Services.

(f) "Director" means the Director of General Services.

SEC. 2. Section 8180 of the Government Code is amended to read:

8180. The following terms, used in this article, shall have the following meanings:

(a) "Project area" means the area within the City of Sacramento which is bounded on the north by "L" Street, on the south by "R" Street, excepting that portion lying between 11th and 12th Streets which southern boundary shall be the alley lying between "R" and "S" Street on the west by Seventh Street, and on the east by 17th Street, excepting any portion of such area which is within the boundaries of a redevelopment project area adopted prior to April 1, 1979, by the City of Sacramento pursuant to the Community Redevelopment Law .

The streets bounding the project area are included therein, and this does not constitute a change in, but is declaratory of the existing law.

(b) "Redevelopment plan" means the Capitol Area Plan approved by the Director of General Services on March 15, 1977, and referred to in Section 8160, together with documents adopted pursuant to Section 8183.

(c) "Authority" means the Capitol Area Development Authority created by the joint powers agreement executed pursuant to Section 8169.4 by the Director of General Services of the State of California and the Mayor of the City of Sacramento on July 1, 1978.

SEC. 3. Section 8182 of the Government Code is amended to read:

8182. The authority shall have those powers of a redevelopment agency created by Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code, which the authority, by resolution, from time to time deems appropriate, and such powers shall be deemed to be powers common to the Department of General Services and the City of Sacramento. Additionally, the authority shall be deemed a housing authority for purposes of eligibility for participation in state programs and receipt of state grants, loans, or other funding for which a housing authority is eligible; this does not constitute a change in, but is declaratory of, the existing law.

SEC. 4. Section 8183 of the Government Code is amended to read:

8183. (a) The authority may, by resolution, adopt documents necessary or convenient to the exercise of its powers and may designate that any such document shall be incorporated into the redevelopment plan.

(b) Documents adopted pursuant to subdivision (a) may include a requirement that taxes, including possessory interest taxes, levied upon taxable property within the project area after the effective date of the resolution adopting such document or documents be divided as follows:

(1) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the project area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such resolution, shall be allocated to, and when collected shall be paid into, the funds of the respective taxing agencies, as taxes by or for said taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory in the project area on the effective date of such resolution but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the county last equalized on the effective date of said resolution shall be used in

determining the assessed valuation of the taxable property in the project area on said effective dates), and

(2) That portion of said levied taxes each year in excess of such amount shall be allocated to, and when collected shall be paid into, a special fund of the authority to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the authority to finance or refinance, in whole or in part, the redevelopment of the project area. Unless and until the total assessed valuation of the taxable property in the project exceeds the total assessed value of the taxable property in the project area as shown by the last equalized assessment roll referred to in paragraph (1), all of the taxes levied and collected upon the taxable property in the project area shall be paid into the funds of the respective taxing agencies. When such loans, advances, and indebtedness, if any, and interest thereon have been paid, then all moneys thereafter received from taxes upon the taxable property in the project area shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(3) For the purpose of allocating taxes pursuant to the document prepared pursuant to this section, the base year shall remain fiscal year 1979–80. Commencing with the fiscal year 1982–83, the 1979–80 base year roll shall be adjusted to reflect the revised project area as set forth in subdivision (a) of Section 8180.

(c) In the proceedings for the advance of moneys, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the authority to finance or refinance, in whole or in part, the redevelopment project, the portion of taxes mentioned in paragraph (2) of subdivision (b) may be irrevocably pledged for the payment of the principal of and interest on said loans, advances, or indebtedness.

(d) Any documents designated to be incorporated into the redevelopment plan may be adopted at any regular or special meeting of the authority. Notice of the authority's intent to adopt such a document shall be stated in the agenda prepared in connection with the meeting at which the document is adopted, which agenda shall be made available to the public in the manner specified in Section 54956. No other notice shall be required in connection with the adoption of such documents.

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

In order to enable the Department of Housing and Community Development to take certain administrative actions, as soon as possible, which would otherwise result in the expenditure of money and personnel time if delayed, it is necessary for this act to take effect immediately.

CHAPTER 52

An act to amend Section 39242 of the Education Code, relating to school districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 17, 1982.]

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

SECTION 1. Section 39242 of the Education Code is amended to read:

39242. (a) The governing board of any school district may lease land for a term extending to the expected duration of use by the school district.

(b) The governing board of any school district may enter into a lease-purchase agreement to lease land without buildings located thereon.

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

In order that the governing boards of school districts may enter into a lease or agreement relating to real property without buildings at the earliest possible time, and so be able to do so at lower cost, it is necessary that this act take effect immediately.

CHAPTER 53

An act to amend Section 13960 of the Government Code, to amend Sections 11837, 11837.1, 11837.3, 11838, and 11838.2 of the Health and Safety Code, to amend Sections 488 and 670 of the Insurance Code, to amend Sections 1203.45 and 1463.16 of the Penal Code, and to amend Sections 1660, 1803, 12520, 12520.5, 13352, 13352.5, 13353, 14601, 14601.1, 14601.2, 21051, 23103.5, 23152, 23153, 23155, 23160, 23161, 23165, 23166, 23170, 23171, 23180, 23181, 23185, 23186, 23191, 23200, 23211, 40300.5, 40302, and 40303 of, to amend and renumber Section 23151 of, and to repeal Section 23102.6, as added by Chapter 939 of the Statutes of 1981, of, the Vehicle Code, relating to offenses, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 13960 of the Government Code is amended to read:

13960. As used in this article:

(a) "Victim" shall mean any of the following persons:

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

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

(3) Any member of the family of a victim specified by paragraph (1) or any person in close relationship to such a victim, if that member or person was present during the actual commission of the crime.

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

(b) "Injury" shall include physical or emotional injury. However, this article shall not be construed to apply to emotional injury unless such an injury is incurred by a person who also sustains physical injury or threat of physical injury or by a member or person as defined in paragraph (3) of subdivision (a).

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

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

(2) Injury or death sustained in an accident caused by a driver in violation of Section 20001, 23152, or 23153 of the Vehicle Code.

(3) Injury or death sustained in an accident caused by a driver of a motor vehicle in the immediate act of fleeing the scene of a crime of violence in which he knowingly and willingly participated.

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

(e) "Pecuniary loss" shall mean the amount of medical or medical related expense, which may include psychological or psychiatric expenses, and shall include, but not be limited to, eyeglasses, hearing aids, dentures, or any prosthetic device which were taken, lost, or destroyed during the commission of the crime, or became necessary as a direct result of the crime. Pecuniary loss shall also include the amount of medical or medical related expense which may include

psychological or psychiatric expenses incurred by any person whose treatment or presence during treatment of the victim is medically required for the successful treatment of the victim. Pecuniary loss shall also include the loss of income or support that the victim has incurred or will incur as a direct result of an injury or death to the extent that the victim has not been or will not be indemnified from any other source. Income or support loss shall be in an amount of more than one hundred dollars ($100) or equal to 20 percent or more of the victims' net monthly income, whichever is less, except that in the case of persons on fixed incomes from retirement or disability who apply for assistance under this article, there shall be no minimum loss requirement. Pecuniary loss also includes nonmedical remedial care and treatment rendered in accordance with a religious method of healing recognized by state law.

(f) "Serious financial hardship" shall mean the applicant does not have liquid assets in excess of thirty thousand dollars ($30,000). Liquid assets for the purposes of this article, shall mean cash readily available for use by the applicant without inflicting any penalty or financial loss upon the applicant by the transfer of such funds.

SEC. 2. Section 11837 of the Health and Safety Code is amended to read:

11837. (a) Pursuant to the provisions of law relating to suspension of a person's privilege to operate a motor vehicle upon conviction for driving while under the influence of an alcoholic beverage or under the combined influence of an alcoholic beverage and any drug, as set forth in paragraph (3) or (4) of subdivision (a) of Section 13352 of the Vehicle Code, a court shall restrict the driving privilege and the Department of Motor Vehicles shall not suspend or revoke the driving privilege pursuant to paragraph (3) or (4) of subdivision (a) of Section 13352, because of such a conviction, if the person convicted of that offense has consented to participate for at least one year as a condition of probation, and is participating in a manner satisfactory to the court, in a program designed to offer alcohol services to problem drinkers that is approved pursuant to this chapter.

(b) In determining whether to refer such a person to an approved program, the court may consider any relevant information about the person made available pursuant to a presentence investigation, which is permitted but not required under Section 23205 of the Vehicle Code, or other screening procedure. No such information may be furnished, however, by any person who also provides services in a privately operated, approved program or who has any direct interest in a privately operated, approved program. In addition, the court shall obtain from the Department of Motor Vehicles a copy of the person's driving record to determine whether the person is eligible to participate in an approved program pursuant to the provisions of this chapter.

(c) The court may, subject to the provisions of Section 11838.2, refer a person to an approved program, even though the person's

privilege to operate a motor vehicle is restricted, suspended, or revoked.

(d) As used in this chapter, "program" means all the elements of the program described in the amendment to the county alcohol program plan submitted pursuant to subdivision (c) of Section 11837.6.

SEC. 3. Section 11837.1 of the Health and Safety Code is amended to read:

11837.1. (a) In utilizing any such program, the court shall require periodic reports concerning the performance of each person referred to and participating in a program and the immediate report of any failure of any such person to comply with the program's rules and regulations. If, at any time after referral to or while participating in a program, a participant fails to comply with the rules and regulations of the program, the approved program shall report that failure to the court and the court, upon finding that fact, shall immediately revoke or terminate probation and order the Department of Motor Vehicles to revoke or suspend the privilege of that person to operate a motor vehicle for the period prescribed by law in accordance with Section 23167 or 23187 of the Vehicle Code and Section 23207 of the Vehicle Code.

(b) If, at any time after referral to or while participating in a program, a participant refuses, for any reason, to consent to a chemical test that he or she is required to submit to pursuant to Section 13353 of the Vehicle Code, his or her participation in the program shall be terminated and the Department of Motor Vehicles shall immediately suspend or revoke his or her privilege to operate a motor vehicle for the period prescribed in Section 13352 of the Vehicle Code, according to the offense for which he or she was convicted immediately prior to referral to the program. The period of suspension or revocation shall be in addition to the period of suspension imposed by the Department of Motor Vehicles pursuant to Section 13353 of the Vehicle Code.

(c) In the event the department withdraws approval of a program, the Department of Motor Vehicles shall suspend or revoke, for the period prescribed by law, the privilege to operate a motor vehicle of every person previously participating in the program who does not commence participation, in a manner satisfactory to the court, in an approved program within 21 days after the date approval was withdrawn from the previous program.

(d) In addition to any other condition of probation, the court shall have the discretion to determine whether any person desiring to participate in a program shall be required to furnish proof of ability to respond in damages, as defined in Section 16430 of the Vehicle Code, as a condition to participation in the program.

SEC. 4. Section 11837.3 of the Health and Safety Code is amended to read:

11837.3. No person shall be referred or rereferred into a program pursuant to this chapter until four years after that person ceases his

or her prior participation in such a program. The four-year period shall commence either on the date the court orders the suspension or revocation of the person's privilege to operate a motor vehicle pursuant to Section 11837.1 or on the date the person successfully completes the program, whichever is later. With respect to any person convicted for a violation of Section 23152 or 23153 of the Vehicle Code subsequent to the commencement of a four-year period, that person's eligibility to participate in the program again shall be determined on the basis of the date on which the person is alleged to have committed that offense.

SEC. 5. Section 11838 of the Health and Safety Code is amended to read:

11838. (a) The Legislature encourages all counties to utilize the procedure described in this chapter, but recognizes that it is not feasible for every county to establish its own programs. Accordingly, two or more counties may jointly establish programs pursuant to Section 11796 of this code or Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code or may furnish by contract the program services to residents of another county pursuant to Section 11796 of this code. The board of supervisors of the county in which the program is located shall be responsible for assuring the integrity of the program as required pursuant to subdivision (a) of Section 11837.6.

(b) For the purpose of determining a person's eligibility to participate in an approved program where the person's county of residence establishes a program with another county or contracts for services pursuant to subdivision (a), the following eligibility requirements shall apply:

(1) Where two or more counties jointly establish a program pursuant to Section 11796 of this code or Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, subdivision (b) of Section 11838.2 shall apply.

(2) Where a county contracts for program services from another county, only those residents alleged to have committed a violation of Section 23152 or 23153 of the Vehicle Code on or after the date their county of residence executes a contract pursuant to subdivision (a) to provide program services to their residents shall be eligible to participate in such approved program pursuant to Section 11837.2.

Counties which contract for services pursuant to subdivision (a) of this section shall notify the department not later than 14 days following such action.

SEC. 6. Section 11838.2 of the Health and Safety Code is amended to read:

11838.2. The Legislature finds and declares that, in order to provide for orderly and effective implementation of this chapter, to prevent the courts and programs in each county from being overburdened at the commencement of the implementation of this chapter, and to protect the public health and safety, this chapter shall apply only on a prospective basis. Therefore, this chapter shall apply

only to persons who are alleged to have committed the offense of driving while under the influence of an alcoholic beverage or under the combined influence of an alcoholic beverage and any drug in violation of Section 23152 or 23153 of the Vehicle Code, and who committed such an offense, if at all, on or after the date when a program to which those persons may be referred by the court has been approved by the department. Those persons who qualify for participation in the program may be referred to such a program, within the discretion of the court of jurisdiction, only subsequent to conviction for that offense.

The Legislature finds and declares that the provisions of this section are declaratory of existing law, as enacted by Chapter 890, Statutes of 1977. The Legislature further finds and declares that the provisions of this section are not intended to alter the application of Chapter 890, Statutes of 1977; rather, the provisions of this section are intended to clarify the original intent of the Legislature in enacting that chapter.

SEC. 7. Section 488 of the Insurance Code is amended to read:

488. No insurer shall, in issuing or renewing a private passenger automobile insurance policy, increase the premium on that policy for the reason that the insured or applicant for insurance has been convicted for traffic violations committed while operating a motor vehicle for compensation during the hours of his employment if, with respect to a conviction, the employee or applicant has submitted to the insurer a written declaration made by the employee under penalty of perjury that the applicant or insured was, at that time, operating a motor vehicle for compensation during the hours of his or her employment.

This section does not apply to any insured or applicant for insurance convicted of any of the following:

(a) Homicide or assault arising out of the operation of a motor vehicle for compensation during the hours of employment.

(b) A violation while operating a motor vehicle for compensation during the hours of employment of any of the following sections or section subdivisions of the Vehicle Code:

(1) Subdivision (a) of Section 14601.

(2) Subdivision (a) of Section 14601.1.

(3) Subdivision (a) of Section 14601.2.

(4) Section 20001 or 20002.

(5) Subdivision (a) of Section 20008.

(6) Section 23103, 23104, 23152, or 23153.

This section shall not apply to any person insured under the California assigned risk plan prescribed by Article 4 (commencing with Section 11620), Chapter 1, Part 3, Division 2 of this code.

SEC. 8. Section 670 of the Insurance Code is amended to read:

670. (a) No admitted insurer licensed to issue motor vehicle liability policies, as defined in Section 16450 of the Vehicle Code, shall cancel, or refuse to renew, a motor vehicle liability insurance policy covering drivers hired to drive by a commercial business

establishment nor execute the agreement specified in paragraph (1) of subdivision (d) of Section 11580.1 with respect to those drivers for the reason that those drivers have been convicted of violations of the Vehicle Code or the traffic laws of any subdivision of the state which were committed while operating private passenger vehicles not owned or leased by their employer.

(b) This section does not apply to any drivers convicted of any of the following:

(1) Homicide or assault arising out of the operation of a private passenger motor vehicle.

(2) A violation while operating a private passenger motor vehicle of any of the following sections or section subdivisions of the Vehicle Code:

(A) Subdivision (a) of Section 14601.
(B) Subdivision (a) of Section 14601.1.
(C) Subdivision (a) of Section 14601.2.
(D) Section 20001 or 20002.
(E) Subdivision (a) of Section 20008.
(F) Section 23104.
(G) Subdivision (c) of Section 23152.
(H) Section 23153.

(3) A violation, while operating a private passenger motor vehicle, of subdivision (a) or (b) of Section 23152 of the Vehicle Code punishable under Section 23165 or 23170 of the Vehicle Code.

SEC. 9. Section 670 of the Insurance Code is amended to read:

670. (a) No admitted insurer licensed to issue motor vehicle liability policies, as defined in Section 16450 of the Vehicle Code, shall cancel, or refuse to renew, a motor vehicle liability insurance policy covering drivers hired to drive by a commercial business establishment nor execute the agreement specified in paragraph (1) of subdivision (d) of Section 11580.1 with respect to those drivers for the reason that the drivers have been convicted of violations of the Vehicle Code or the traffic laws of any subdivision of the state which were committed while operating private passenger vehicles not owned or leased by their employer.

(b) This section does not apply to any drivers convicted of any of the following:

(1) Homicide or assault arising out of the operation of a private passenger motor vehicle.

(2) A violation while operating a private passenger motor vehicle of any of the following sections or section subdivisions of the Vehicle Code:

(A) Subdivision (a) of Section 14601.
(B) Subdivision (a) of Section 14601.1.
(C) Subdivision (a) of Section 14601.2.
(D) Section 20001 or 20002.
(E) Subdivision (a) of Section 20008.
(F) Section 23104.
(G) Subdivision (c) of Section 23152.

(H) Section 23153.

(3) A violation, while operating a private passenger motor vehicle, of subdivision (a) or (b) of Section 23152 of the Vehicle Code punishable under Section 23165 or 23170 of the Vehicle Code.

SEC. 10. Section 1203.45 of the Penal Code is amended to read:

1203.45. (a) In any case in which a person was under the age of 18 years at the time of commission of a misdemeanor and is eligible for, or has previously received, the relief provided by Section 1203.4 or 1203.4a, that person, in a proceeding under Section 1203.4 or 1203.4a, or a separate proceeding, may petition the court for an order sealing the record of conviction and other official records in the case, including records of arrests resulting in the criminal proceeding and records relating to other offenses charged in the accusatory pleading, whether defendant was acquitted or charges were dismissed. If the court finds that the person was under the age of 18 at the time of the commission of the misdemeanor, and is eligible for relief under Section 1203.4 or 1203.4a or has previously received such relief, it may issue its order granting the relief prayed for. Thereafter the conviction, arrest, or other proceeding shall be deemed not to have occurred, and the petitioner may answer accordingly any question relating to their occurrence.

(b) This section applies to convictions which occurred before, as well as those which occur after, the effective date of this section.

(c) This section shall not apply to offenses for which registration is required under Section 290, to violations of Division 10 (commencing with Section 11000) of the Health and Safety Code, or to misdemeanor violations of the Vehicle Code relating to operation of a vehicle or of any local ordinance relating to operation, standing, stopping, or parking of a motor vehicle.

(d) This section does not apply to a person convicted of more than one offense, whether the second or additional convictions occurred in the same action in which the conviction as to which relief is sought occurred or in another action, except in the following cases:

(1) One of the offenses includes the other or others.

(2) The other conviction or convictions were for the following:

(i) Misdemeanor violations of Chapters 1 (commencing with Section 21000) to 9 (commencing with Section 22500), inclusive, or Chapters 12 (commencing with Section 23100) to 14 (commencing with Section 23340), inclusive, of Division 11 of the Vehicle Code, other than Section 23103, 23104, 23152, 23153, or 23220.

(ii) Violation of any local ordinance relating to the operation, stopping, standing, or parking of a motor vehicle.

(3) The other conviction or convictions consisted of any combination of paragraphs (1) and (2).

(e) This section shall apply in any case in which a person was under the age of 21 at the time of the commission of an offense as to which this section is made applicable if that offense was committed prior to March 7, 1973.

(f) In any action or proceeding based upon defamation, a court,

upon a showing of good cause, may order any records sealed under this section to be opened and admitted into evidence. The records shall be confidential and shall be available for inspection only by the court, jury, parties, counsel for the parties, and any other person who is authorized by the court to inspect them. Upon the judgment in the action or proceeding becoming final, the court shall order the records sealed.

SEC. 11. Section 1463.16 of the Penal Code is amended to read:

1463.16. Notwithstanding Section 1463, of the moneys deposited with the county treasurer pursuant to Section 1463, fifty dollars ($50) for each conviction of a violation of Section 23103, 23104, 23152, or 23153 of the Vehicle Code shall be deposited in a special account for exclusive allocation by the administrator of the county's alcoholism program, with approval of the board of supervisors, for alcohol programs and services for the general population. These funds shall be allocated through the local planning process pursuant to specific provision in the county plan which is submitted to the State Department of Alcohol and Drug Programs. For those services for which standards have been developed and certification is available, programs must be certified by the Department of Alcohol and Drug Programs or have made application for certification to be eligible for funding under this section. The county alcohol administrator shall implement the intent and procedures of subdivision (b) of Section 11812 of the Health and Safety Code while distributing funds under this section.

It is the specific intent of the Legislature that funds expended under this part shall be used for ongoing alcoholism program services as well as for contracts with private nonprofit organizations to upgrade facilities to meet state certification and licensing standards and federal nondiscrimination regulations relating to accessibility for handicapped persons.

Counties may retain up to 5 percent of the funds collected to offset administrative costs of collection and disbursement. The State Department of Alcohol and Drug Programs may charge a fee to offset costs of certification of programs.

SEC. 12. Section 1660 of the Vehicle Code is amended to read:

1660. The Department of Motor Vehicles, in cooperation with the Department of Education, shall establish standards for accrediting instruction offered by licensed driving schools and schools for traffic violators, attendance at which may be ordered by a court pursuant to Section 42005. The Department of Motor Vehicles shall consider the practices and instructional programs which appear to the department reasonably calculated to foster the knowledge, skills, and judgment necessary for the compliance with traffic laws. The standards may include requirements relating to school personnel, equipment, curriculum, procedures for the testing and evaluation of students, and recordkeeping.

SEC. 13. 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. If sentencing is not pronounced in conjunction with the conviction, the abstract shall be forwarded to the department within 10 days after sentencing and the abstract shall be certified by the person so required to prepare it 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 23221, 23223, 23225, and 23226.

(c) If the court impounds a license or orders a person to limit his driving pursuant to paragraph (2) of subdivision (a) of Section 23161, subdivision (b) of Section 23166, subdivision (b) of Section 23186, or 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.

(d) If the court determines that a prior judgment of conviction of a violation of Section 23152 or 23153 is valid or is invalid on constitutional grounds pursuant to Section 23208, the clerk of the court, or judge if there is no clerk, in which the determination is made shall prepare an abstract of that determination and forward it to the department in the same manner as an abstract of record pursuant to subdivision (a).

(e) Within 10 days of an order terminating or revoking probation under Section 23167, 23187, or 23207, the clerk of the court, or the judge if there be no clerk, in which the order terminating or revoking probation was entered, shall prepare and immediately forward to the department at its office in Sacramento an abstract of

the record of the court order terminating or revoking probation and any other order of the court to the department required by law.

SEC. 14. Section 12520 of the Vehicle Code is amended to read:

12520. (a) The department shall deny any application for the issuance of a farm labor vehicle driver's certificate made by any applicant who:

(1) Has been convicted, within the three years next preceding the applicant's application for such certificate, of any violation involving felony hit-and-run driving, any violation of Section 23152 or 23153, or reckless driving, or whose driving privilege is or has been under suspension, revocation, or probation, by the department for a cause involving safe operation of a motor vehicle.

(2) Because of excessive and continuous use of alcoholic beverages, is incapable of safely operating a motor vehicle.

(3) Habitually or excessively uses or is addicted to the use of any drug.

(4) Does not meet minimum medical standards established or approved by the department.

(b) The department may deny a farm labor vehicle driver's certificate to any applicant who:

(1) Has been involved, within the two years next preceding his application, as a driver in any accident causing death or personal injury or damage to the property of any one person in excess of two hundred dollars ($200).

(2) Has been involved as a driver in three or more accidents within the 12-month period preceding his application.

(3) Has been determined to be a reckless or incompetent driver.

SEC. 15. Section 12520.5 of the Vehicle Code is amended to read:

12520.5. (a) The department shall revoke the farm labor vehicle driver's certificate of any holder who after issuance of the certificate:

(1) Is convicted of any violation involving felony hit-and-run driving, driving under the influence of an alcoholic beverage, reckless driving or has had his driving privilege suspended or revoked by the department for a cause involving the safe operation of a motor vehicle, or is found by the department to be a negligent operator.

(2) Because of excessive and continuous use of alcoholic beverages is incapable of safely operating a motor vehicle.

(3) Habitually or excessively uses or is addicted to the use of any drug.

(b) The department may revoke the farm labor vehicle driver's certificate of any holder for any cause, whether existing before or after the issuance of the certificate, which would either authorize or require the department to refuse to issue a certificate.

SEC. 16. Section 13352 of the Vehicle Code is amended to read:

13352. (a) The department shall immediately suspend or revoke the privilege of any person to operate a motor vehicle upon receipt of a duly certified abstract of the record of any court showing that the person has been convicted of a violation of Section 23152 or 23153,

or upon receipt of a report of a judge of the juvenile court, a juvenile traffic hearing officer, or a referee of a juvenile court showing that the person has been found to have committed a violation of Section 23152 or 23153. For the purposes of this section, suspension or revocation shall be as follows:

(1) Upon a conviction or finding of a violation of Section 23152 punishable under Section 23160, the privilege shall be suspended for a period of six months if the court orders the department to suspend the privilege or if the court does not grant probation.

(2) Upon a conviction or finding of a violation of Section 23153 punishable under Section 23180, the privilege shall be suspended for a period of one year. The privilege shall not be reinstated until the person gives proof of ability to respond in damages as defined in Section 16430.

(3) Except as provided in Section 13352.5, upon a conviction or finding of a violation of Section 23152 punishable under Section 23165, the privilege shall be suspended for one year. The privilege shall not be reinstated until the person gives proof of ability to respond in damages as defined in Section 16430.

(4) Except as provided in Section 13352.5, upon a conviction or finding of a violation of Section 23153 punishable under Section 23185, the privilege shall be revoked for a period of three years. The privilege shall not be reinstated until evidence satisfactory to the department establishes that no grounds exist which would authorize the refusal to issue a license and until the person gives proof of ability to respond in damages as defined in Section 16430.

(5) Upon a conviction or finding of a violation of Section 23152 punishable under Section 23170, the privilege shall be revoked for a period of three years. The privilege shall not be reinstated until the person files proof of ability to respond in damages as defined in Section 16430.

(6) Upon a conviction or finding of a violation of Section 23153 punishable under Section 23190, the privilege shall be revoked for a period of five years. The privilege shall not be reinstated until evidence satisfactory to the department establishes that no grounds exist which would authorize the refusal to issue a license and until the person gives proof of ability to respond in damages as defined in Section 16430.

(b) For the purpose of paragraphs (2) to (6), inclusive, of subdivision (a), the finding of the juvenile court judge, the juvenile traffic hearing officer, or the referee of a juvenile court of a commission of a violation of Section 23152 or 23153, as specified in subdivision (a), is a conviction.

(c) Each judge of a juvenile court, juvenile traffic hearing officer, or referee of a juvenile court shall immediately report the findings specified in subdivision (a) to the department.

(d) A conviction of an offense in any state, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or the Dominion of Canada which, if committed in

this state, would be a violation of Section 23152, is a conviction of Section 23152 for the purposes of this section, and such a conviction of an offense which, if committed in this state, would be a violation of Section 23153 is a conviction of Section 23153 for the purposes of this section. The department shall suspend or revoke the privilege to operate a motor vehicle pursuant to this section upon receiving notice of such a conviction.

SEC. 17. Section 13352.5 of the Vehicle Code is amended to read:

13352.5. (a) Unless ordered to do so by the court upon a finding that the terms and conditions of probation were violated, the department shall not suspend or revoke, pursuant to paragraph (3) or (4) of subdivision (a) of Section 13352, the privilege of any person to operate a motor vehicle upon a conviction or finding that the person violated Section 23152 or 23153, but only if the court has certified to the department that the court has granted probation to the person on conditions which include the conditions specified in subdivision (b) of Section 23166 or subdivision (b) of Section 23186 and the court has restricted the privilege to operate a motor vehicle as provided in those subdivisions.

(b) All abstracts of record showing a conviction that are forwarded to the department pursuant to Section 1803 shall indicate whether the court has granted probation to the person on conditions which include the conditions specified in subdivision (b) of Section 23166 or subdivision (b) of Section 23186 and the court has restricted the privilege to operate a motor vehicle as provided in those subdivisions.

SEC. 18. Section 13353 of the Vehicle Code is amended to read:

13353. (a) (1) Any person who drives a motor vehicle shall be deemed to have given his or her consent to a chemical test of his or her blood, breath, or urine for the purpose of determining the alcoholic content of his or her blood if lawfully arrested for any offense allegedly committed in violation of Section 23152 or 23153. The test shall be incidental to a lawful arrest and administered at the direction of a peace officer having reasonable cause to believe the person was driving a motor vehicle in violation of Section 23152 or 23153. The person shall be told that his failure to submit to, or the noncompletion of, a chemical test will result in the suspension of the person's privilege to operate a motor vehicle for a period of six months.

(2) The person arrested shall have the choice of whether the test shall be of his or her blood, breath, or urine, and the person shall be advised by the officer that he or she has such a choice. If the person arrested either is incapable, or states that he or she is incapable, of completing any chosen test, the person shall then have the choice of submitting to and completing any of the remaining tests or test, and the person shall be advised by the officer that the person has that choice.

(3) If the person is lawfully arrested for an offense allegedly committed in violation of Section 23152 or 23153, and, because of the

need for medical treatment, the person is first transported to a medical facility where it is not feasible to administer a particular test of, or to obtain a particular sample of, the person's blood, breath, or urine, the person shall have the choice of those tests which are available at the facility to which that person has been transported. In such an event, the officer shall advise the person of those tests which are available at the medical facility and that the person's choice is limited to those tests which are available.

(4) The person shall also be advised by the officer that he or she does not have the right to have an attorney present before stating whether he or she will submit to a test, before deciding which test to take, or during administration of the test chosen, and shall also be advised by the officer that, in the event of refusal to submit to a test, the refusal may be used against him or her in a court of law.

(5) Any person who is unconscious or otherwise in a condition rendering him or her incapable of refusal shall be deemed not to have withdrawn his or her consent and such a test may be administered whether or not the person is told that his or her failure to submit to, or the noncompletion of, the test will result in the suspension of his or her privilege to operate a motor vehicle. Any person who is dead shall be deemed not to have withdrawn his or her consent and such a test may be administered at the direction of a peace officer.

(b) If any person refuses the officer's request to submit to, or fails to complete, a chemical test, upon receipt of the officer's sworn statement that the officer had reasonable cause to believe the person had been driving a motor vehicle in violation of Section 23152 or 23153 and that the person had refused to submit to, or did not complete, the test after being requested by the officer, the department shall suspend the person's privilege to operate a motor vehicle for a period of six months. The officer's sworn statement shall be submitted on a form furnished or approved by the department. No such suspension shall become effective until 10 days after the giving of written notice thereof, as provided for in subdivision (c).

(c) (1) The department shall immediately notify the person in writing of the action taken and, upon the person's request in writing and within 15 days from the date of receipt of that request, shall afford the person an opportunity for a hearing in the same manner and under the same conditions as provided in Article 3 (commencing with Section 14100) of Chapter 3. For the purposes of this section, the scope of the hearing shall cover the issues of whether the peace officer had reasonable cause to believe the person had been driving a motor vehicle in violation of Section 23152 or 23153, whether the person was placed under arrest, whether the person refused to submit to, or did not complete, the test after being requested by a peace officer, and whether, except for the persons described in subdivision (a) who are incapable of refusing, the person had been told that his or her driving privilege would be suspended if he or she refused to submit to, or did not complete, the test.

(2) An application for a hearing made by the affected person within 10 days of receiving notice of the department's action shall operate to stay the suspension by the department for a period of 15 days during which time the department shall afford a hearing. If the department does not afford a hearing within 15 days, the suspension shall not take place until such time as the person is granted a hearing and is notified of the department's action as provided in paragraph (3). However, if the affected person requests that the hearing be continued to a date beyond the 15-day period, the suspension shall become effective immediately upon receipt of the department's notice that the request for continuance has been granted.

(3) If the department determines upon a hearing of the matter to suspend the affected person's privilege to operate a motor vehicle, the suspension shall not become effective until five days after receipt by the person of the department's notification of that suspension.

(d) Any person who is afflicted with hemophilia shall be exempt from the blood test required by this section.

(e) Any person who is afflicted with a heart condition and is using an anticoagulant under the direction of a licensed physician and surgeon shall be exempt from the blood test required by this section.

(f) A person lawfully arrested for any offense allegedly committed while the person was driving a motor vehicle in violation of Section 23152 or 23153 may request the arresting officer to have a chemical test made of the arrested person's blood, breath, or urine for the purpose of determining the alcoholic content of that person's blood, and, if so requested, the arresting officer shall have the test performed.

SEC. 19. Section 14601 of the Vehicle Code is amended to read:

14601. (a) No person shall drive a motor vehicle at any time when that person's driving privilege is suspended or revoked for reckless driving in violation of Section 23103 or 23104, any reason listed in subdivisions (b) through (f) of Section 12805 requiring the department to refuse to issue a license, negligent or incompetent operation of a motor vehicle as prescribed in subdivision (e) of Section 12809, or negligent operation as prescribed in Section 12810, and when the person so driving has knowledge of the suspension or revocation. Knowledge shall be presumed if notice has been given by the department to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(b) Any person convicted under this section shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for not less than five days nor more than six months and by fine of not more than five hundred dollars ($500).

(2) Upon a second or any subsequent conviction within seven years of a prior offense which resulted in a conviction of a violation of this section or Section 14601.1 or 14601.2, by imprisonment in the county jail for not less than 10 days nor more than one year and by fine of not more than one thousand dollars ($1,000).

(c) If any person is convicted of a second or subsequent offense which results in a conviction of a violation of this section within seven years of a prior offense which resulted in a conviction of a violation of this section or Section 14601.1 or 14601.2 and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 10 days.

SEC. 20. Section 14601.1 of the Vehicle Code is amended to read:

14601.1. (a) No person shall drive a motor vehicle when his or her driving privilege is suspended or revoked for any reason other than those listed in Section 14601 or 14601.2 and when the person so driving has knowledge of the suspension or revocation. Knowledge shall be presumed if notice has been given by the department to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(b) Any person convicted under this section shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for not more than six months or by fine of not more than five hundred dollars ($500), or by both that fine and imprisonment.

(2) Upon a second or any subsequent offense which results in a conviction of a violation of this section within seven years of a prior offense which resulted in a conviction of a violation of this section or Section 14601 or 14601.2, by imprisonment in the county jail for not less than five days nor more than one year and by fine of not more than one thousand dollars ($1,000).

SEC. 21. Section 14601.2 of the Vehicle Code is amended to read:

14601.2. (a) No person shall drive a motor vehicle at any time when that person's driving privilege is suspended or revoked for a conviction of a violation of Section 23152 or 23153, and when the person so driving has knowledge of the suspension or revocation.

(b) Except in full compliance with the restriction, no person shall drive a motor vehicle at any time when that person's driving privilege is restricted pursuant to Article 2 (commencing with Section 23151) of Chapter 12 of Division 11, and when the person so driving has knowledge of the restriction.

(c) Knowledge of suspension or revocation of the driving privilege shall be presumed if notice has been given by the department to the person and knowledge of restriction of the driving privilege shall be presumed if notice has been given by the court to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(d) Any person convicted of a violation of this section shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for not less than 10 days nor more than six months and by a fine of not more than five hundred dollars ($500).

(2) Upon a second or any subsequent offense which results in a conviction of a violation of this section within seven years of a prior offense which resulted in a conviction of a violation of this section or

Section 14601, by imprisonment in the county jail for not less than 30 days nor more than one year and by a fine of not more than one thousand dollars ($1,000).

(e) If any person is convicted of a first offense under this section and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 10 days.

(f) If any person is convicted of a second or subsequent offense which results in a conviction of a violation of this section within five years of a prior offense which resulted in a conviction of a violation of this section or Section 14601 and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 30 days.

(g) If any person is convicted of a second or subsequent offense which results in a conviction of this section within seven years, but over five years, of a prior offense which resulted in a conviction of a violation of this section or Section 14601 or 14601.1 and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 10 days.

SEC. 22. Section 21051 of the Vehicle Code is amended to read:

21051. The following sections apply to trolley coaches:

(a) Sections 1800, 4000, 4001, 4002, 4003, 4006, 4009, 4150, 4151, 4152, 4153, 4155, 4156, 4158, 4166, 4300 to 4309, inclusive, 4450 to 4454, inclusive, 4457, 4458, 4459, 4460, 4600 to 4610, inclusive, 4750, 4751, 4850, 4851, 4852, 4853, 5000, 5200 to 5205, inclusive, 5904, 6052, 8801, 9254, and 40001 with respect to 4000, relating to original and renewal of registration.

(b) Sections 9250, 9265, 9400, 9406, 9407, 9408, 9550, 9552, 9553, 9554, 9800 to 9809, inclusive, 14901, 42230 to 42234, inclusive, relating to registration and other fees.

(c) Sections 2800, 10851, 10852, 10853, 20001 to 20009, inclusive, 21052, 21053, 21054, 21450 to 21457, inclusive, 21461, 21650, 21651, 21658, 21659, 21700, 21701, 21702, 21703, 21709, 21712, 21750, 21753, 21754, 21755, 21800, 21801, 21802, 21806, 21950, 21951, 22106, 22107, 22108, 22109, 22350, 22351, 22352, 22400, 22450 to 22453, inclusive, 23103, 23104, 23110, 23152, 23153, 40831, 42002 with respect to 10852 and 10853, and 42004, relating to traffic laws.

(d) Sections 26706, 26707, and 26708, relating to equipment.

(e) Sections 17301, 17302, 17303, 21461, 35000, 35100, 35101, 35105, 35106, 35111, 35550, 35551, 35750, 35751, 35753, 40000.1 to 40000.25, inclusive, 40001, 40003, and 42031, relating to the size, weight, and loading of vehicles.

SEC. 23. Section 23102.6, as added by Chapter 939 of the Statutes of 1981, is repealed.

SEC. 24. Section 23103.5 of the Vehicle Code is amended to read:

23103.5. (a) When the prosecution agrees to a plea of guilty or nolo contendere to a charge of a violation of Section 23103 in satisfaction of, or as a substitute for, an original charge of a violation of Section 23152, the prosecution shall state for the record a factual

basis for the satisfaction or substitution, including whether or not there had been consumption of any alcoholic beverage or ingestion or administration of any drug, or both, by the defendant in connection with the offense. The statement shall set forth the facts which show whether or not there was a consumption of any alcoholic beverage or the ingestion or administration of any drug by the defendant in connection with the offense.

(b) The court shall advise the defendant, prior to the acceptance of the plea offered pursuant to a factual statement pursuant to subdivision (a), of the consequences of a conviction of a violation of Section 23103 as set forth in subdivision (c).

(c) If the court accepts the defendant's plea of guilty or nolo contendere to a charge of a violation of Section 23103 and the prosecutor's statement under subdivision (a) states that there was consumption of any alcoholic beverage or the ingestion or administration of any drugs by the defendant in connection with the offense, the resulting conviction shall be a prior offense for the purposes of Section 23165 or 23200, as specified in those sections.

(d) The court shall notify the Department of Motor Vehicles of each conviction of Section 23103 which shall be a prior offense for purposes of Section 23165 or 23200, as provided in this section.

SEC. 25. Section 23151 of the Vehicle Code is amended and renumbered to read:

109. "Alcoholic beverage" includes any liquid or solid material intended to be ingested by a person which contains ethanol, also known as ethyl alcohol, drinking alcohol, or alcohol, including, but not limited to, alcoholic beverages as defined in Section 23004 of the Business and Professions Code, intoxicating liquor, malt beverage, beer, wine, spirits, liqueur, whiskey, rum, vodka, cordials, gin, and brandy, and any mixture containing one or more alcoholic beverages. Alcoholic beverage includes a mixture of one or more alcoholic beverages whether found or ingested separately or as a mixture.

For purposes of the Driver License Compact, "intoxicating liquor" as used in Section 15023 has the same meaning as "alcoholic beverage" as used in this code.

SEC. 26. Section 23152 of the Vehicle Code is amended to read:

23152. (a) It is unlawful for any person who is under the influence of an alcoholic beverage or any drug, or under the combined influence of an alcoholic beverage and any drug, to drive a vehicle.

(b) It is unlawful for any person who has 0.10 percent or more, by weight, of alcohol in his or her blood to drive a vehicle.

For purposes of this subdivision, percent, by weight, of alcohol shall be based upon grams of alcohol per 100 milliliters of blood.

(c) It is unlawful for any person who is addicted to the use of any drug to drive a vehicle. This subdivision shall not apply to a person who is participating in a methadone maintenance treatment program approved pursuant to Article 3 (commencing with Section

4350) of Chapter 1 of Part 1 of Division 4 of the Welfare and Institutions Code.

SEC. 27. Section 23153 of the Vehicle Code is amended to read:

23153. (a) It is unlawful for any person, while under the influence of an alcoholic beverage or any drug, or under the combined influence of an alcoholic beverage and any drug, to drive a vehicle and, when so driving, do any act forbidden by law or neglect any duty imposed by law in the driving of the vehicle, which act or neglect proximately causes death or bodily injury to any person other than the driver.

(b) It is unlawful for any person, while having 0.10 percent or more, by weight, of alcohol in his or her blood to drive a vehicle and, when so driving, do any act forbidden by law or neglect any duty imposed by law in the driving of the vehicle, which act or neglect proximately causes death or bodily injury to any person other than the driver.

(c) In proving the person neglected any duty imposed by law in the driving of the vehicle, it is not necessary to prove that any specific section of this code was violated.

SEC. 28. Section 23155 of the Vehicle Code is amended to read:

23155. (a) Upon the trial of any criminal action, or preliminary proceeding in a criminal action, arising out of acts alleged to have been committed by any person while driving a vehicle while under the influence of an alcoholic beverage in violation of subdivision (a) of Section 23152 or subdivision (a) of Section 23153, the amount of alcohol in the person's blood at the time of the test as shown by chemical analysis of that person's blood, breath, or urine shall give rise to the following presumptions affecting the burden of proof:

(1) If there was at that time less than 0.05 percent by weight of alcohol in the person's blood, it shall be presumed that the person was not under the influence of an alcoholic beverage at the time of the alleged offense.

(2) If there was at that time 0.05 percent or more but less than 0.10 percent by weight of alcohol in the person's blood, that fact shall not give rise to any presumption that the person was or was not under the influence of an alcoholic beverage, but the fact may be considered with other competent evidence in determining whether the person was under the influence of an alcoholic beverage at the time of the alleged offense.

(3) If there was at that time 0.10 percent or more by weight of alcohol in the person's blood, it shall be presumed that the person was under the influence of an alcoholic beverage at the time of the alleged offense.

(b) Percent by weight of alcohol in the blood shall be based upon grams of alcohol per 100 milliliters of blood.

(c) This section shall not be construed as limiting the introduction of any other competent evidence bearing upon the question whether the person ingested any alcoholic beverage or was under the influence of an alcoholic beverage at the time of the alleged offense.

SEC. 29. Section 23160 of the Vehicle Code is amended to read:

23160. (a) If any person is convicted of a first violation of Section 23152, that person shall be punished by imprisonment in the county jail for not less than 96 hours nor more than six months and by a fine of not less than three hundred seventy-five dollars ($375) nor more than five hundred dollars ($500).

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

(c) Except as provided in Section 23161, the court shall order the Department of Motor Vehicles to suspend the privilege to operate a motor vehicle of a person punished under this section for six months pursuant to paragraph (1) of subdivision (a) of Section 13352.

SEC. 30. Section 23161 of the Vehicle Code is amended to read:

23161. (a) If the court grants probation to any person punished under Section 23160, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as a condition of probation that the person be subject to one of the following:

(1) Be confined in the county jail for at least 48 hours but not more than six months and pay a fine of at least three hundred seventy-five dollars ($375) but not more than five hundred dollars ($500). The court may order the Department of Motor Vehicles to suspend the privilege to operate a motor vehicle pursuant to paragraph (1) of subdivision (a) of Section 13352 when this condition of probation is imposed.

(2) Pay a fine of at least three hundred seventy-five dollars ($375) but not more than five hundred dollars ($500) and have the privilege to operate a motor vehicle restricted for 90 days to necessary travel to and from that person's place of employment and to and from the treatment program described in subdivision (b) and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment.

(b) In any county where the county alcohol program administrator has certified and the board of supervisors has approved such a program or programs, the court shall also impose as a condition of probation that the driver shall participate in, and successfully complete, a driver improvement program or a treatment program for persons who are habitual users of alcohol or drugs, or both of these programs, as designated by the court.

SEC. 31. Section 23165 of the Vehicle Code is amended to read:

23165. If any person is convicted of a violation of Section 23152 and the offense occurred within five years of a prior offense which resulted in conviction of a violation of Section 23152 or 23153, or a prior offense which occurred on or after January 1, 1982, which resulted in a conviction of a violation of Section 23103 as specified in Section 23103.5, that person shall be punished by imprisonment in

the county jail for not less than 90 days nor more than one year and by a fine of not less than three hundred seventy-five dollars ($375) nor more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to paragraph (3) of subdivision (a) of Section 13352.

SEC. 32. Section 23166 of the Vehicle Code is amended to read:

23166. If the court grants probation to any person punished under Section 23165, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as conditions of probation that the person be subject to all of the provisions of either subdivision (a) or (b), as follows:

(a) Be confined in the county jail for at least 10 days but not more than one year and pay a fine of at least three hundred seventy-five dollars ($375) but not more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to paragraph (3) of subdivision (a) of Section 13352.

(b) All of the following:

(1) Be confined in the county jail for at least 48 hours but not more than one year.

(2) Pay a fine of at least three hundred seventy-five dollars ($375) but not more than one thousand dollars ($1,000).

(3) Have the privilege to operate a motor vehicle be restricted for one year to necessary travel to and from that person's place of employment and to and from the treatment program described in paragraph (4) and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment. The Department of Motor Vehicles shall not suspend the person's privilege to operate a motor vehicle under Section 13352, as provided in Section 13352.5.

(4) Participate, for at least one year and in a manner satisfactory to the court, in a program approved pursuant to Chapter 9 (commencing with Section 11837) of Part 2 of Division 10.5 of the Health and Safety Code, as designated by the court.

SEC. 33. Section 23170 of the Vehicle Code is amended to read:

23170. If any person is convicted of a violation of Section 23152 and the offense occurred within five years of two or more prior offenses which resulted in convictions of violations of Section 23152 or 23153 or both, that person shall be punished by imprisonment in the county jail for not less than 120 days nor more than one year and by a fine of not less than three hundred seventy-five dollars ($375) nor more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be revoked by the Department of Motor Vehicles pursuant to paragraph (5) of subdivision (a) of Section 13352.

SEC. 34. Section 23171 of the Vehicle Code is amended to read:

23171. (a) If the court grants probation to any person punished under Section 23170, in addition to the provisions of Section 23206

and any other terms and conditions imposed by the court, the court shall impose as conditions of probation that the person be confined in the county jail for at least 120 days but not more than one year and pay a fine of at least three hundred seventy-five dollars ($375) but not more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be revoked by the Department of Motor Vehicles pursuant to paragraph (5) of subdivision (a) of Section 13352.

(b) In addition to the provisions of Section 23206 and subdivision (a), if the court grants probation to any person punished under Section 23170 who has not previously successfully completed a treatment program pursuant to paragraph (4) of subdivision (b) of Section 23166 or paragraph (4) of subdivision (b) of Section 23186, the court shall impose as a condition of probation that the person participate, for a least one year and in a manner satisfactory to the court, in a program approved pursuant to Chapter 9 (commencing with Section 11837) of Part 2 of Division 10.5 of the Health and Safety Code, as designated by the court. Under no circumstances shall the additional condition of probation required pursuant to this subdivision be construed as a basis for reducing any other probation requirement in this section or Section 23206 or for avoiding the mandatory license revocation provisions of paragraph (5) of subdivision (a) of Section 13352.

SEC. 35. Section 23180 of the Vehicle Code is amended to read:

23180. If any person is convicted of a first violation of Section 23153, that person shall be punished by imprisonment in the state prison, or in the county jail for not less than 90 days nor more than one year, and by a fine of not less than three hundred seventy-five dollars ($375) nor more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to paragraph (2) of subdivision (a) of Section 13352.

SEC. 36. Section 23181 of the Vehicle Code is amended to read:

23181. If the court grants probation to any person punished under Section 23180, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as a condition of probation that the person to be confined in the county jail for at least five days but not more than one year and pay a fine of at least three hundred seventy-five dollars ($375) but not more than one thousand dollars ($1,000). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to paragraph (2) of subdivision (a) of Section 13352.

SEC. 37. Section 23185 of the Vehicle Code is amended to read:

23185. If any person is convicted of a violation of Section 23153 and the offense occurred within five years of a prior offense which resulted in a conviction of a violation of Section 23152 or 23153, that person shall be punished by imprisonment in the state prison, or in the county jail for not less than 120 days nor more than one year, and

by a fine of not less than three hundred seventy-five dollars ($375) nor more than five thousand dollars ($5,000). The person's privilege to operate a motor vehicle shall be revoked by the Department of Motor Vehicles pursuant to paragraph (4) of subdivision (a) of Section 13352.

SEC. 38. Section 23186 of the Vehicle Code is amended to read:

23186. If the court grants probation to any person punished under Section 23185, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as conditions of probation that the person be subject to all of the provisions of either subdivision (a) or (b), as follows:

(a) Be confined in the county jail for at least 120 days and pay a fine of at least three hundred seventy-five dollars ($375) but not more than five thousand dollars ($5,000). The person's privilege to operate a motor vehicle shall be revoked by the Department of Motor Vehicles pursuant to paragraph (4) of subdivision (a) of Section 13352.

(b) All of the following:

(1) Be confined in the county jail for at least 30 days but not more than one year.

(2) Pay a fine of at least three hundred seventy-five dollars ($375) but not more than one thousand dollars ($1,000).

(3) Have the privilege to operate a motor vehicle be restricted for three years to necessary travel to and from that person's place of employment, and to and from the treatment program described in paragraph (4) and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment. The Department of Motor Vehicles shall not revoke the person's privilege to operate a motor vehicle under Section 13352, as provided in Section 13352.5.

(4) Participate, for at least one year and in a manner satisfactory to the court, in a program approved pursuant to Chapter 9 (commencing with Section 11837) of Part 2 of Division 10.5 of the Health and Safety Code, as designated by the court.

SEC. 39. Section 23191 of the Vehicle Code is amended to read:

23191. (a) If the court grants probation to any person punished under Section 23190, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as conditions of probation that the person be confined in the county jail for at least one year, that the person pay a fine of at least three hundred seventy-five dollars ($375) but not more than five thousand dollars ($5,000), and that the person make restitution or reparation pursuant to Section 1203.1 of the Penal Code. The person's privilege to operate a motor vehicle shall be revoked by the Department of Motor Vehicles pursuant to paragraph (6) of subdivision (a) of Section 13352.

(b) In addition to the provisions of Section 23206 and subdivision (a), if the court grants probation to any person punished under Section 23190 who has not previously successfully completed a

treatment program pursuant to paragraph (4) of subdivision (b) of Section 23166 or paragraph (4) of subdivision (b) of Section 23186, the court shall impose as a condition of probation that the person participate, for at least one year and in a manner satisfactory to the court, in a program approved pursuant to Chapter 9 (commencing with Section 11837) of Part 2 of Division 10.5 of the Health and Safety Code, as designated by the court. Under no circumstances shall the additional condition of probation required pursuant to this subdivision be construed as a basis for reducing any other probation requirement in this section or Section 23206 or for avoiding the mandatory license revocation provisions of paragraph (6) of subdivision (a) of Section 13352.

SEC. 40. Section 23200 of the Vehicle Code is amended to read:

23200. (a) In any case charging a violation of Section 23152 or 23153 and the offense occurred within five years of one or more prior offenses which resulted in convictions of violations of Section 23152 or 23153, or one or more prior offenses which occurred on or after January 1, 1982, which resulted in convictions of violations of Section 23103 as specified in Section 23103.5, or any combination, or all, of those three provisions, the court shall not strike any prior conviction of those offenses for purposes of sentencing in order to avoid imposing, as part of the sentence or term of probation, the minimum time of imprisonment and the minimum fine, as provided in this chapter, or for purposes of avoiding revocation, suspension, or restriction of the privilege to operate a motor vehicle, as provided in this code.

(b) In any case charging a violation of Section 23152 or 23153, the court shall obtain a copy of the driving record of the person charged from the Department of Motor Vehicles and may obtain any records from the Department of Justice or any other source to determine if one or more prior convictions of the person of offenses which resulted in convictions of Section 23152 or 23153 or both, or one or more prior convictions of offenses which occurred on or after January 1, 1982, of Section 23103 as specified in Section 23103.5, have occurred within five years of the charged offense.

(c) If any prior convictions of violations of Section 23152 or 23153 are reported to have occurred within five years of the charged offense, the court shall notify each court where any of the prior convictions occurred for the purpose of enforcing terms and conditions of probation pursuant to Section 23207.

SEC. 41. Section 23211 of the Vehicle Code is amended to read:

23211. A court shall not order or refer any person to any program, including a driver improvement program or a treatment program for persons who are habitual users of alcohol or drugs or a program approved pursuant to Chapter 9 (commencing with Section 11837) of Part 2 of Division 10.5 of the Health and Safety Code, or to a provider of such a program, in which any employee of the court has a direct or indirect economic interest.

For the purposes of this section, an employee of the court does not

have an economic interest in such a program if the employee of the court is utilized by the employing court to monitor attendance for that court at such a program and the employee is paid his or her direct expenses and reasonable compensation for that purpose by the program.

SEC. 42. Section 40300.5 of the Vehicle Code is amended to read:

40300.5. Notwithstanding any other provision of law, a peace officer may, without a warrant, arrest a person involved in a traffic accident when the officer has reasonable cause to believe that the person had been driving while under the influence of an alcoholic beverage or any drug, or under the combined influence of an alcoholic beverage and any drug.

SEC. 43. Section 40302 of the Vehicle Code is amended to read:

40302. Whenever any person is arrested for any violation of this code, not declared to be a felony, the arrested person shall be taken without unnecessary delay before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and is nearest or most accessible with reference to the place where the arrest is made in any of the following cases:

(a) When the person arrested fails to present his driver's license or other satisfactory evidence of his identity for examination.

(b) When the person arrested refuses to give his written promise to appear in court.

(c) When the person arrested demands an immediate appearance before a magistrate.

(d) When the person arrested is charged with violating Section 23152.

SEC. 44. Section 40303 of the Vehicle Code is amended to read:

40303. Whenever any person is arrested for any of the following offenses and the arresting officer is not required to take the person without unnecessary delay before a magistrate, the arrested person shall, in the judgment of the arresting officer, either be given a 10 days' notice to appear as herein provided or be taken without unnecessary delay before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and is nearest or most accessible with reference to the place where the arrest is made:

(a) Section 10852 or 10853, relating to injuring or tampering with a vehicle.

(b) Section 23103 or 23104, relating to reckless driving.

(c) Section 2800, insofar as it relates to a failure or refusal of the driver of a vehicle to stop and submit to an inspection or test of the lights upon the vehicle under Section 2804 hereof, which is punishable as a misdemeanor.

(d) Section 2800, insofar as it relates to a failure or refusal of the driver of a vehicle to stop and submit to a brake test which is punishable as a misdemeanor.

(e) Section 2800, relating to the refusal to submit vehicle and load

to an inspection, measurement, or weighing as prescribed in Section 2802 or a refusal to adjust the load or obtain a permit as prescribed in Section 2803.

(f) Section 2800, insofar as it relates to any driver who continues to drive after being lawfully ordered not to drive by a member of the California Highway Patrol for violating the driver's hours of service or driver's log regulations adopted pursuant to subdivision (a) of Section 34501.

(g) Section 20002 or 20003, relating to duties in the event of an accident.

(h) Section 23109, relating to participating in speed contests or exhibition of speed.

(i) Section 14601, 14601.1, or 14601.2, relating to driving while license is suspended or revoked.

(j) When the person arrested has attempted to evade arrest.

(k) Section 23332, relating to persons upon vehicular crossings.

(*l*) Section 2813, relating to the refusal to stop and submit a vehicle to an inspection of its size, weight, and equipment.

(m) Section 21461.5, insofar as it relates to a pedestrian who, after being cited for a violation of Section 21461.5, is, within 24 hours, again found upon the freeway in violation of Section 21461.5 and thereafter refuses to leave the freeway after being lawfully ordered to do so by a peace officer and after having been informed that his or her failure to leave could result in his or her arrest.

(n) Section 2800, insofar as it relates to a pedestrian who, after having been cited for a violation of Section 2800 for failure to obey a lawful order of a peace officer issued pursuant to Section 21962, is within 24 hours again found upon the bridge or overpass and thereafter refuses to leave after being lawfully ordered to do so by a peace officer and after having been informed that his or her failure to leave could result in his or her arrest.

SEC. 45. (a) The provisions of Sections 2, 6, 7, and 10 of the Vehicle Code expressly apply to the provisions of this act, and, further, reference to an offense by section number is a reference to the provisions contained in that section, insofar as they are renumbered without substantive change by Chapter 939, 940, or 941 of the Statutes of 1981 or this act, and those provisions shall be construed as restatements and continuations thereof and not as new enactments.

(b) Any reference in the provisions of the Vehicle Code to a prior offense of Section 23152 shall include a prior offense under Section 23102 or 23105, as those sections read prior to January 1, 1982.

(c) Any reference in the provisions of the Vehicle Code to a prior offense of Section 23153 shall include a prior offense under Section 23101 or 23106 as those sections read prior to January 1, 1982.

(d) The provisions of this section are declaratory of existing law.

SEC. 46. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and

Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 47. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide for the orderly implementation of the revisions to the prohibitions against driving while under the influence of an alcoholic beverage or with excessive blood alcohol levels enacted at the 1981 portion of the 1981–82 Regular Session of the Legislature, and to prevent needless litigation over necessary technical changes to other provisions of law, it is necessary that this act take effect immediately.

CHAPTER 54

An act to amend Sections 14999, 14999.1, 14999.2, 14999.5, 14999.7, and 14999.8 of the Government Code, relating to state government.

[Approved by Governor February 17, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 14999 of the Government Code is amended to read:

14999. The Commission for Economic Development, hereinafter referred to as the commission, is continued in existence. The purpose of the commission is to provide continuing bipartisan legislative, executive branch and private sector support and guidance for the best possible overall economic development of the state by any and all of the following means:

(a) Assessing specific regional or local economic development problems and making recommendations for solving problems.

(b) Providing a forum for ongoing dialogue on economic issues between state government and the private sector.

(c) Recommending, where deemed appropriate, legislation to require evaluation of demonstration and ongoing economic development projects and programs to ensure continued cost effectiveness.

(d) Identifying and reporting important secondary effects on economic development of programs and regulations which may have other primary purposes.

(e) Undertaking specialized studies and preparing specialized reports at the request of the Governor or Legislature.

SEC. 2. Section 14999.1 of the Government Code is amended to read:

14999.1. The commission shall consist of 17 members appointed as follows:

Three Members of the Senate, appointed by the Senate Rules Committee.

Three Members of the Assembly, appointed by the Speaker of the Assembly.

The Members of the Legislature appointed to the commission shall serve at the pleasure of the appointing power and shall participate in the activities of the commission to the extent that such participation is not incompatible with their respective positions as Members of the Legislature. For the purposes of this article, such Members of the Legislature shall constitute a joint investigating committee on the subject of this article and as such shall have the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

Ten members appointed by the Governor after consultation with business, industry, and labor organizations, with no more than six members registered from the same political party. These 10 members shall include persons from the economic development fields of manufacturing, tourism, world trade and such other fields as may be appropriate. The terms of these 10 members shall be for four years. The terms of the members first appointed shall be as follows: four shall expire January 1, 1973; four January 1, 1974; and two January 1, 1975.

The Lieutenant Governor shall serve as chairman of the commission. The commission shall provide for the selection of a vice chairman who will be a registered member of a political party different from that of the chairman. The commission may select from its membership such other officers as it deems necessary. The chairman and the vice chairman will be ad hoc members of all committees. The chairman shall appoint an executive secretary, and he or she shall be the appointing authority for other commission personnel.

SEC. 3. Section 14999.2 of the Government Code is amended to read:

14999.2. The commission may appoint task forces to study and report on specific issues which relate to the purposes of this chapter. The commission may contract for studies and other special services for purposes of this chapter.

SEC. 4. Section 14999.5 of the Government Code is amended to read:

14999.5. A majority of the members shall constitute a quorum for the transaction of business for the commission. All meetings of the commission shall be open and public and all persons shall be permitted to attend any meetings of the commission.

SEC. 5. Section 14999.7 of the Government Code is amended to read:

14999.7. 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, all of the following:

(a) To adopt such rules and regulations as it deems advisable with respect to the conduct of its own affairs.

(b) To hold hearings, make and sign 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, bureau, commission, or other agency of the state, other government, public entity, private organization, or corporation to facilitate it properly to carry out its powers and duties hereunder.

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

(e) To accept any gifts, donations, grants, or bequests for all or any of the purposes of this chapter.

SEC. 6. Section 14999.8 of the Government Code is amended to read:

14999.8. The commission shall consider programs to further the economic development of the state. The commission shall study the laws and programs of other states relating to economic development and the encouragement of business and industry, and shall confer with governmental officials and representatives of business and industry and any other persons or organizations interested in the promotion of economic development. The commission shall make recommendations concerning legislation affecting the economic development of the state.

CHAPTER 55

An act to amend and repeal Section 2455 of, and to add Section 2455 to, the Business and Professions Code, relating to the Board of Osteopathic Examiners, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 2455 of the Business and Professions Code is amended to read:

2455. The amount of fees and refunds is that fixed by the following schedule for any certificate issued by the Board of Osteopathic Examiners. All other fees and refunds for any certificate issued by the Board of Osteopathic Examiners and which are not prescribed in this schedule, are prescribed in Sections 2435 and 2443.

(a) The fee for each applicant for a certificate, unless otherwise provided, shall be set by the board on or before November 1st of each year for the ensuing calendar year at such sum as the board determines necessary to defray the expenses of administering the provisions of this chapter, under the Osteopathic Act, relating to the issuance of certificates to such applicants, which sum, however, shall not exceed four hundred dollars ($400) nor be less than twenty-five dollars ($25), except, that, notwithstanding Section 2440, an applicant for a certificate who is engaged in full-time training or active service in the Army, Navy, Air Force, or Marines, or in the United States Public Health Service, shall pay a sum not to exceed two hundred dollars ($200). In addition, an annual tax and registration fee shall be set by the board on or before November 1st of each year which shall not exceed four hundred dollars ($400) nor be less than twenty-five dollars ($25). If the applicant's credentials are insufficient, or if he or she does not desire to take the examination, or if the applicant fails to receive a certificate, the sum of fifty dollars ($50) shall be retained and the remainder of the fee is returnable on application.

(b) Each applicant for a reciprocity certificate shall pay an application fee in the sum of fifty dollars ($50) at the time his or her application is filed. If the applicant qualifies for a certificate, he or she shall be notified and shall pay a fee which shall be fixed annually by the board at a sum not in excess of four hundred dollars ($400) nor less than twenty-five dollars ($25) for the issuance of a certificate.

(c) The fee for failure to pay the annual tax and registration fee shall be fixed at a sum not to exceed 50 percent of the current tax and registration fee.

(d) The board shall set an annual tax registration fee in an amount less than that levied pursuant to subdivision (a) which shall be paid by any applicant who indicates to the board in writing that he or she does not intend to practice under the Osteopathic Act during the renewal period covered by such annual tax and registration fee.

(e) This section shall remain in effect only until January 1, 1987, and as of such date is repealed unless a later enacted statute deletes or extends such date.

SEC. 1.5. Section 2455 is added to the Business and Professions Code, to read:

2455. The amount of fees and refunds is that fixed by the following schedule for any certificate issued by the Board of Osteopathic Examiners. All other fees and refunds for any certificate issued by the Board of Osteopathic Examiners and which are not prescribed in this schedule, are prescribed in Sections 2435 and 2443.

(a) The fee for each applicant for a certificate, unless otherwise provided, shall be set by the board on or before November 1st of each year for the ensuing calendar year at such sum as the board determines necessary to defray the expenses of administering the provisions of this chapter, under the Osteopathic Act, relating to the issuance of certificates to such applicants, which sum, however, shall,

not exceed two hundred dollars ($200) nor be less than twenty-five dollars ($25). In addition, an annual tax and registration fee shall be set by the board on or before November 1st of each year which shall not exceed two hundred dollars ($200) nor be less than ten dollars ($10). If the applicant's credentials are insufficient, or if he or she does not desire to take the examination, or if the applicant fails to receive a certificate, the sum of ten dollars ($10) shall be retained and the remainder of the fee is returnable on application.

(b) Each applicant for a reciprocity certificate shall pay an application fee in the sum of ten dollars ($10) at the time his or her application is filed. If the applicant qualifies for a certificate, he or she shall be notified and shall pay a fee which shall be fixed annually by the board, at a sum not in excess of two hundred dollars ($200) nor less than twenty-five dollars ($25) for the issuance of a certificate.

(c) The fee for failure to pay the annual tax and registration fee is fifty dollars ($50).

(d) The board shall set an annual tax registration fee in an amount less than that levied pursuant to subdivision (a) which shall be paid by any applicant who indicates to the board in writing that he or she does not intend to practice under the Osteopathic Act during the renewal period covered by such annual tax and registration fee.

(e) This section shall become operative January 1, 1987.

SEC. 2. The sum of one hundred ten thousand dollars ($110,000) is hereby appropriated from the Board of Osteopathic Examiners Contingent Fund to the Board of Osteopathic Examiners for the support of the board's activities from January 1, 1982, to June 30, 1982.

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

In order that the increased fees provided for in this act may be applied prior to the next renewal date it is necessary that this act go into immediate effect.

CHAPTER 56

An act to amend Section 881 of the Penal Code, relating to witnesses.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 881 of the Penal Code is amended to read:

881. (a) If a witness, required to enter into an undertaking to appear and testify, either with or without sureties, refuses compliance with the order for that purpose, the magistrate must

commit him to prison until he complies or is legally discharged.

(b) If a witness fails to appear at the preliminary hearing in response to a subpoena, the court may hear evidence, including testimony or an affidavit from the arresting or interviewing officer, and if the court determines on the basis of the evidence that the witness is a material witness, the court shall issue a bench warrant for the arrest of the witness, and upon the appearance of the witness, may commit him or her into custody until the conclusion of the preliminary hearing, or until the defendant enters a plea of nolo contendere, or the witness is otherwise legally discharged.

The court may order the witness to enter into a written undertaking to the effect that he or she will appear and testify at the time and place ordered by the court or that he or she will forfeit an amount that the court deems proper. Section 1269d is applicable to undertakings entered into pursuant to this section.

(c) Once the material witness has been taken into custody on the bench warrant he shall be brought before the magistrate issuing the warrant, if available, within two court days for a hearing to determine if the witness should be released on security of appearance or maintained in custody.

(d) A material witness shall remain in custody under this section for no longer than 10 days.

(e) If a material witness is being held in custody under this section the prosecution is entitled to have the preliminary hearing proceed, as to this witness only, within 10 days of the arraignment of the defendant. Once this material witness has completed his testamony the defendant shall be entitled to a reasonable continuance.

CHAPTER 57

An act to add Section 29451 to the Elections Code, relating to elections.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 29451 is added to the Elections Code, to read:

29451. Any candidate in an election or incumbent in a recall election who knowingly makes a false statement of a material fact in a candidate's statement, prepared pursuant to Section 10012 or 27317, with the intent to mislead the voters in connection with his or her campaign for nomination or election to a nonpartisan office is punishable by a fine not to exceed one thousand dollars ($1,000).

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the

California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 58

An act to amend Section 21080.5 of, and to add Section 21080.13 to, the Public Resources Code, relating to environmental quality, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 21080.5 of the Public Resources Code is amended to read:

21080.5. (a) When the regulatory program of a state agency, board, or commission requires a plan or other written documentation, containing environmental information and complying with the requirements of paragraph (3) of subdivision (d), to be submitted in support of any of the activities listed in subdivision (b), the plan or other written documentation may be submitted in lieu of the environmental impact report required by this division; provided, that the Secretary of the Resources Agency has certified the regulatory program pursuant to this section.

(b) This section shall apply only to regulatory programs or portions thereof which involve either of the following:

(1) The issuance to a person of a lease, permit, license, certificate, or other entitlement for use.

(2) The adoption or approval of standards, rules, regulations, or plans for use in the regulatory program.

(c) A regulatory program certified pursuant to this section is exempt from the provisions of Chapter 3 (commencing with Section 21100) and Chapter 4 (commencing with Section 21150) and Section 21167.

(d) In order to qualify for certification pursuant to this section, a regulatory program shall require utilization of an interdisciplinary approach which will ensure the integrated use of the natural and social sciences in decisionmaking and shall meet all of the following criteria:

(1) The enabling legislation of the regulatory program shall:

(i) Include protection of the environment among its principal purposes.

(ii) Contain authority for the administering agency to promulgate

rules and regulations for the protection of the environment, guided by standards set forth in the enabling legislation.

(2) The rules and regulations adopted by the administering agency shall:

(i) Require that an activity will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

(ii) Include guidelines for the orderly evaluation of proposed activities and the preparation of the plan or other written documentation in a manner consistent with the environmental protection purposes of the regulatory program.

(iii) Require the administering agency to consult with all public agencies which have jurisdiction, by law, with respect to the proposed activity.

(iv) Require that final action on the proposed activity include the written responses of the issuing authority to significant environmental points raised during the evaluation process.

(v) Require the filing of a notice of the decision by the administering agency on the proposed activity with the Secretary of the Resources Agency. Those notices shall be available for public inspection, and a list of the notices shall be posted on a weekly basis in the office of the Resources Agency. Each list shall remain posted for a period of 30 days.

(vi) Require notice of the filing of the plan or other written documentation to be made to the public and to any person who requests, in writing, notification. The notification shall be made in a manner that will provide the public or any person requesting notification with sufficient time to review and comment on the filing.

(3) The plan or other written documentation required by the regulatory program shall:

(i) Include a description of the proposed activity with alternatives to the activity, and mitigation measures to minimize any significant adverse environmental impact.

(ii) Be available for a reasonable time for review and comment by other public agencies and the general public.

(e) The Secretary of the Resources Agency shall certify a regulatory program which the secretary determines meets all the qualifications for certification set forth in this section, and withdraw certification on determination that the regulatory program has been altered so that it no longer meets those qualifications. Certification and withdrawal of certification shall occur only after compliance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

In determining whether or not a regulatory program meets the qualifications for certification set forth in this section, the inquiry of the Secretary of the Resources Agency shall extend only to the question of whether the regulatory program meets the generic requirements of subdivision (d). The inquiry shall not extend to

individual decisions to be reached under the regulatory program, including the nature of specific alternatives or mitigation measures which might be proposed to lessen any significant adverse environmental effects of the activity.

In the event that the Secretary of the Resources Agency determines that the regulatory program submitted for certification does not meet the qualifications for certification set forth in this section, the secretary shall adopt findings setting forth the reasons for the determination.

(f) After a regulatory program has been certified pursuant to this section, any proposed change in the program which could affect compliance with the qualifications for certification specified in subdivision (d) may be submitted to the Secretary of the Resources Agency for review and comment. The scope of the secretary's review shall extend only to the question of whether the regulatory program meets the generic requirements of subdivision (d). The review shall not extend to individual decisions to be reached under the regulatory program, including specific alternatives or mitigation measures which might be proposed to lessen any significant adverse environmental effects of the activity. The secretary shall have 30 days after receipt of the proposed change to notify the state agency, board, or commission whether the proposed change will alter the regulatory program so that it no longer meets the qualification for certification established in this section and will result in a withdrawal of certification as provided in this section.

(g) Any action or proceeding to attack, review, set aside, void, or annul a determination or decision of a state agency, board, or commission approving or adopting a proposed activity under a regulatory program which has been certified pursuant to this section on the basis that the plan or other written documentation prepared pursuant to paragraph (3) of subdivision (d) does not comply with the provisions of this section shall be commenced no later than 30 days from the date of the filing of notice of the approval or adoption of the activity.

(h) Any action or proceeding to attack, review, set aside, void, or annul a determination of the Secretary of the Resources Agency to certify a regulatory program pursuant to this section on the basis that the regulatory program does not comply with the provisions of this section shall be commenced within 30 days after certification by the secretary.

In any action brought under this subdivision, the inquiry shall extend only to whether there was a prejudicial abuse of discretion by the Secretary of the Resources Agency. Abuse of discretion is established if the secretary has not proceeded in a manner required by law or if the determination is not supported by substantial evidence.

(i) For purposes of this section, any county agricultural commissioner shall be considered a state agency.

(j) For purposes of this section, any air quality management

district or air pollution control district shall be considered a state agency, except that the approval, if any, by such agency of a nonattainment area plan shall be subject to the provisions of this section only if, and to the extent that, such approval adopts or amends rules or regulations.

SEC. 2. Section 21080.13 is added to the Public Resources Code, to read:

21080.13. This division shall not apply to any railroad grade separation project which eliminates an existing grade crossing or which reconstructs an existing grade separation.

SEC. 3. The Legislature hereby finds and declares that the amendments made to Section 21080.5 of the Public Resources Code by Section 1 of this act are not intended and shall not be construed in such a manner as to preclude an air quality management district from determining that a regulatory program, in whole or in part, is exempt from the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code, if that regulatory program is otherwise eligible for an exemption.

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

Due to increasing population density in regions where railroad tracks cross highways at grade and because of the need to relieve congestion on those highways as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 59

An act to add and repeal Sections 13338.6, 13338.7, and 13338.8 of the Government Code, relating to appropriations for deficiencies.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 13338.6 is added to the Government Code, to read:

13338.6. (a) The Legislature finds and declares as follows:

(1) The state is confronted with increased difficulties in providing sufficient revenues to cover the amount of expenditures.

(2) It is important to identify and notify the fiscal committees of each house on a regular basis when it appears likely a state agency will incur costs in excess of the amount appropriated to it for a fiscal year.

(3) Deficiencies should be consistently reported as such in the Governor's Budget and other publications by the department.

(4) Accurate, timely, and complete information on the total level of state expenditures for a fiscal year requires the consolidation of all proposed deficiency expenditures.

(b) The department shall include the amounts actually appropriated for all deficiencies for the immediately preceding fiscal year in a single schedule in its annual Summary of Revised Revenues and Authorized Expenditures.

This section shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1984, deletes or extends that date.

SEC. 2. Section 13338.7 is added to the Government Code, to read:

13338.7. No bill which contains an appropriation for a deficiency may be heard by a fiscal committee unless and until the following information regarding the bill is supplied to each member of the committee:

(1) The amounts appropriated and encumbered from the reserves for contingencies and emergencies, as set forth in the Budget Act for the current fiscal year, payable from the General Fund, special funds, and nongovernmental cost funds, and whether the proposed deficiency appropriation is recommended by the Department of Finance.

(2) If the proposed deficiency appropriation is recommended by the Department of Finance, the information shall include a statement by the Department of Finance as to the reasons the appropriation is needed and an explanation if the amount of a proposed deficiency appropriation, as contained in the bill, is different from the amount identified as a proposed deficiency in the Governor's Budget for the current fiscal year.

(3) If the proposed deficiency appropriation is not recommended by the department, the information shall include a statement by the state agency affected by the appropriation as to the reasons the appropriation is needed and an explanation if the amount of a proposed deficiency appropriation, as contained in the bill, is different from the amount identified as a proposed deficiency in the Governor's Budget for the current fiscal year.

This section shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1984, deletes or extends that date.

SEC. 3. Section 13338.8 is added to the Government Code, to read:

13338.8. (a) Except as provided in subdivision (b), not more than two bills which would make appropriations for deficiencies, excluding the Budget Bill, may be passed each year by the fiscal committees of each house. It is the intent of the Legislature that one bill introduced in the other house, which would make appropriations for deficiencies, excluding the Budget Bill, shall be heard and acted upon by the fiscal committee of the other house not later than February of each year, and that one bill introduced in the other

house, which would make appropriations for deficiencies, excluding the Budget Bill, shall be heard and acted upon by the fiscal committee of the other house not later than May of each year.

(b) An additional bill which would make appropriations for deficiencies may be introduced in either house of the Legislature and enacted, if the Department of Finance notifies the chairman of the committee in each house which considers appropriations that an additional bill is necessary because of a threatened cessation of needed services.

This section shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1984, deletes or extends that date.

CHAPTER 60

An act to amend Section 2.9F of the Budget Act of 1978, and to amend Section 10 of Chapter 1305 of the Statutes of 1980, relating to parks, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 2.9F of the Budget Act of 1978, as added by Chapter 1257 of the Statutes of 1978, is amended to read:

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

Sec. 2.9F. 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. All such appropriations shall be paid out of the State, Urban, and Coastal Park Fund.

CAPITAL OUTLAY

Resources

512F—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	14,750,000
(d) The Cross Mountain Park, the Huntington-Hartford Estate,	

North Benedict Canyon, Caballero Canyon, and the Cahuenga Peak area adjacent to Griffith 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 other lands which are proximate to access points and lands which are additions to existing state park system units—acquisition 14,750,000

provided, that none of the funds appropriated by this category for the projects set forth herein may be encumbered unless and until the Director of Parks and Recreation notifies the State Controller that federal funds are available to fully reimburse the state for such projects.

Provided further, that none of the funds appropriated by this item for the projects set forth herein shall be available for expenditure unless and until such projects are recommended by the State Park and Recreation Commission and reviewed by the Secretary of the Resources Agency.

Provided further, that no funds shall be available for expenditure for North Benedict Canyon if both of the following events occur:

(1) The landowners of the following described property, commonly known as the "Western Ridge", record in the records of the Los Angeles County Recorder an irrevocable offer to dedicate that property to the City of Los Angeles, the Department of Parks and Recreation, the Santa Monica Mountains Conservancy, or its successor agency, the National Park Service, or any other public agency legally capable of holding title to the land for public park or open-space purposes:

That portion of Parcel C described in the legal description recorded at page 81-44396 in the records of the Los Angeles County Recorder lying westerly of the following described line:

Beginning at a point in that certain course in the northerly boundary of said Parcel C having a bearing and distance of north 88°08'40" west 626.13 feet distant thereon south 88°08'40" east 590 feet from the westerly terminus thereof; thence

south 19°13′ west 375 feet; thence south 43°42′ west 640 feet; thence south 11°30′ west 335 feet; thence south 29°30′ west 250 feet; thence south 13°00′ west 320 feet; thence south 53°00′ west 125 feet; thence south 12°00′ east 210 feet; thence south 12°00′ west 275 feet to the intersection with a curve in the southerly boundary of said Parcel C having a radius of 180 feet and an arc length of 243.87 feet.

Except that portion described as follows:

Beginning at a point in that certain course in the westerly boundary of said Parcel C having a bearing of north 26°24′55″ east 1350.64 feet distant thereon north 26°24′55″ east 385 feet from the southerly terminus thereof; thence south 63°35′05″ east 100 feet; thence north 26°24′55″ east 100 feet; thence north 63°35′05″ west 100 feet to said course in the westerly boundary; thence along said course south 26°24′55″ west 100 feet to the point of beginning.

(2) The offer to dedicate is accepted by a public agency capable of holding title to that land for public park or open-space purposes. In the event that, after local government approvals required as a condition of the dedication have been completed, the offer of dedication is not accepted by any authorized public agency other than the Santa Monica Mountains Conservancy, the Santa Monica Mountains Conservancy, or its successor agency, shall immediately accept the dedication as a repository pursuant to subdivision (a) of Section 33207 of the Public Resources Code.

SEC. 2. Section 10 of Chapter 1305 of the Statutes of 1980 is amended to read:

Sec. 10. Notwithstanding any other provision of law, the real property acquired by the Department of Parks and Recreation pursuant to Item 512F of the Budget Act of 1978 (Chapter 359, Statutes of 1978) as amended and supplemented by Chapter 1257 of the Statutes of 1978, as amended by Section 1 of Chapter 1085 of the Statutes of 1979, consisting of Cross Mountain Park, the Huntington-Hartford Estate, North Benedict Canyon, Caballero Canyon, and the Cahuenga Peak area adjacent to Griffith Park as identified in the recreation element of the plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to former Section 67470 of the Government Code, and other lands which are proximate to access points and lands which are additions to existing units of the state park system, may, upon reimbursement of the state's acquisition costs, as provided in Item 512F, be transferred to the United States or to the Santa Monica Mountains Conservancy for subsequent transfer to any local public agency or nonprofit organiza-

tion, at no cost to the agency or organization, which will agree to operate and maintain, or provide for the operation and maintenance of, the real property for park and recreation purposes. This section shall not be applicable to North Benedict Canyon if both events in the third proviso of Item 512F of the Budget Act of 1978, as amended by Section 1 of the act amending this section at the 1981 Regular Session of the Legislature, have occurred.

SEC. 3. This act shall become operative only if the event specified in paragraph (1) of the third proviso of Item 512F of the Budget Act of 1978, as described in Section 1 of this act, has occurred.

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

In order to permit the orderly development of the North Benedict Canyon area as required by the City of Los Angeles at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 61

An act to add Section 11347.5 to the Government Code, relating to administrative regulations.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18, 1982.]

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

SECTION 1. Section 11347.5 is added to the Government Code, to read:

11347.5. No state agency shall issue, utilize, enforce, or attempt to enforce any guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule, which is a regulation as defined in subdivision (b) of Section 11342, unless the guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule has been adopted as a regulation and filed with the Secretary of State pursuant to this chapter. If the office is notified of, or on its own, learns of the issuance, enforcement of, or use of, an agency guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule which has not been adopted as a regulation and filed with the Secretary of State pursuant to this chapter, the office may issue a determination as to whether the guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule, is a regulation as defined in subdivision (b) of Section 11342. The office shall make its determination known to the agency, the Governor, and the Legislature. The office's determination shall be published in the California Administrative Notice Register and be made available to

the public and the courts.

However, a determination issued by the office pursuant to this section shall not be considered by a court, or by an administrative agency in an adjudicatory proceeding if:

(1) The court or administrative agency proceeding involves the party that sought the determination from the office.

(2) The proceeding began prior to the party's request for the office's determination.

(3) At issue in the proceeding is the question of whether the guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule which is the legal basis for the adjudicatory action is a regulation as defined in subdivision (b) of Section 11342.

CHAPTER 62

An act to add Section 1.5 to an initiative act entitled the "Osteopathic Act," approved by the electors November 7, 1922, relating to the Board of Osteopathic Examiners.

[Approved by Governor February 18, 1982. Filed with Secretary of State February 18 1982.]

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

SECTION 1. Section 1.5 is added to the initiative act entitled the "Osteopathic Act," approved by the electors November 7, 1922, to read:

Sec. 1.5. In addition to the five members of the Board of Osteopathic Examiners of the State of California as provided for in Section 1, there shall be two public members on the board. The public members shall not be a licensee of any board in Division 2 (commencing with Section 500) of the Business and Professions Code nor of any initiative act referred to in that division. The public members shall be appointed by the Governor for a term of three years.

SEC. 2. This act shall become operative only if Assembly Bill No. 2045 is chaptered and becomes effective on or before the date that this act becomes effective.

CHAPTER 63

An act to add Chapter 5.65 (commencing with Section 2585) to Division 2 of the Business and Professions Code, relating to dietitians.

[Approved by Governor February 19, 1982. Filed with Secretary of State February 19, 1982.]

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

SECTION 1. Chapter 5.65 (commencing with Section 2585) is added to Division 2 of the Business and Professions Code, to read:

CHAPTER 5.65. DIETITIANS

2585. (a) Any person representing himself or herself as a dietitian shall meet one of the following qualifications:

(1) Been granted, prior to January 1, 1981, the right to use the term "dietitian" by a public or private agency or institution recognized by the State Department of Health Services as qualified to grant that title.

(2) Possess all of the following qualifications:

(A) Be 18 years of age or older.

(B) Satisfactory completion of appropriate academic requirements for the field of dietetics and related disciplines and receipt of a baccalaureate or higher degree from a college or university accredited by the Western Association of Schools and Colleges or any other regional accreditation agency.

(C) Satisfactory completion of a program of supervised clinical experience of not less than six months in length that is designed to prepare entry level practitioners through instruction and assignments in a clinical setting. Supervisors of the program shall meet minimum qualifications established by public or private agencies or institutions authorized by the State Department of Health Services to establish those qualifications.

(b) Any person representing himself or herself as a registered dietitian shall meet one of the following qualifications:

(1) Been granted, prior to January 1, 1981, the right to use the term "registered dietitian" by a public or private agency or institution recognized by the State Department of Health Services as qualified to grant such title.

(2) Possess all of the following qualifications:

(A) Satisfactory completion of the requirements set forth in subdivision (a).

(B) Satisfactory completion of an examination administered by a public or private agency or institution recognized by the State Department of Health Services as qualified to administer the examinations.

(C) Satisfactory completion of continuing education requirements established by a public or private agency or institution authorized by the State Department of Health Services to establish the requirements.

(c) It is a misdemeanor for any person not meeting the criteria of subdivision (a) or (b) to use, in connection with his or her name or

place of business, the words "dietitian," "dietician," "registered dietitian," "registered dietician," or the letters "D," "RD," or any other words, letters, abbreviations, or insignia indicating or implying that the person is a dietitian, or registered dietitian, or to represent, in any way, orally, in writing, in print or by sign, directly or by implication, that he or she is a dietitian or a registered dietitian.

(d) Any person employed by a licensed health care facility as a registered dietitian on the effective date of this chapter may continue to represent himself or herself as a registered dietitian while employed by a licensed health care facility, if he or she has satisfied the requirements of either paragraph (1) or paragraph (2) of subdivision (b), except that he or she shall not be required to satisfy the examination requirement of subparagraph (B) of paragraph (2) of subdivision (b).

2586. (a) Notwithstanding any other provision of law, a registered dietitian meeting the qualifications set forth in Section 2585 may, upon referral by a health care provider authorized to prescribe dietary treatments, provide nutritional and dietary counseling, conduct nutritional and dietary assessments, and develop nutritional and dietary treatments, including therapeutic diets, for individuals or groups of patients in licensed institutional facilities or in private office settings. The referral shall be accompanied by a written prescription signed by the health care provider detailing the patient's diagnosis and including a statement of the desired objective of dietary treatment.

(b) It is a misdemeanor for a registered dietitian to practice in a manner inconsistent with the requirements set forth in this section.

(c) Nothing in this section shall preclude a registered dietitian from providing information as permitted by Section 2068.

(d) For purposes of this section, "health care provider" means any person licensed or certified pursuant to Division 2 (commencing with Section 500), or licensed pursuant to the Osteopathic Initiative Act.

(e) The requirement of a written prescription shall be deemed to be satisfied by an entry in the patient records of a patient who is undergoing treatment at a licensed health care facility if the contents of the patient records reflect the information required by this section.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 64

An act to amend Section 53201 of the Government Code, relating to local agencies.

[Became law without Governor's signature. Filed with Secretary of State February 25, 1982.]

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

SECTION 1. Section 53201 of the Government Code is amended to read:

53201. (a) 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.

(b) The legislative body of a local agency may also provide for the continuation of any health and welfare benefits for the benefit of former elective members of the legislative body who serve in office after January 1, 1981, and whose total service at the time of termination of service is not less than 12 years.

CHAPTER 65

An act to amend Section 48938 of the Education Code, relating to education.

[Approved by Governor February 27, 1982. Filed with Secretary of State February 28, 1982]

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

SECTION 1. Section 48938 of the Education Code is amended to read:

48938. In schools or classes for adults, regional occupational centers or programs, or in elementary, continuation, or special education schools in which the student body is not organized, the governing board may appoint an employee or official to act as trustee for student body funds and to receive such funds in accordance with procedures established by the board. These funds shall be deposited in a bank or a savings and loan association, or both, approved by the board and shall be expended subject to the approval of the appointed employee or official and also subject to such procedure as may be established by the board.

CHAPTER 66

An act to amend Section 26569.12 of the Health and Safety Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 27, 1982. Filed with Secretary of State February 28, 1982.]

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

SECTION 1. Section 26569.12 of the Health and Safety Code is amended to read:

26569.12. Except as otherwise provided in this division, no food product shall be labeled as "organic," "organically grown," "naturally grown," "wild," "ecologically grown," or "biologically grown", which has any pesticide residue in excess of 10 percent of the level regarded as safe by the federal Food and Drug Administration.

Raw agricultural commodities which have been subjected to the aerial application of malathion bait spraying pursuant to this state's Mediterranean Fruit Fly Eradication Program may be labeled as "organic," "organically grown," "naturally grown," "wild," "ecologically grown," or " biologically grown," if those products otherwise meet all the requirements for labeling and advertising pursuant to Section 26569.11 and if those commodities are prominently labeled with the following: "This product may have been subjected to the aerial application of malathion bait spraying. Raw agricultural commodities need not be labeled individually to meet this requirement".

Processed foods manufactured from raw agricultural products which have been subjected to the aerial application of malathion bait spraying pursuant to this state's Mediterranean Fruit Fly Eradication Program may be labeled and advertised as "organic," "organically grown," "naturally grown," "wild," "ecologically grown," or "biologically grown," if those processed foods are prominently labeled with the following: This product has been subjected to the aerial application of malathion bait spraying.

The prohibition of this section shall not apply to the term "wild" when such term is used to describe a flavor of a food or a plant variety.

The prohibition of this section shall not apply to the term "natural."

This section shall remain in effect only until January 31, 1983, and as of such date is repealed, unless a later enacted statute, which is chaptered before such date, deletes or extends such date.

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

In order to ensure that agricultural products which are organically grown will not be commercially affected by the aerial application of

malathion bait spraying, it is necessary that this act take immediate effect.

CHAPTER 67

An act to amend Sections 31013, 31200, 31201, 31205, 31206, 31211, 31212, 31213, 31214, 31251, 31252, 31254, 31255, 31263, and 31264, of, to add Sections 31116, 31156, and 31352.5 to, and to repeal Section 31400.4 of, the Public Resources Code, and to amend Section 2 of Chapter 1772 of the Statutes of 1971, relating to land use, declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 27, 1982. Filed with Secretary of State February 28, 1982.]

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

SECTION 1. Section 31013 of the Public Resources Code is amended to read:

31013. "Nonprofit organization" means any private, nonprofit organization, existing under the provisions of Section 501(c)(3) of the United States Internal Revenue Code, which has among its principal charitable purposes the preservation of land for scientific, historic, educational, recreational, agricultural, scenic, or open-space opportunities.

SEC. 2. Section 31116 is added to the Public Resources Code, to read:

31116. (a) Funds may be granted to a nonprofit organization under this division if the nonprofit organization enters into an agreement with the conservancy, on such terms and conditions as the conservancy specifies.

(b) In the case of a grant for land acquisition, the agreement shall provide all of the following:

(1) The purchase price of any interest in land acquired by the nonprofit organization may not exceed fair market value as established by an appraisal approved by the conservancy.

(2) The conservancy shall approve the terms under which the interest in land is acquired.

(3) The interest in land acquired pursuant to a grant from the conservancy may not be used as security for any debt to be incurred by the nonprofit organization unless the conservancy approves the transaction.

(4) The transfer of land acquired pursuant to a conservancy grant shall be subject to the approval of the conservancy and a new agreement sufficient to protect the interest of the people of California shall be entered into with the transferee.

(5) If any essential term or condition is violated, title to all interest in real property acquired with state funds shall immediately vest in the state.

(6) If the existence of the nonprofit organization is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the state unless another appropriate

public agency or nonprofit organization is identified by the conservancy and agrees to accept title to all interests in real property.

Any deed or other instrument of conveyance whereby real property is being acquired by a nonprofit organization pursuant to this section shall set forth the reversionary interest of the state.

(c) The conservancy shall also require an agreement sufficient to protect the public interest in any improvement or development constructed under a grant to a nonprofit organization for improvement and development of a project under this division. The agreement shall particularly describe any real property which is subject to the agreement, and it shall be recorded by the conservancy in the county in which the real property is located.

(d) Any funds collected from a nonprofit organization pursuant to an agreement regarding a grant shall be deposited in the Nonprofit Organization Land Trust Account, which is hereby created, in the State Coastal Conservancy Fund.

SEC. 3. Section 31156 is added to the Public Resources Code, to read:

31156. The conservancy may award grants to local public agencies and nonprofit organizations for the purpose of acquiring fee title, development rights, easements, or other interests in land located in the coastal zone in order to prevent loss of agricultural land to other uses and to assemble agricultural lands into parcels of adequate size permitting continued agricultural production. The expenditure of any such funds shall be consistent with the provisions of this chapter.

SEC. 4. Section 31200 of the Public Resources Code is amended to read:

31200. The conservancy may award grants to local public agencies and nonprofit organizations for the purpose of restoration of areas of the coastal zone which, because of scattered ownerships, poor lot layout, inadequate park and open space, incompatible land uses, or other conditions, are adversely affecting the coastal environment or are impeding orderly development. Grants under this section shall be utilized for the assembly of parcels of land within designated coastal restoration areas, for the redesign of such areas, and the installation of public improvements required to serve such areas. As provided in this chapter, the cost of acquisition of certain coastal access and open-space lands, other than those acquired through dedication, within restoration areas may be funded through the conservancy. Grants under this section may not be utilized as a method of acquisition of public park, recreation, or wildlife areas, except as such uses may be incidental to a coastal restoration project. After redesign and installation of public improvements, if any, lands containing coastal restoration projects, with the exception of lands acquired for public purposes as provided in this chapter, shall be conveyed to any person for the purpose of development in accordance with a restoration plan approved under Section 31208.

SEC. 5. Section 31201 of the Public Resources Code is amended to read:

31201. All areas proposed for restoration by the conservancy, a local public agency, or a nonprofit organization shall be identified in a certified local coastal plan or program as requiring public action to resolve existing or potential development problems or shall be so identified in other local plans which the commission determines to be consistent with the policies and objectives of Division 20 (commencing with Section 30000). In the case of San Francisco Bay, the lands shall be so identified in the bay plan, the Suisun Marsh Protection Plan, or in any other local plan which the bay commission determines to be consistent with such plans.

SEC. 6. Section 31205 of the Public Resources Code is amended to read:

31205. The conservancy shall request the commission, local public agencies, nonprofit organizations, and other public and private groups to assist in the development of criteria and guidelines for the submission, evaluation, and determination of priority of coastal restoration projects. After considering comments received from such sources and ensuring that adequate opportunity for public review and comment has been provided, the conservancy shall adopt guidelines and criteria for the administration of the coastal program authorized under this chapter.

SEC. 7. Section 31206 of the Public Resources Code is amended to read:

31206. In accordance with procedures adopted by the conservancy, local public agencies and nonprofit organizations may submit proposed coastal restoration projects for consideration by the conservancy.

SEC. 8. Section 31211 of the Public Resources Code is amended to read:

31211. The conservancy, local public agencies, and nonprofit organizations, in undertaking coastal restoration projects as provided in this chapter, shall be subject to the provisions of Division 24 (commencing with Section 33000) of the Health and Safety Code.

SEC. 9. Section 31212 of the Public Resources Code is amended to read:

31212. Any funds over and above eligible project costs which remain after completion of a coastal restoration project as provided in this chapter shall be transmitted by the recipient to the state and deposited with the conservancy and shall be available for expenditure when appropriated by the Legislature for the purposes of funding the programs specified in this division.

SEC. 10. Section 31213 of the Public Resources Code is amended to read:

31213. Where a local public agency is unable or unwilling to undertake restoration of any area, the conservancy may undertake the restoration or authorize a nonprofit organization to do so after notification to the local public agency, if a coastal restoration plan for

the area has been prepared by the conservancy and approved as provided in Section 31208.

SEC. 11. Section 31214 of the Public Resources Code is amended to read:

31214. A restoration plan prepared for a project to be carried out by the conservancy as provided in Section 31213, shall, before any lands are acquired or other implementation actions taken, be submitted to the local public agency which exercises land use regulation over the area of the proposed project. The local public agency shall have 90 days to review and comment on the proposed coastal restoration project. If, during that period, that local public agency or an appropriate nonprofit organization agrees to carry out the project within the guidelines established in the restoration plan, the conservancy may authorize the local public agency or nonprofit organization to carry out the restoration project, which shall then be subject to all provisions of this division.

SEC. 12. Section 31251 of the Public Resources Code is amended to read:

31251. The conservancy may award grants to state agencies, local public agencies, and nonprofit organizations for the purpose of enhancement of coastal resources which, because of indiscriminate dredging or filling, improper location of improvements, or incompatible land uses, have suffered loss of natural and scenic values. Grants under this chapter shall be utilized for the assembly of parcels of land within coastal resource enhancement areas to improve resource management, for relocation of improperly located or designed improvements, and for other corrective measures which will enhance the natural and scenic character of the areas. As provided in this chapter, the cost of acquisition of certain lands within coastal resource enhancement areas may be funded through the conservancy. Grants under this section may not be utilized as a method of acquisition of public park, wildlife, or natural areas, except as such uses may be incidental to a coastal resource enhancement project.

SEC. 13. Section 31252 of the Public Resources Code is amended to read:

31252. All areas proposed for resource enhancement by a state agency, local public agency, or nonprofit organization shall be identified in a certified local coastal plan or program as requiring public action to resolve existing or potential resource protection problems or shall be so identified in other local plans which the commission determines to be consistent with the policies and objectives of Division 20 (commencing with Section 30000). In the case of San Francisco Bay, the lands shall be so identified in the bay plan, the Suisun Marsh Protection Plan, or in any other local plan which the bay commission determines to be consistent with such plans.

SEC. 14. Section 31254 of the Public Resources Code is amended to read:

31254. The conservancy shall request the commission, local public agencies, nonprofit organizations, and other public and private groups to assist in the development of criteria and guidelines for the submission, evaluation, and determination of priority of coastal resource enhancement projects. After considering comments received from such sources and ensuring that adequate opportunity for public review and comment has been provided, the conservancy shall adopt guidelines and criteria for the administration of the coastal program authorized under this chapter.

SEC. 15. Section 31255 of the Public Resources Code is amended to read:

31255. In accordance with procedures adopted by the conservancy, state agencies, local public agencies, and nonprofit organizations may submit proposed coastal resource enhancement projects for consideration by the conservancy.

SEC. 16. Section 31263 of the Public Resources Code is amended to read:

31263. If a local public agency or state agency is unable or unwilling to undertake improvement of a deteriorating area, the conservancy may undertake the coastal resource enhancement or authorize a nonprofit organization to do so after notification to the local public agency, if a coastal resource enhancement plan for the area has been prepared by the conservancy and approved as provided in Section 31258.

SEC. 17. Section 31264 of the Public Resources Code is amended to read:

31264. A resource enhancement plan prepared for a project to be carried out directly by the conservancy as provided in Section 31263, shall, before any lands are acquired or other implementation actions taken, be submitted to the local public agency which exercises land use regulation over the area of the proposed project and to any state agency which exercises resource management responsibility in the project area. The local public agency and state agency shall have 90 days to review and comment on the proposed coastal resource enhancement project. If, during that period that local public agency, a nonprofit organization, or the state agency agrees to carry out the project within the guidelines established in the resource enhancement plan, the conservancy may authorize the local public agency, a nonprofit organization, or the state agency to carry out the project, which shall then be subject to all provisions of this division.

SEC. 18. Section 31352.5 is added to the Public Resources Code, to read:

31352.5. Where a nonprofit organization is better situated than the conservancy to acquire temporarily a site for later acquisition by a state or local public agency, the conservancy may loan the nonprofit organization the necessary funds to accomplish the acquisition. As a condition of that loan, the nonprofit organization shall adhere to the procedures and restrictions of this chapter in accomplishing the acquisition.

SEC. 19. Section 31400.4 of the Public Resources Code is repealed.

SEC. 20. Section 2 of Chapter 1772 of the Statutes of 1971 is amended to read:

Sec. 2. This act shall become operative on the lien date in 1972 and shall remain operative to and including the lien date in 1982, after which date it shall be of no further force or effect.

SEC. 21. It is the intent of the Legislature in enacting Section 20 of this act that Section 214.02 of the Revenue and Taxation Code be applicable for the lien date in 1982 and be operative for the 1982–83 fiscal year.

SEC. 22. 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 or school district for property tax revenues lost by it under this act.

SEC. 23. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that funds appropriated for expenditure during the 1981–82 fiscal year may be encumbered in a timely manner and in order for the provisions of this act relating to property taxation to apply to the 1982–83 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 68

An act to amend Section 5272 of the Business and Professions Code and to amend Section 101.7 of the Streets and Highways Code, relating to state highways, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 5272 of the Business and Professions Code is amended to read:

5272. With the exception of the provisions contained in Article 4 (commencing with Section 5300) and Article 7 (commencing with Section 5400), nothing contained in this chapter applies to any advertising dislay used exclusively for any of the following purposes:

(a) To advertise the sale or lease of the property upon which such advertising display is placed.

(b) To designate the name of the owner or occupant of the premises or to identify such premises.

(c) To advertise the business conducted or services rendered or

the goods produced or sold upon the property upon which such advertising display is placed if the display is upon the same side of the highway and within 1,000 feet of the point on the property or within 1,000 feet of the entrance to the site at which the business is conducted or services are rendered or goods are produced or sold.

SEC. 2. Section 101.7 of the Streets and Highways Code is amended to read:

101.7. (a) The department shall adopt rules and regulations to allow the placement near exits on those portions of Route 5 located in rural areas, of information signs identifying specific roadside businesses offering gas, food, lodging, or camping services and on standards for such signs.

The information signs may be placed near the highway exits in addition to, or in lieu of, other highway signs of the department, but not in lieu of on-premises highway oriented business signs and directional signs.

(b) The department shall establish and charge a fee to place and maintain information signs in an amount not less than 25 percent above its estimated cost in placing and maintaining the information signs. Funds derived from the imposition of the fee, after deduction of the cost to the department for the placement and maintenance of the information signs, shall be available, upon appropriation by the Legislature, for safety roadside rest purposes.

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

In order to provide information to, and increase the safety of, the traveling public, it is necessary that this act take effect immediately.

CHAPTER 69

An act to amend Section 170 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 170 of the Revenue and Taxation Code is amended to read:

170. (a) Notwithstanding any provision of law to the contrary, the board of supervisors may, by ordinance, provide that every assessee of any taxable property, or any person liable for the taxes thereon, whose property was damaged or destroyed without his fault, may apply for reassessment of that property as provided

herein.

To be eligible for reassessment the damage or destruction to the property must have been caused 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. As used in this paragraph "damage" includes a diminution in the value of property as a result of restricted access to the property where such restricted access was caused by the major misfortune or calamity.

(2) A misfortune or calamity.

(3) A misfortune or calamity which, with respect to a possessory interest in land owned by the state or federal government has caused the permit or other right to enter upon the land to be suspended or restricted. As used in this paragraph, "misfortune or calamity" includes a drought condition such as existed in this state in 1976 and 1977.

The application for reassessment may be filed within the time specified in the ordinance, or, if no time is specified, within 60 days of such misfortune or calamity, 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.

(b) Upon receiving a proper application, the assessor shall appraise the property and determine separately the full cash value of land, improvements and personalty immediately before and after the damage or destruction. If the sum of the full cash values of the land, improvements and personalty before the damage or destruction exceeds the sum of the values after the damage by five thousand dollars ($5,000) or more, the assessor shall also separately determine the percentage reductions in value of land, improvements and personalty due to the damage or destruction. The assessor shall reduce the values appearing on the assessment roll by the percentages of damage or destruction computed pursuant to this subdivision, and the taxes due on the property shall be adjusted as provided in subdivision (e); provided, however, that the amount of the reduction shall not exceed the actual loss.

(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 within the preceding six months 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 but in no case more than six months after the occurrence of said damage. 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 the misfortune or calamity, shall be applied to the amount of the reassessment as determined in accordance with this section and the assessee shall be liable for: (1) a prorated portion of the taxes that would have been due on the property for the current fiscal year had the misfortune or calamity not occurred, such proration to be determined on the basis of the number of months in the current fiscal year prior to the misfortune or calamity; plus, (2) a proration of the tax due on the property as reassessed in its damaged or destroyed condition, such proration to be determined on the basis of the number of months in the fiscal year after the damage or destruction, including the month in which the damage was incurred. If the damage or destruction occurred after March 1 and before the beginning of the next fiscal year, the reassessment shall be utilized to determine the tax liability for the next fiscal year provided, however, if the property is fully restored during the next fiscal year, taxes due for that year shall be prorated based on the number of months in the year before and after the completion of restoration.

(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 assessed value of the property in its damaged condition, as determined pursuant to subdivision (b) compounded annually by the inflation factor specified in subdivision (a) of Section 51, shall be the taxable value of the property until it is restored, repaired, reconstructed or other provisions of the law require the establishment of a new base year value.

If partial reconstruction, restoration, or repair has occurred on any subsequent lien date, the taxable value shall be increased by an amount determined by multiplying the difference between its factored base year value immediately before the calamity and its assessed value in its damaged condition by the percentage of the repair, reconstruction, or restoration completed on that lien date.

When the property is fully repaired, restored or reconstructed, its new taxable value shall be the lesser of (1) its full cash value, or (2) its factored base year value or its factored base year value as adjusted pursuant to subdivision (c) of Section 70. The new taxable value shall be enrolled on the lien date following completion of the repair, restoration, or reconstruction.

(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).

(j) In lieu of subdivision (d), if no such application is made and the assessor determines that within the preceding six months 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 may, with the approval of the board of supervisors, reassess the property as provided in subdivision (b) and notify the last known owner of the property of the reassessment.

SEC. 2. Section 1 of this act shall apply to property taxes for the 1981–82 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 the necessity are:

In order to provide urgent tax relief and to facilitate reappraisal of property damaged or destroyed by misfortune or calamity in the recent floods in counties declared a disaster area in the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 70

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 March 1, 1982. Filed with Secretary of State March 1, 1982.]

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 the 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 groundwater), steam, or power for 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 the 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 the 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 those 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, 1987, by a public agency (1) 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 or (2) to respond to a reduction in federal funds. Those 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.

(10) All classes of projects designated pursuant to Section 21084.

(11) A project for the institution or increase of passenger or commuter service on rail lines already in use, including the modernization of existing stations and parking facilities.

(12) A project for the institution or increase of passenger or commuter service on high-occupancy vehicle lanes already in use, including the modernization of existing stations and parking facilities.

(13) Facility extensions not to exceed four miles in length which are required for transfer of passengers from or to exclusive public mass transit guideway or busway public transit services.

(14) A project for the development of a regional transportation improvement program or the state transportation improvement program.

(15) Any project or portion thereof located in another state which will be subject to environmental impact review pursuant to the National Environmental Policy Act of 1969 or similar state laws of that state. Any emissions or discharges that would have a significant effect on the environment in the State of California are subject to this

division.

(16) Projects undertaken by a local agency to implement a rule or regulation imposed by a state agency, board, or commission under a certified regulatory program pursuant to Section 21080.5. Any site-specific effect of the project which was not analyzed as a significant effect in the plan or other written documentation required by Section 21080.5 is subject to this division.

(c) If 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, the 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 the necessity are:

In order that the exemption from the California Environmental Quality Act for certain actions taken by local agencies which expired on January 1, 1982, may be restored at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 71

An act to amend Sections 5529, 5531, 5532, 5540, and 5544.1 of, and to add Section 5540.6 to, the Public Resources Code, and to amend Section 421 of the Revenue and Taxation Code, relating to park districts, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 5529 of the Public Resources Code is amended to read:

5529. At least 10 days before the date fixed for the district election, notice of the election shall be given by publication once in one or more newspapers of general circulation published and circulated in the district. In districts where no newspaper of general circulation is published, notice shall be posted in three public places for two successive weeks. No other notice of an election need be given. The notice shall refer to the wards as previously established by resolution or ordinance of the board of directors.

SEC. 1.5. Section 5531 of the Public Resources Code is amended to read:

5531. The election shall be held in all respects as if there were only one election, and only one ticket or ballot shall be used. Nomination papers shall be circulated throughout the ward. A

nomination paper containing the name of the candidate to be nominated, with such other information as is required by this article, shall be signed by at least 50 voters residing within the ward.

SEC. 2. Section 5532 of the Public Resources Code is amended to read:

5532. Except as otherwise provided in this section and Section 5531, Chapter 5 (commencing with Section 6400) of Division 6 of the Elections Code shall substantially govern as to the manner of appointment of circulators, the form of nomination documents and the securing of signatures to the nomination documents, the filing of the candidate's nomination documents, the payment of filing fees, and all other things necessary to get the name of the candidate upon the ballot.

Circulators may obtain signatures to the nomination paper of any candidate at any time not more than 113 days nor less than 88 days prior to the election, and all nomination documents shall be filed with the secretary of the district not more than 113 days nor less than 88 days before the day of election and shall be examined by him or her.

The election shall be consolidated with the general election as to territory which is the same, and the secretary of the district shall certify the names of all candidates to be placed upon the ballot to the county clerk or county clerks within the territory affected by the consolidation at least 67 days prior to the date of the election.

Upon the filing of a sufficient nomination paper and declaration of candidacy by any candidate, the name of the candidate shall go upon the ballot at the ensuing general election. Upon receipt of the returns of the canvass by the respective boards of supervisors, the directors of the district shall meet and determine results of the election and declare the candidate or candidates elected.

The secretary of the district shall issue certificates of election, signed by him or her and duly authenticated, immediately following the determination of the result of the election by the directors of the district.

The oath of office shall be taken, subscribed, and filed with the secretary of the district within 30 days after the officer has notice of his or her election or appointment or before the expiration of 15 days before the commencement of his or her term of office. No other filing is required.

SEC. 3. Section 5540 of the Public Resources Code is amended to read:

5540. A district may take by grant, appropriation, purchase, gift, devise, condemnation, or lease, and may hold, use, enjoy, and lease or dispose of real and personal property of every kind, and rights in real and personal property, within or without the district, necessary to the full exercise of its powers.

Lands subject to the grant of an open-space easement executed and accepted by the district in accordance with this article shall be deemed enforceably restricted within the meaning of Section 8 of

Article XIII of the California Constitution.

A district may not validly convey any interest in any real property actually dedicated and used for park or open-space, or both, purposes without the consent of a majority of the voters of the district voting at a special election called by the board and held for that purpose. Consent need not first be obtained for a lease of any real property for a period not exceeding 25 years; and consent need not first be obtained for a conveyance of any real property if the Legislature by concurrent resolution authorizes a conveyance after a resolution of intention has been adopted by at least a two-thirds vote of the board of directors of the district, specifically describing the property to be conveyed.

SEC. 4. Section 5540.6 is added to the Public Resources Code, to read:

5540.6. Notwithstanding Section 5540, a district may, with the approval by a four-fifths vote of the board of directors, convey to another public agency any real property dedicated and used for park or open-space purposes, or both, provided the public agency undertakes in a recorded written agreement to continue to use the property for those purposes and not to convey any interest in the real property without the consent of a majority of the voters of the district at an election called and conducted by the board pursuant to Section 5540.

SEC. 5. Section 5544.1 of the Public Resources Code is amended to read:

5544.1. Notwithstanding any other provisions of this article, the board may borrow money by issuance of promissory notes or other evidences of indebtedness in an amount, or of a value, not exceeding in the aggregate at any one time the greater of 5 percent of the total of the district's general fund and development fund budgets for the year in which the loan is made, or the sum of five hundred thousand dollars ($500,000), to be used for any revenue-producing purpose for which the district is authorized to expend funds.

A district shall not exercise the borrowing authority conferred by this section if the district, at any time during the previous two years, has not met the loan repayment requirements of this section and the repayment provisions set forth in the promissory note or other evidence of indebtedness issued for a loan entered into pursuant to this section. A district shall not expend in any one year any amount of money in excess of what it collects in property taxes, state and federal subventions, grants, loans, fees, gifts, bequests, or income from other sources.

Indebtedness incurred pursuant to this section shall be repaid in approximately equal annual installments during a period not to exceed five years from June 30th of the fiscal year in which it is incurred and shall bear interest at a rate not exceeding 10 percent per annum, or the rate allowed under Section 53531 of the Government Code, if higher, payable annually or semiannually or in part annually and in part semiannually.

Each indebtedness incurred under this section shall be authorized by a resolution of the board unanimously adopted, and shall be evidenced by a promissory note or contract signed by the president of the board and attested by the secretary.

The indebtedness authorized to be incurred by this section shall be in addition to, and the provisions of this section shall not apply to, any bonded indebtedness authorized by vote of the electors.

Nothing herein shall be construed so as to limit or restrict the authority of the district to issue promissory notes or deeds of trust in the acquisition of real property or the exercise of its right of eminent domain subject to the limitations in Section 5568.

Nothing herein shall limit the authority of the district to borrow pursuant to Section 5544.3.

SEC. 6. Section 421 of the Revenue and Taxation Code is amended to read:

421. For the purposes of this article:

(a) "Agricultural preserve" means an agricultural preserve created pursuant to the California Land Conservation Act of 1965 (Williamson Act) (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of the Government Code).

(b) "Contract" means a contract executed pursuant to the California Land Conservation Act.

(c) "Agreement" means an agreement executed pursuant to the California Land Conservation Act prior to the 61st day following the final adjournment of the 1969 Regular Session of the Legislature and which, taken as a whole, provides restrictions, terms and conditions which are substantially similar or more restrictive than those required by statute for a contract.

(d) "Scenic restriction" means any interest or right in real property acquired by a city or county pursuant to Chapter 12 (commencing with Section 6950) of Division 7 of Title 1 of the Government Code, where the deed or other instrument granting such right or interest imposes restrictions which, through limitation of their future use, will effectively preserve for public use and enjoyment, the character of open spaces and areas as defined in Section 6954 of the Government Code.

A scenic restriction shall be for an initial term of 10 years or more, and shall either:

(1) Provide a method whereby the term may be extended by mutual agreement of the parties, or

(2) Provide that the initial term shall be subject to annual automatic one-year extensions as provided for contracts in Sections 51244, 51244.5, and 51246 of the Government Code, unless notice of nonrenewal is given as provided in Section 51245 of the Government Code.

A scenic restriction may not be terminated prior to the expiration of the initial term, and any extension thereof, except as provided for cancellation of contracts in Sections 51281, 51282, 51283 and 51283.3 of the Government Code, and subject to the provisions therein for

payment of the cancellation fee.

(e) "Open-space easement" means an open-space easement granted to a county or city pursuant to Chapter 6.5 (commencing with Section 51050) of Part 1 of Division 1 of Title 5 of the Government Code if the easement is acquired prior to January 1, 1975, or an open-space easement granted to a county, city, or nonprofit organization pursuant to Chapter 6.6 (commencing with Section 51070) of Part 1 of Division 1 of Title 5 of the Government Code if the easement is acquired after January 1, 1975, or an open-space easement granted to a regional park district, regional park and open-space district, or regional open-space district under Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code.

(f) "Wildlife habitat contract" means any contract or amended contract or covenant involving 150 acres or more of land entered into by a landowner with any agency or political subdivision of the federal or state government limiting the use of lands for a period of 10 or more years by the landowner to habitat for native or migratory wildlife and native pasture. Such lands shall, by contract, be eligible to receive water for waterfowl or waterfowl management purposes from the federal government.

(g) "Open-space land" means any of the following:

(1) Land within an agricultural preserve and subject to a contract or an agreement.

(2) Land subject to a scenic restriction.

(3) Land subject to an open-space easement.

(h) "Typical rotation period" means a period of years during which different crops are grown as part of a plant cultural program. Typical rotation period does not mean the rotation period of timber.

(i) "Wildlife" means waterfowl of every kind and any other undomesticated mammal, fish, or bird.

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

In order that the provisions of this act relating to election procedures may apply to elections conducted in 1982 and that the provisions relating to the taxation of open-space easements may apply to the 1982–83 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 72

An act to add Section 22314 to the Education Code, and to amend Sections 20165, 20685, 22795, and 31459 of, and to add Sections 20930.90, 22756, 22779, and 31596.1 to, the Government Code, relating to public employees, and declaring the urgency thereof, to take

effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 22314 is added to the Education Code, to read:

22314. (a) Notwithstanding any other provision of this chapter, the board may enter into security loan agreements with broker-dealers and with California or national banks for the purpose of prudently supplementing the income normally received from investments.

(b) "Security loan agreement" means a written contract whereby a legal owner, the lender, agrees to lend specific marketable corporate or government securities for a period not to exceed one year. The lender retains the right to collect from the borrower all dividends, interest, premiums, rights, and any other distributions to which the lender would otherwise have been entitled. The lender waives the right to vote the securities during the term of the loan. The lender may terminate the contract upon not more than five business days' notice as agreed, and the borrower may terminate the contract upon not less than two business days' notice as agreed. The borrower shall provide collateral to the lender in the form of cash or bonds or other interest-bearing notes and obligations of the United States or federal instrumentalities eligible for investment by a lending retirement fund.

Such collateral shall be in an amount equal to at least 102 percent of the market value of the loaned securities as agreed. The lender shall monitor the market value of the loaned securities daily. The loan agreement shall provide for payment of additional collateral on a daily basis, or at such times as the value of the loaned securities increases, to agreed-upon ratios. In no event shall the amount of the collateral be less than the market value of the loaned securities.

(c) "Marketable securities" means securities that are freely traded on recognized exchanges or marketplaces.

(d) The board upon entering into security loan agreements shall do all of the following:

(1) Maintain detailed records of all security loans.

(2) Develop controls and reports to monitor the conduct of the transactions.

(3) Publicize the net results of the security loan transaction separate from the results of other investment activities.

SEC. 2. 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 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. 3. 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, arrears contributions, or public service credit 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 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 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, or the total amount if no payroll deductions had been made prior to retirement, by deductions from his retirement allowance equal to those which he authorized as payroll deductions. 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 subdivision, 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. 4. Section 20930.90 is added to the Government Code, to read:

20930.90. "Public service" also means employment by a contracting agency before the effective date of its contract with the board, and is limited to that portion of such service which the agency does not provide in its contract for inclusion as prior service.

Notwithstanding any other provision of this article, an election to become subject to this section by a member shall require payment of contributions equal to 200 percent of the normal contributions

which would have been payable had he been a member during such service based upon the contribution rate applicable and the compensation rate payable to such member at the time of such election or at the last period of membership in current service.

If the contracting agency subsequently amends its contract to include a greater percentage of final compensation as prior service, such electing member shall be refunded such portion of his contributions made under this section as represent the additional prior service percentage contracted for by the agency plus interest at the crediting rate.

If the agency pays all or a portion of the normal contributions required to be paid by a member, the contributions required under this section shall be based upon the normal contribution rate which would be applicable to that member if the agency were not paying any normal contributions under Section 20614 or 20615.

This section shall not apply to any contracting agency unless and until the agency elects to be subject to the provision of this section by amendment to its contract made in the manner prescribed for approval of contracts, except an election among the employees is not required, 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. 5. Section 22756 is added to the Government Code, to read:

22756. The provisions of this part shall be controlling over any memorandum of understanding reached pursuant to Chapter 10 (commencing with Section 3500) of Division 4 of Title 1.

SEC. 6. Section 22779 is added to the Government Code, to read:

22779. Information disseminated by the board pursuant to Section 22778, and compliance with regulations of the board adopted pursuant to Sections 22777 and 22810, shall be deemed to satisfy the requirements of Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code.

SEC. 7. Section 22795 of the Government Code is amended to read:

22795. The provisions of this article shall not supersede, modify, or in any manner alter or impair the effect of any provision, section, or article of Chapter 5 of Division 2 of the Business and Professions Code, or any provision, section, article, or chapter of the Insurance Code. This article shall be interpreted and applied in a manner consistent with Chapter 5 of Division 2 of the Business and Professions Code, and with the Insurance Code.

SEC. 8. Section 31459 of the Government Code is amended to read:

31459. (a) In a county in which a board of investments has been established pursuant to Section 31520.2:

(1) As used in Sections 31453, 31454, 31454.5, 31472, 31528, 31591, and the first paragraph of Section 31592.2, Sections 31592.3, 31594, 31595, 31595.1, 31595.3, 31595.4, 31595.5, 31595.6, 31596, 31596.1, 31603, 31604, 31605, 31607, and 31625, "board" means board of investment.

(2) Sections 31522, 31523, 31524, 31525, 31529, 31680, and 31680.1 apply to both the board of retirement and board of investment, and "board" means both "board of retirement" and "board of investment."

(b) In Article 17 (commencing with Section 31880) of this chapter, "board" means the Board of Administration of the Public Employees' Retirement System.

(c) In all other cases, "board" means the board of retirement.

SEC. 9. Section 31596.1 is added to the Government Code, to read:

31596.1. (a) Notwithstanding any other provision of this chapter, the board, or the county treasurer with the approval of the board, may enter into security loan agreements with broker-dealers and with California or national banks for the purpose of prudently supplementing the income normally received from investments.

(b) "Security loan agreement" means a written contract whereby a legal owner, the lender, agrees to lend specific marketable corporate or government securities for a period not to exceed one year. The lender retains the right to collect from the borrower all dividends, interest, premiums, rights, and any other distributions to which the lender would otherwise have been entitled. The lender waives the right to vote the securities during the term of the loan. The lender may terminate the contract upon not more than five business days' notice as agreed, and the borrower may terminate the contract upon not less than two business days' notice as agreed. The borrower shall provide collateral to the lender in the form of cash or bonds or other interest-bearing notes and obligations of the United States or federal instrumentalities eligible for investment by a lending retirement fund.

Such collateral shall be in an amount equal to at least 102 percent of the market value of the loaned securities as agreed. The lender shall monitor the market value of the loaned securities daily. The loan agreement shall provide for payment of additional collateral on a daily basis, or at such times as the value of the loaned securities increases, to agreed-upon ratios. In no event shall the amount of the collateral be less than the market value of the loaned securities.

(c) "Marketable securities" means securities that are freely traded on recognized exchanges or marketplaces.

(d) Each board or county treasurer entering into security loan agreements shall do all of the following:

(1) Maintain detailed records of all security loans.

(2) Develop controls and reports to monitor the conduct of the transactions.

(3) Publicize the net results of the security loan transaction separate from the results of other investment activities.

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

In order for the provisions of this act to be implemented prior to the commencement of the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 73

An act to amend Sections 258 and 259 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 258 of the Welfare and Institutions Code is amended to read:

258. (a) Upon a hearing conducted in accordance with Section 257, upon an admission by the minor of the commission of a traffic violation charged, or upon a finding that the minor did in fact commit the traffic violation, the judge, referee, or traffic hearing officer may do any of the following:

(1) Reprimand the minor and take no further action.

(2) Request the probation officer to commence a proceeding as provided in Article 16 (commencing with Section 650.

(3) Make any or all of the following orders:

(i) That the driving privileges of the minor be suspended or restricted as provided in the Vehicle Code or, notwithstanding Section 13203 of the Vehicle Code or any other provision of law, when the Vehicle Code does not provide for the suspension or restriction of driving privileges, that, in addition to any other order, the driving privileges of the minor be suspended or restricted for a period of not to exceed 30 days.

(ii) That the minor attend traffic school over a period not to exceed 60 days.

(iii) That the minor pay to the general fund of the county for each offense a sum, as specified in Article 1 (commencing with Section 42000) of Chapter 1 of Division 18 of the Vehicle Code, excluding Section 42000, but not to exceed two hundred fifty dollars ($250), and to the Assessment Fund an assessment in the amount provided in Section 1464 of the Penal Code. Any judge, referee, or traffic hearing officer may waive an assessment if the amount the minor is ordered to pay to the general fund of the county is less than ten dollars ($10). A fine imposed on a minor pursuant to this section shall not exceed the maximum fine that could be imposed on an adult for the same offense.

(iv) That the probation officer undertake a program of supervision of the minor for a period not to exceed six months.

(v) That the minor produce satisfactory evidence that the vehicle

or its equipment has been made to conform with the requirements of the Vehicle Code pursuant to Section 40150 of the Vehicle Code.

(vi) That the minor work in a city park or recreational facility or county or regional park for not to exceed 25 hours over a period not to exceed 30 days, during times other than his hours of school attendance or employment. When the order to work is made by a referee or a traffic hearing officer, it shall be approved by a judge of the juvenile court.

(b) The judge, referee, or traffic hearing officer shall retain jurisdiction of the case until all orders made under this section have been fully complied with.

SEC. 2. Section 259 of the Welfare and Institutions Code is amended to read:

259. Upon a hearing conducted in accordance with Section 257, upon admission by the minor of the commission of a violation of the Fish and Game Code charged, or upon a finding that the minor did in fact commit such violation of the Fish and Game Code, the judge, referee, or traffic hearing officer may:

(a) Reprimand the minor and take no further action, or

(b) Request the probation officer to commence a proceeding as provided for in Article 16 (commencing with Section 650) of this chapter, or

(c) Make any or all of the following orders:

(1) That the fish and game license involved be suspended or restricted,

(2) That the minor pay to the general fund of the county a sum of fifty dollars ($50), but in no case an amount in excess of the fine which would be imposed upon an adult for the same violation,

(3) That the minor work in a park or conservation area for a total of not to exceed eight hours over a period not to exceed 30 days, during times other than his hours of school attendance or employment.

The judge, referee, or traffic hearing officer shall retain jurisdiction of the case until all orders made under this section have been fully complied with.

CHAPTER 74

An act to amend Sections 4035, 4038, 4211, and 4394 of, to repeal Sections 4053, 4057, 4058, 4060, and 4061 of, and to repeal and add Sections 4052 and 4240 of, the Business and Professions Code, relating to pharmacy.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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" 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.

(d) 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 State Department of Health Services set forth in Title 22 of the California Administrative Code.

SEC. 2. Section 4038 of the Business and Professions Code is amended to read:

4038. "Wholesaler" means and includes every person who acts as a drug wholesale merchant, broker, jobber, or agent, who sells for resale, or negotiates for distribution any drug included in Section 4211. Pharmacies and licensed manufacturers are exempt from the provisions of this section.

SEC. 3. Section 4052 of the Business and Professions Code is repealed.

SEC. 4. Section 4052 is added to the Business and Professions

Code, to read:

4052. (a) Except as provided in Section 4240, this chapter does not apply to the retail sale of drugs not subject to Section 4211 which are packaged or bottled in the manufacturer's or distributor's container and labeled in accordance with applicable federal and state drug labeling requirements.

(b) This chapter does not apply to the sale of any intravenous solution of 150 cubic centimeters or over; cold sterilizing solution, sterilized sutures; hypodermic needles and syringes; sterile distilled water U.S.P.; sterile normal saline solution; laboratory chemicals and reagents, stains and dyes; chemicals and drugs used as indicators in diagnostic and X-ray examinations, soaps, detergents and tincture of green soap U.S.P.; medicinal gases, ether, chloroform and ethyl chloride; sulfa creams, ointments, and jellies used for introduction into the vaginal tract; and medicated dressings; where such sale is made to any of the following:

(1) A physician, dentist, podiatrist, veterinarian, pharmacist, medical technician, or medical technologist holding a currently valid and unrevoked license to practice his or her profession; and a chiropractor acting within the scope of his or her license.

(2) A clinic, hospital, institution, or establishment holding a currently valid and unrevoked license or permit under Division 2 (commencing with Section 1200) of the Health and Safety Code, or Chapter 2 (commencing with Section 3300) of Division 3, or Part 2 (commencing with Section 6250) of Division 6, of the Welfare and Institutions Code.

(3) An exporter for export outside the United States where such drugs or chemicals are actually shipped outside of the United States.

(c) This chapter does not apply to the retail sale of vitamins or mineral products or combinations thereof or to foods, supplements, or nutrients used to fortify the diet of man or other animal or poultry and labeled as such which are not subject to Section 4211 and which are packaged or bottled in the manufacturer's or distributor's container and labeled in accordance with applicable federal and state labeling requirements.

SEC. 5. Section 4053 of the Business and Professions Code is repealed.

SEC. 6. Section 4057 of the Business and Professions Code is repealed.

SEC. 7. Section 4058 of the Business and Professions Code is repealed.

SEC. 8. Section 4060 of the Business and Professions Code is repealed.

SEC. 9. Section 4061 of the Business and Professions Code is repealed.

SEC. 10. Section 4211 of the Business and Professions Code is amended to read:

4211. "Dangerous drug" means any drug unsafe for self-medication, except veterinary drugs which are labeled as such,

and includes the following:

(a) Any drug which bears the legend: "Caution: federal law prohibits dispensing without prescription;" or words of similar import.

(b) Any device which bears the statement: "Caution: federal law restricts this device to sale by or on the order of a _____," or words of similar import, the blank to be filled in with the designation of the practitioner licensed to use or order use of the device; and

(c) Any other drug or device which by federal or state law can be lawfully dispensed only on prescription or furnished pursuant to Section 4240.

Neither this section, nor any other provision of law, prohibits the sale of devices to skilled nursing facilities or intermediate care facilities licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.

SEC. 11. Section 4240 of the Business and Professions Code is repealed.

SEC. 12. Section 4240 is added to the Business and Professions Code, to read:

4240. The board, in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), may adopt regulations consistent with this chapter and Section 26663 of the Health and Safety Code or regulations adopted thereunder, limiting or restricting the furnishing of a particular drug upon a finding that the otherwise unrestricted retail sale of the drug pursuant to Section 4052 is dangerous to the public health or safety. Any knowing or willful violation of any such regulation shall be subject to punishment in the same manner as is provided in Sections 4234 and 4382.

SEC. 13. Section 4394 of the Business and Professions Code is amended to read:

4394. The board may bring an action to enjoin the violation of any provision of this chapter in any superior court in and for the county in which the violation has occurred. Any such action shall conform to the requirements of Chapter 3, commencing with Section 525, of Title 7 of Part 2 of the Code of Civil Procedure, except that the board shall not be required to allege facts necessary to show or tending to show lack of adequate remedy at law or irreparable damage or loss. Said action shall be brought in the name of the people of the State of California. Nothing in this section shall permit the bringing of any action with respect to any drug or product not subject to Section 4211 which is packaged or bottled in the manufacturer's or distributor's container and labeled in accordance with applicable federal and state drug labeling requirements.

CHAPTER 75

An act to add and repeal Section 84521.6 to the Education Code, relating to postsecondary education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 84521.6 is added to the Education Code, to read:

84521.6. (a) The governing board of a community college district shall not require a refugee enrolled in any class in vocational education or English as a second language to pay nonresident tuition for the class, if the refugee is enrolled for six units or less and has resided in California for at least a year and a day.

(b) Subject to Section 84526, the average daily attendance of refugees in classes described in subdivision (a) shall be computed in the manner prescribed by Section 84520 or 84524.5.

(c) For the purposes of this section, the chancellor shall define "refugee" in accordance with federal law.

(d) This section shall remain in effect only until June 30, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1987, deletes or extends that date.

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

In order that the provisions of this act apply to as much of the 1981–82 fiscal year as possible, and to facilitate the orderly integration of refugees into the educational institutions of the state at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 76

An act to add and repeal Chapter 1.1 (commencing with Section 627) of Title 15 of Part 1 of the Penal Code, relating to schools, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Chapter 1.1 (commencing with Section 627) is added to Title 15 of Part 1 of the Penal Code, to read:

CHAPTER 1.1. ACCESS TO SCHOOL PREMISES

627. (a) The Legislature finds that violent crimes perpetrated on public school grounds interfere with the education of students and threaten the health and safety of teachers, other employees, and students; that many serious crimes of violence are committed on school grounds by persons who are neither students nor school employees and who are not otherwise authorized to be present on school grounds; that school officials and law enforcement officers, in seeking to control these persons, have been hindered by the lack of effective legislation restricting the access of unauthorized persons to school grounds and providing appropriate criminal sanctions for unauthorized entry.

(b) The Legislature declares that the purpose of this chapter is to safeguard the teachers, other employees, students, and property of public schools. The Legislature recognizes the right to visit school grounds for legitimate nonviolent purposes and does not intend by this enactment to interfere with the exercise of that right.

627.1. As used in this chapter, with regard to a public school:

(a) An "outsider" is any person other than:

(1) A student of the school; except that a student who is currently suspended from the school shall be deemed an outsider for purposes of this chapter.

(2) A parent or guardian of a student of the school.

(3) An officer or employee of the school district that maintains the school.

(4) A public employee whose employment requires him or her to be on school grounds, or any person who is on school grounds at the request of the school.

(5) A representative of a school employee organization who is engaged in activities related to the representation of school employees.

(6) An elected public official.

(7) A person who comes within the provisions of Section 1070 of the Evidence Code by virtue of his or her current employment or occupation.

(b) "School grounds" are the buildings and grounds of the public school.

(c) "School hours" extend from one hour before classes begin until one hour after classes end.

(d) "Principal" is the chief administrative officer of the public school.

(e) "Designee" is a person whom the principal has authorized to register outsiders pursuant to this chapter.

(f) "Superintendent" is the superintendent of the school district that maintains the school or a person (other than the principal or someone employed under the principal's supervision) who the superintendent has authorized to conduct hearings pursuant to Section 627.5.

627.2. No outsider shall enter or remain on school grounds during school hours without having registered with the principal or designee, except to proceed expeditiously to the office of the principal or designee for the purpose of registering. If signs posted in accordance with Section 627.6 restrict the entrance or route that outsiders may use to reach the office of the principal or designee, an outsider shall comply with such signs.

627.3. In order to register, an outsider shall upon request furnish the principal or designee with the following:

(1) His or her name, address, and occupation.

(2) His or her age, if less than 21.

(3) His or her purpose in entering school grounds.

(4) Proof of identity.

(5) Other information consistent with the purposes of this chapter and with other provisions of law.

No person who furnishes the information and the proof of identity required by this section shall be refused registration except as provided by Section 627.4.

627.4. (a) The principal or designee may refuse to register an outsider if he or she has a reasonable basis for concluding that the outsider's presence on school grounds would create an imminent threat of physical injury to teachers, other employees, or students of the school.

(b) A principal, designee, or school security officer may revoke an outsider's registration if he or she has a reasonable basis for concluding that the outsider's presence on school grounds creates an imminent threat of physical injury to teachers, other employees, or students of the school. The principal, designee, or security officer shall give the outsider written notice of the reason for the revocation and the right to a hearing on the revocation; but no revocation shall be invalid for failure to give such notice or because of a defect in such notice.

(c) An outsider who is denied registration or whose registration is revoked shall leave school grounds promptly.

627.5. Any person who is denied registration or whose registration is revoked may request a hearing before the principal or superintendent on the propriety of the denial or revocation. The request shall be in writing, shall state why the denial or revocation was improper, shall give the address to which notice of hearing is to be sent, and shall be delivered to either the principal or the superintendent within five days after the denial or revocation. The principal or superintendent shall promptly mail a written notice of the date, time, and place of the hearing to the person who requested the hearing. A hearing before the principal shall be held within seven days after the principal receives the request. A hearing before the superintendent shall be held within seven days after the superintendent receives the request.

627.6. At each entrance to the school grounds of every public school at which this chapter is in force, signs shall be posted

specifying the hours during which registration is required pursuant to Section 627.2, stating where the office of the principal or designee is located and what route to take to that office, and setting forth the applicable requirements of Section 627.2 and the penalties for violation of this chapter.

627.7. Except as provided in Section 627.8, every outsider who willfully and knowingly violates this chapter is guilty of an infraction and shall be punished by a fine of not less than twenty dollars ($20) nor more than fifty dollars ($50). For purposes of Section 627.8, a defendant who posts and forfeits bail shall be deemed to have been convicted.

627.8. Every outsider who willfully and knowingly violates this chapter after having been previously convicted of a violation of this chapter is guilty of a misdemeanor and shall be punished as follows:

(a) Upon conviction of a violation committed within seven years of the date of two or more prior violations that resulted in conviction, by imprisonment in the county jail for not less than 10 days nor more than six months, or by both such imprisonment and a fine not exceeding five hundred dollars ($500).

(b) In any other case, by a fine not exceeding five hundred dollars ($500), by imprisonment in the county jail for not more than six months, or by both such fine and imprisonment.

627.9. The governing board of any school district may:

(a) Exempt the district or any school or class of schools in the district from the operation of this chapter.

(b) Make exceptions to Section 627.2 for particular classes of outsiders.

(c) Authorize principals to exempt individual outsiders from the operation of Section 627.2; but any such exemption shall be in a writing which is signed and dated by the principal and which specifies the person or persons exempted and the date on which the exemption will expire.

(d) Exempt, or authorize principals to exempt, designated portions of school grounds from the operation of this chapter during some or all school hours.

627.10. A person whose presence or conduct on school grounds violates another provision of law may be punished for that violation, regardless of whether he or she was registered pursuant to this chapter at the time of the violation; but no punishment shall be imposed contrary to Section 654.

627.11. This chapter shall remain in effect only until January 1, 1988, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends such date.

SEC. 2. In enacting the provisions of this act the Legislature has given a school district the option to exempt the district or any school or class of schools in the district from the operation of its provisions. Accordingly, the Legislature finds that any district that incurs costs pursuant to this act will have done so voluntarily and therefore it is

the intention of the Legislature that participating school districts shall not be reimbursed pursuant to Section 6 of Article XIII B of the California Constitution and Sections 2231 or 2234 of the Revenue and Taxation Code for any costs so incurred.

SEC. 3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 5. (a) This act shall not become operative in any school district until August 1, 1982, unless the governing board of a school district votes to make this act operative in that district at an earlier date. If the governing board of a school district votes to make this act operative in that district on a specified date, this act shall become operative in that district on the date specified. If the governing board of a school district votes to make this act operative in that district but does not specify an operative date, this act shall become operative in that district 30 days after the date of the vote.

(b) This act shall become operative on August 1, 1982, in all school districts in which it has not already become operative.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Many serious crimes of violence are perpetrated on the grounds of public schools in this state by persons who have no legitimate reason for being on school grounds. These crimes interfere with the education of students and threaten the health and safety of teachers, other employees, and students. In order for this act to be operative before the beginning of the 1982–83 school year and for school districts to have the option of making this act operative during the current school year, it is necessary for this act to take effect immediately.

CHAPTER 77

An act to amend Sections 20205 and 20233 of, and to add Sections 20124.4 and 21600 to the Government Code, relating to the Public Employees' Retirement System, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 20124.4 is added to the Government Code, to read:

20124.4. Refusal by the system to admit liability pursuant to any provision of this part shall not be considered arbitrary or capricious action or conduct within the meaning of Section 800, or any other provision of law.

SEC. 2. Section 20205 of the Government Code is amended to read:

20205. The board may itself make any investment authorized by law or sell any security, obligation, or real property in which moneys in the fund are invested, by affirmative vote of at least six members of the board, or by such an affirmative vote may from time to time adopt an investment resolution which shall contain detailed guidelines by which to designate those securities and real property which are acceptable for purchase. While the resolution is in effect, securities and real property may be purchased for investment by an officer or employee of the board designated by it for such purpose, and sales of securities may be consummated by such officer or employee under the conditions prescribed. Purchases and sales of securities shall be reported to the board, on a monthly basis, at its next regular meeting.

SEC. 3. Section 20233 of the Government Code is amended to read:

20233. The board shall annually employ a certified public accountant or public accountant, who is not in public employment, to audit the financial statements of the Public Employees' Retirement System. The costs of such audit shall be paid from the income of the retirement fund. The audit shall be made annually commencing with the year ending June 30, 1974. The board shall file a copy of the audit report with the Governor, the Secretary of the Senate, and the Chief Clerk of the Assembly.

The board, for purposes of Section 7504, may file internally prepared financial statements with the Controller within six months of the end of the fiscal year, and shall file independently audited financial statements as soon as they are available.

Such audits shall not be duplicated by the Department of Finance or the Auditor General. The system shall be exempt from a pro rata

general administrative charge for auditing.

SEC. 4. Section 21600 is added to the Government Code, to read:

21600. The board shall have a lien on the assets of a terminated contracting agency, subject only to a prior lien for wages, in an amount equal to the actuarially determined deficit in funding for earned benefits of the employee members of such agency. Such assets shall also be available to pay actual costs, including attorney fees, necessarily expended for collection of such lien.

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

In the recent past, the Public Employees' Retirement System has experienced a number of contracting agency terminations and reformations. In order that the protections afforded by this act to related members and beneficiaries may take effect at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 78

An act relating to courts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. The Legislature hereby finds and declares that:

(a) In providing for the establishment of the Placer Municipal Court District by Chapter 882 of the Statutes of 1981, it was the intent of the Legislature that there be an orderly transition from the superseded justice court districts to the new municipal court district, established by that act, through the normal election process for 1982 which is open to all persons eligible pursuant to the Constitution for the office of municipal court judge within that district.

(b) This act is declaratory of the intent of the Legislature in enacting Chapter 882 of the Statutes of 1981.

SEC. 2. (a) The new municipal court judges established by Chapter 882 of the Statutes of 1981 shall be elected at the June 1982 Primary Election in the manner provided by law.

(b) Any person may file for candidacy for these offices of municipal court judge in accordance with provisions of the Elections Code and the candidates shall not be limited to the judges of the previously existing judicial district court districts whose terms will have expired on the operative date of Chapter 882 of the Statutes of 1981.

(c) There shall be no further elections for positions within the

justice court districts enumerated in Section 74020 of the Government Code; provided, that those courts shall continue to conduct business until the operative date of Chapter 882 of the Statutes of 1981.

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 elections for the Placer Municipal Court District may be held at the June 1982 Primary Election as intended by the Legislature, it is necessary that this act go into immediate effect.

CHAPTER 79

An act to amend Section 832.6 of the Penal Code, relating to peace officers and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 832.6 of the Penal Code is amended to read:

832.6. (a) On or after January 1, 1981, every person deputized or appointed as described in subdivision (a) of Section 830.6 shall have the powers of a peace officer only when such person is:

(1) Deputized or appointed pursuant to paragraph (1) of subdivision (a) of Section 830.6 and is assigned to the prevention and detection of crime and the general enforcement of the laws of this state, whether or not working alone, and the person has completed the basic training prescribed by the Commission on Peace Officer Standards and Training.

A person deputized or appointed pursuant to paragraph (2) of subdivision (a) of Section 830.6 shall have the powers of a peace officer when assigned to the prevention and detection of crime and the general enforcement of the laws of this state, whether or not working alone, and the person has completed the basic training course for deputy sheriffs and police officers prescribed by the Commission on Peace Officer Standards and Training; or

(2) Assigned to the prevention and detection of crime and the general enforcement of the laws of this state while under the immediate supervision of a peace officer possessing a basic certificate issued by the Commission on Peace Officer Standards and Training, the person is engaged in a field training program approved by the Commission on Peace Officer Standards and Training, and the person has completed the course required by Section 832 and such other training prescribed by the commission; or

(3) Deployed only in such limited functions as would not usually require general law enforcement powers and the person has completed the training required by Section 832 and such other training prescribed by the commission.

(b) Notwithstanding the provisions of subdivision (a), a person who is issued a level I reserve officer certificate before January 1, 1981, shall have the full powers and duties of a peace officer as provided by Section 830.1 if so designated by local ordinance or, if the local agency is not authorized to act by ordinance, by resolution, either individually or by class, if the appointing authority determines the person is qualified to perform general law enforcement duties by reason of the person's training and experience.

(c) In carrying out the provisions of this section, the commission:

(1) May use proficiency testing to satisfy reserve training standards.

(2) Shall provide for convenient training to remote areas in the state.

(3) Shall establish a professional certificate for reserve officers as defined in paragraph (1) of subdivision (a) of this section, and may establish a professional certificate for reserve officers as defined in paragraphs (2) and (3) of subdivision (a) of this section.

(d) In carrying out paragraphs (1) and (3) of subdivision (c), the commission may establish and levy appropriate fees, provided the fees do not exceed the cost for administering the respective services. These fees shall be deposited in the Peace Officers' Training Fund established by Section 13520.

(e) The commission shall include an amount in its annual budget request to carry out the provisions of this section.

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

In order to secure the reserve officers needed to supplement regular police personnel it is necessary that this act take effect immediately.

CHAPTER 80

An act to amend Sections 476a, 487, 487b, 487c, 487e, and 487f of the Penal Code, relating to crimes.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 476a of the Penal Code is amended to read:

476a. (a) Any person who for himself or as the agent or representative of another or as an officer of a corporation, willfully, with intent to defraud, makes or draws or utters or delivers any check, or draft or order upon any bank or depositary, or person, or firm, or corporation, for the payment of money, knowing at the time of such making, drawing, uttering or delivering that the maker or drawer or the corporation has not sufficient funds in, or credit with said bank or depositary, or person, or firm, or corporation, for the payment of such check, draft, or order and all other checks, drafts, or orders upon such funds then outstanding, in full upon its presentation, although no express representation is made with reference thereto, is punishable by imprisonment in the county jail for not more than one year, or in the state prison.

(b) However, if the total amount of all such checks, drafts, or orders that the defendant is charged with and convicted of making, drawing, or uttering does not exceed one hundred fifty dollars ($150), the offense is punishable only by imprisonment in the county jail for not more than one year, except that this subdivision shall not be applicable if the defendant has previously been convicted of a violation of Section 470, 475, or 476, or of this section, or of the crime of petty theft in a case in which defendant's offense was a violation also of Section 470, 475, or 476 or of this section or it the defendant has previously been convicted of any offense under the laws of any other state or of the United States which, if committed in this state, would have been punishable as a violation of Section 470, 475 or 476 or of this section or if he has been so convicted of the crime of petty theft in a case in which, if defendant's offense had been committed in this state, it would have been a violation also of Section 470, 475, or 476, or of this section.

(c) Where such check, draft, or order is protested, on the ground of insufficiency of funds or credit, the notice of protest thereof shall be admissible as proof of presentation, nonpayment and protest and shall be presumptive evidence of knowledge of insufficiency of funds or credit with such bank or depositary, or person, or firm, or corporation.

(d) In any prosecution under this section involving two or more checks, drafts, or orders, it shall constitute prima facie evidence of the identity of the drawer of a check, draft, or order if:

(1) At the time of the acceptance of such check, draft or order from the drawer by the payee there is obtained from the drawer the following information: name and residence of the drawer, business or mailing address, either a valid driver's license number or Department of Motor Vehicles identification card number, and the drawer's home or work phone number or place of employment. Such information may be recorded on the check, draft, or order itself or may be retained on file by the payee and referred to on the check, draft, or order by identifying number or other similar means; and

(2) The person receiving the check, draft, or order witnesses the

drawer's signature or endorsement, and, as evidence of that, initials the check, draft, or order at the time of receipt.

(e) The word "credit" as used herein shall be construed to mean an arrangement or understanding with the bank or depositary or person or firm or corporation for the payment of such check, draft or order.

(f) If any of the preceding paragraphs, or parts thereof, shall be found unconstitutional or invalid, the remainder of this section shall not thereby be invalidated, but shall remain in full force and effect.

SEC. 2. Section 487 of the Penal Code is amended to read:

487. Grand theft is theft committed in any of the following cases:

1. When the money, labor or real or personal property taken is of a value exceeding four hundred dollars ($400); provided, that when domestic fowls, avocados, olives, citrus or deciduous fruits, nuts and artichokes are taken of a value exceeding one hundred dollars ($100); provided, further, that where the money, labor, real or personal property is taken by a servant, agent or employee from his principal or employer and aggregates four hundred dollars ($400) or more in any 12 consecutive month period, then the same shall constitute grand theft.

2. When the property is taken from the person of another.

3. When the property taken is an automobile, firearm, horse, mare, gelding, any bovine animal, any caprine animal, mule, jack, jenny, sheep, lamb, hog, sow, boar, gilt, barrow or pig.

SEC. 3. Section 487b of the Penal Code is amended to read:

487b. Every person who converts real estate of the value of one hundred dollars ($100) or more into personal property by severance from the realty of another, and with felonious intent to do so, steals, takes, and carries away such property is guilty of grand theft and is punishable by imprisonment in the state prison.

SEC. 4. Section 487c of the Penal Code is amended to read:

487c. Every person who converts real estate of the value of less than one hundred dollars ($100) into personal property by severance from the realty of another, and with felonious intent to do so steals, takes, and carries away such property is guilty of petit theft and is punishable by imprisonment in the county jail for not more than one year, or by a fine not exceeding one thousand dollars ($1,000), or by both such fine and imprisonment.

SEC. 5. Section 487e of the Penal Code is amended to read:

487e. Every person who feloniously steals, takes, or carries away a dog of another which is of a value exceeding four hundred dollars ($400) is guilty of grand theft.

SEC. 6. Section 487f of the Penal Code is amended to read:

487f. Every person who feloniously steals, takes, or carries away a dog of another which is of a value not exceeding four hundred dollars ($400) is guilty of petty theft.

SEC. 7. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and

Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 81

An act to add Section 61601.3 to the Government Code, and to amend Section 35570 of the Water Code, relating to districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 61601.3 is added to the Government Code, to read:

61601.3. Notwithstanding the provisions of Sections 61600 and 61601, whenever the Board of Directors of the San Juan Suburban Water District, a community services district, determines by resolution that it is feasible, economically sound, and in the public interest for that district to exercise its power for the purpose of constructing, installing, owning, maintaining, or operating hydroelectric power generating facilities, which facilities are constructed after the effective date of this section, and transmission lines for the conveyance thereof, the board shall adopt that additional purpose by resolution entered in the minutes, and that power of the district may be exercised thereafter.

The board may, thereafter, divest the district of the power to carry on those activities in the same manner as it may acquire the power.

The facilities shall be operated in a manner consistent with the district's storage, transmission, and distribution of domestic and irrigation water and in accordance with the provisions of Chapter 2.95 (commencing with Section 35580) of Part 5 of Division 13 of the Water Code.

SEC. 2. The San Juan Suburban Water District has a potential source of hydroelectric power in the water supplied to Folsom Dam, which can be generated in conjunction with the operation, storage, and transmission of domestic and irrigation waters of the district. This source is not common to other community services districts. The Legislature, therefore, finds and declares that a special law is necessary with respect to the San Juan Suburban Water District, that the provisions of this act are needed to meet the special circumstances within the district, and that a general law cannot be made applicable.

SEC. 3. Section 35570 of the Water Code is amended to read:

35570. The provisions of this chapter shall apply only to the Bella Vista, Berrenda Mesa, Cawelo, El Toro, Irvine Ranch, Lost Hills, Moulton-Niguel, Olcese, Rancho California, Santa Margarita, South Sutter, and Walnut Valley Water Districts.

SEC. 4. The Bella Vista, Berrenda Mesa, Cawelo, El Torro, Irvine Ranch, Lost Hills, Moulton-Niguel, Olcese, Rancho California, Santa Margarita, South Sutter, and Walnut Valley Water Districts have potential sources of hydroelectric power in their water facilities which can be generated as an incident to the operation of these facilities. 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 Bella Vista, Berrenda Mesa, Cawelo, El Toro, Irvine Ranch, Lost Hills, Moulton-Niguel, Olcese, Rancho California, Santa Margarita, South Sutter, and Walnut Valley Water Districts, that the provisions of this act are needed to meet special circumstances within the districts, and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

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

In order to recover available hydroelectric power in the San Juan Suburban Water District and the Bella Vista Water District at the earliest possible time, it is necessary that this act take immediate effect.

CHAPTER 82

An act to amend Section 532a of the Penal Code, relating to crimes.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 532a of the Penal Code is amended to read:

532a. (1) Any person who shall knowingly make or cause to be made, either directly or indirectly or through any agency whatsoever, any false statement in writing, with intent that it shall be relied upon, respecting the financial condition, or means or ability to pay, of himself, or any other person, firm or corporation, in whom he is interested, or for whom he is acting, for the purpose of procuring in any form whatsoever, either the delivery of personal property, the payment of cash, the making of a loan or credit, the extension of a credit, the execution of a contract of guaranty or suretyship, the discount of an account receivable, or the making,

acceptance, discount, sale or indorsement of a bill of exchange, or promissory note, for the benefit of either himself or of such person, firm or corporation shall be guilty of a public offense.

(2) Any person who knowing that a false statement in writing has been made, respecting the financial condition or means or ability to pay, of himself, or a person, firm or corporation in which he is interested, or for whom he is acting, procures, upon the faith thereof, for the benefit either of himself, or of such person, firm or corporation, either or any of the things of benefit mentioned in the first subdivision of this section shall be guilty of a public offense.

(3) Any person who knowing that a statement in writing has been made, respecting the financial condition or means or ability to pay of himself or a person, firm or corporation, in which he is interested, or for whom he is acting, represents on a later day in writing that the statement theretofore made, if then again made on said day, would be then true, when in fact, said statement if then made would be false, and procures upon the faith thereof, for the benefit either of himself or of such person, firm or corporation either or any of the things of benefit mentioned in the first subdivision of this section shall be guilty of a public offense.

(4) Any person committing a public offense under subdivision (1), (2), or (3) shall be guilty of a misdemeanor, punishable by a fine of not more than five hundred dollars ($500), or by imprisonment in the county jail for not more than six months, or by both such fine and imprisonment. Any person who violates the provisions of subdivision (1), (2), or (3), by using a fictitious name, social security number, business name, or business address, or by falsely representing himself or herself to be another person or another business, is guilty of a felony and is punishable by a fine not exceeding five thousand dollars ($5,000) or by imprisonment in the state prison, or by both such fine and imprisonment, or by a fine not exceeding two thousand five hundred dollars ($2,500) or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.

(5) This section shall not be construed to preclude the applicability of any other provision of the criminal law of this state which applies or may apply to any transaction.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 83

An act to amend Section 6254 of the Government Code, and to amend Sections 867 and 868 of, and to add Section 868.7 to, the Penal Code, relating to crimes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 6254 of the Government Code is amended to read:

6254. Except as provided in Section 6254.7, nothing in this chapter shall be construed to require disclosure of records that are any of the following:

(a) Preliminary drafts, notes, or interagency or intra-agency memoranda which are not retained by the public agency in the ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosure.

(b) Records pertaining to pending litigation to which the public agency is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled.

(c) Personnel, medical, or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy.

(d) Contained in or related to:

(1) Applications filed with any state agency responsible for the regulation or supervision of the issuance of securities or of financial institutions, including, but not limited to, banks, savings and loan associations, industrial loan companies, credit unions, and insurance companies.

(2) Examination, operating, or condition reports prepared by, on behalf of, or for the use of any state agency referred to in subdivision (1).

(3) Preliminary drafts, notes, or interagency or intra-agency communications prepared by, on behalf of, or for the use of any state agency referred to in subdivision (1).

(4) Information received in confidence by any state agency referred to in subdivision (1).

(e) Geological and geophysical data, plant production data and similar information relating to utility systems development, or market or crop reports, which are obtained in confidence from any person.

(f) Records of complaints to or investigations conducted by, or records of intelligence information or security procedures of, the

office of the Attorney General and the Department of Justice, and any state or local police agency, or any such investigatory or security files compiled by any other state or local police agency, or any such investigatory or security files compiled by any other state or local agency for correctional, law enforcement or licensing purposes, except that state and local law enforcement agencies shall disclose the names and addresses of persons involved in, or witnesses other than confidential informants to, the incident, the description of any property involved, the date, time, and location of the incident, all diagrams, statements of the parties involved in the incident, the statements of all witnesses, other than confidential informants, to the victims of an incident, or an authorized representative thereof, an insurance carrier against which a claim has been or might be made, and any person suffering bodily injury or property damage or loss, as the result of the incident caused by arson, burglary, fire, explosion, larceny, robbery, vandalism, vehicle theft, or a crime of violence as defined by subdivision (b) of Section 13960, unless the disclosure would endanger the safety of a witness or other person involved in the investigation, or unless disclosure would endanger the successful completion of the investigation or a related investigation; provided, however, that nothing herein shall require the disclosure of that portion of those investigative files which reflect the analysis or conclusions of the investigating officer.

Other provisions of this subdivision notwithstanding, state and local law enforcement agencies shall make public the following information, except to the extent that disclosure of a particular item of information would endanger the safety of a person involved in an investigation or would endanger the successful completion of the investigation or a related investigation:

(1) The full name, current address, and occupation of every individual arrested by the agency, the individual's physical description including date of birth, color of eyes and hair, sex, height and weight, the time and date of arrest, the time and date of booking, the location of the arrest, the factual circumstances surrounding the arrest, the amount of bail set, the time and manner of release or the location where the individual is currently being held, and all charges the individual is being held upon, including any outstanding warrants from other jurisdictions and parole or probation holds; and

(2) The time, substance, and location of all complaints or requests for assistance received by the agency and the time and nature of the response thereto, including, to the extent such information regarding crimes alleged or committed or any other incident investigated is recorded, the time, date and location of occurrence, the time and date of the report, the name, age and current address of the victim, except that the address of the victim of any crime defined by Section 261, 264, 264.1, 273a, 273d, 286, 288, 288a, or 289 of the Penal Code shall not be disclosed, the factual circumstances surrounding the crime or incident, and a general description of any injuries, property or weapons involved.

(g) Test questions, scoring keys, and other examination data used to administer a licensing examination, examination for employment, or academic examination, except as provided for in Chapter 3 (commencing with Section 99150) of Part 65 of the Education Code.

(h) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the state or local agency relative to the acquisition of property, or to prospective public supply and construction contracts, until such time as all of the property has been acquired or all of the contract agreement obtained, provided, however, the law of eminent domain shall not be affected by this provision.

(i) Information required from any taxpayer in connection with the collection of local taxes which is received in confidence and the disclosure of the information to other persons would result in unfair competitive disadvantage to the person supplying such information.

(j) Library circulation records kept for the purpose of identifying the borrower of items available in libraries, and library and museum materials made or acquired and presented solely for reference or exhibition purposes. The exemption in this subdivision shall not apply to records of fines imposed on such borrowers.

(k) Records the disclosure of which is exempted or prohibited pursuant to provisions of federal or state law, including, but not limited to, provisions of the Evidence Code relating to privilege.

(*l*) Correspondence of and to the Governor or employees of the Governor's office or in the custody of or maintained by the Governor's legal affairs secretary, provided public records shall not be transferred to the custody of the Governor's legal affairs secretary to evade the disclosure provisions of this chapter.

(m) In the custody or maintained by the Legislative Counsel.

(n) Statements of personal worth or personal financial data required by a licensing agency and filed by an applicant with such licensing agency to establish his personal qualification for the license, certificate, or permit applied for.

(o) Financial data contained in applications for financing under Division 27 (commencing with Section 44500) of the Health and Safety Code, where an authorized officer of the California Pollution Control Financing Authority determines that disclosure of such financial data would be competitively injurious to the applicant and such data is required in order to obtain guarantees from the United States Small Business Administration. The California Pollution Control Financing Authority shall adopt rules for review of individual requests for confidentiality under this section and for making available to the public those portions of an application which are subject to disclosure under this chapter.

(p) Records of state agencies related to activities governed by Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1, Chapter 10.5 (commencing with Section 3525) of Division 4 of Title 1, and Chapter 12 (commencing with Section 3560) of Division 4 of Title 1, which reveal a state agency's deliberative processes,

impressions, evaluations, opinions, recommendations, meeting minutes, research, work products, theories, or strategy, or which provide instruction, advice, or training to employees who do not have full collective bargaining and representation rights under the above chapters. Nothing in this subdivision shall be construed to limit the disclosure duties of a state agency with respect to any other records relating to the activities governed by the employee relations acts referred to in this subdivision.

Nothing in this section is to be construed as preventing any agency from opening its records concerning the administration of the agency to public inspection, unless disclosure is otherwise prohibited by law.

SEC. 2. Section 867 of the Penal Code is amended to read:

867. While a witness is under examination, the magistrate shall, upon motion of either party, exclude all potential and actual witnesses who have not been examined. He shall also cause the witnesses to be kept separate, and to be prevented from conversing with each other until they are all examined.

SEC. 3. Section 868 of the Penal Code is amended to read:

868. The examination shall be open and public. However, upon the request of the defendant and a finding by the magistrate that exclusion of the public is necessary in order to protect the defendant's right to a fair and impartial trial, the magistrate shall exclude from the examination every person except the clerk, court reporter and bailiff, the prosecutor and his or her counsel, the Attorney General, the district attorney of the county, the investigating officer, the officer having custody of a prisoner witness while the prisoner is testifying, the defendant and his or her counsel, the officer having the defendant in custody and a person chosen by the prosecuting witness who is not himself or herself a witness but who is present to provide the prosecuting witness moral support, provided that the person so chosen shall not discuss prior to or during the preliminary examination the testimony of the prosecuting witness with any person, other than the prosecuting witness, who is a witness in the examination. Nothing in this section shall affect the right to exclude witnesses as provided in Section 867 of the Penal Code.

This section shall become operative on March 1, 1982.

SEC. 4. Section 868.7 is added to the Penal Code, to read:

868.7. (a) Notwithstanding any other provision of law, the magistrate may, upon motion of the prosecutor, close the examination in the manner described in Section 868 during the testimony of a witness:

(1) Who is a minor and is the complaining victim of a sex offense, where testimony before the general public would threaten serious psychological harm to the witness and where no alternative procedures, including, but not limited to, videotaped deposition or contemporaneous examination in another place communicated to the courtroom by means of closed-circuit television, are available to

avoid the perceived harm.

(2) Whose life would be subject to a substantial risk in appearing before the general public, and where no alternative security measures, including, but not limited to, efforts to conceal his or her features or physical description, searches of members of the public attending the examination, or the temporary exclusion of other actual or potential witnesses, would be adequate to minimize the perceived threat.

(b) In any case where public access to the courtroom is restricted during the examination of a witness pursuant to this section, a transcript of the testimony of such witness shall be made available to the public as soon as is practicable.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The absence of clear legislative guidance has resulted in confusion concerning the access of the public and other parties to criminal proceedings and the access of the public to nonsensitive law enforcement records. Therefore, in order to clarify the rights of the public and others to know about the workings of our criminal justice system, it is necessary that this act become effective immediately.

CHAPTER 84

An act to amend Section 65944 of, and to amend, repeal, and add Section 65940 to, the Government Code, relating to projects.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 65940 of the Government Code is amended to read:

65940. Not later than June 30, 1978, each state agency shall, and not later than June 30, 1983, each local agency shall, compile one or more lists which shall specify in detail the information which will be required from any applicant for a development project. Copies of such information shall be made available to all applicants for development projects and to any person who requests such information.

This section shall remain in effect only until January 1, 1989, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1989, deletes or extends such date.

SEC. 2. Section 65940 is added to the Government Code, to read:

65940. Not later than June 30, 1978, each state agency shall compile one or more lists which shall specify in detail the information which will be required from any applicant for a development project. Copies of such information shall be made available to all applicants for development projects and to any person who requests such information.

This section shall become operative January 1, 1989.

SEC. 3. Section 65944 of the Government Code is amended to read:

65944. (a) After a public agency accepts an application as complete, the agency shall not subsequently request of an applicant any new or additional information which was not specified in the list prepared pursuant to Section 65940. The agency may, in the course of processing the application, request the applicant to clarify, amplify, correct, or otherwise supplement the information required for the application.

(b) The provisions of subdivision (a) shall not be construed as requiring an applicant to submit with his or her initial application the entirety of the information which a public agency may require in order to take final action on the application. Prior to accepting an application, each public agency shall inform the applicant of any information included in the list prepared pursuant to Section 65940 which will subsequently be required from the applicant in order to complete final action on the application.

(c) This section shall not be construed as limiting the ability of a public agency to request and obtain information which may be needed in order to comply with the provisions of Division 13 (commencing with Section 21000) of the Public Resources Code.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 85

An act to add Chapter 1.9 (commencing with Section 190) to Part 1 of Division 1 of the Health and Safety Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982 Filed with Secretary of State March 1, 1982]

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

SECTION 1. Chapter 1.9 (commencing with Section 190) is added to Part 1 of Division 1 of the Health and Safety Code, to read:

CHAPTER 1.9. LONG-TERM CARE FOR DEGENERATIVE GENETIC DISEASES

190. The Legislature finds and declares that there are many persons in California who are victims of chronic and degenerative genetic conditions, who experience a wide range of degenerating conditions including mental and physical deterioration. For some of these conditions, there is no known prior detection or subsequent treatment.

The Legislature further finds and declares that appropriate supportive care services, both in and out of the home, are very often unavailable, due to the lack of resource identification and referral, and the lack of case management services.

191. The State Department of Health Services and the State Department of Social Services shall, after consultation with the Genetically Handicapped Persons Program of the State Department of Health Services, from the Genetically Handicapped Persons Program Advisory Committee, and from consumer organizations representing persons with chronic and degenerative conditions, as defined in Section 192, compile a list of long-term care resources that serve adults with chronic and degenerative conditions, as defined. The list of resources shall include those which have already been identified by the Genetically Handicapped Persons Program as serving persons with Huntington's disease, Joseph's disease, and Friedrich's ataxia, and shall include those which have already been identified by consumer organizations representing persons with chronic and degenerative conditions. The list of resources shall include, but not be limited to, the following:

(a) Public and private skilled nursing facilities and intermediate care facilities.

(b) Public and private community residential care facilities.

(c) Public and private out-of-home long-term care resources such as day activity programs, and in-home support service programs. Nothing in this section shall require the Department of Health Services to undertake a survey of long-term care facilities or programs in the state for the purposes of carrying out the requirements of this section.

The information shall be made available to the public, upon request, through the Genetically Handicapped Persons Program of the State Department of Health Services

192. For the purposes of this chapter, chronic and degenerative

diseases shall include those conditions which are neurological and neuromuscular in origin, including such disorders as Huntington's disease, Friedrich's ataxia, Joseph's disease, and other disorders which are determined by the State Department of Health Services to be similar in origin and clinical manifestation to the named disorders, and which affect adults.

193. The State Department of Health Services and the State Department of Social Services shall review regulations that currently provide disincentives to providers of in-home and out-of-home long-term care resources, as defined in Section 191, to accept and serve persons with chronic and degenerative disorders. The review shall be conducted with assistance and input from the Genetically Handicapped Persons Program of the State Department of Health Services, and from the Genetically Handicapped Persons Program Advisory Committee. These departments shall provide a list of those regulations to the Legislature by six months after the effective date of this chapter. The regulations subject to review shall be those regulations which do the following:

(a) Affect the admission of patients to state-licensed skilled nursing facilities, intermediate care facilities, and community residential care facilities.

(b) Affect the staffing ratios necessary to care for persons with chronic and degenerative conditions, as defined, within those facilities.

(c) Affect the likelihood of facilities, or of day care programs and in-home support service programs, to refuse the admission of persons with chronic and degenerative conditions, solely on the basis of anticipated jeopardy to their licensing, or on the basis of anticipated liability to such facilities arising from instances where a person's degenerative condition, by its own clinical merits, results in medical complications which are, in fact, entirely unrelated to the quality of care provided by the facility or program.

194. The actions undertaken pursuant to this chapter shall not impose additional state obligations or expenditures for the care of persons with chronic and degenerative conditions, as defined by this chapter, unless the Legislature enacts a statute specifically appropriating money for the additional obligations or 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 the necessity are:

In order to ensure that families of persons with degenerative and chronic conditions are able to locate out-of-home care facilities and supportive day programs as soon as possible, it is necessary that this act go into immediate effect.

CHAPTER 86

An act to amend Sections 11344, 11344.3, 11346.1, 11346.8, 11349.1, 11349.5, 11349.7, 11349.11, 11350, and 11351 of the Government Code, relating to governmental regulations, and declaring the urgency thereof, to take effect immediately

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 11344 of the Government Code is amended to read:

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 shall be known as the "California Administrative Code Supplement."

The publication of notices of proposed action pursuant to Section 11346.4 shall be known as the "California Administrative Notice Register." Such publication may include in addition to the proposed regulatory actions, any of the following information:

(1) A registry of appointments in state agencies, including vacancies therein.

(2) Executive orders.

(3) Summaries of Attorney General's opinions.

(4) Notices of public meetings of state agencies.

(5) Miscellaneous notices of general interest to the citizens of California.

(b) 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.

SEC. 2. Section 11344.3 of the Government Code is amended to read:

11344.3. The office 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 Notice Register.

SEC. 3. Section 11346.1 of the Government Code is amended to read:

11346.1. (a) The provisions of this article shall not apply to any regulation not required to be filed with the Secretary of State under this chapter, and only this section, Section 11346.2 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), or to any regulation adopted under Section 1227.1, 5500.5, or 7150.1 of the Financial Code.

(b) Except as provided in subdivision (c), if a state agency makes a finding that the adoption of a regulation or order of repeal is necessary for the immediate preservation of the public peace, health and safety or general welfare, the regulation or order of repeal may be adopted as an emergency regulation or order of repeal.

Any finding of an emergency shall include a written statement which contains the information required by Section 11346.5 and a description of the specific facts showing the need for immediate action. The enactment of an urgency statute shall not, in and of itself, constitute a need for immediate action.

The statement and the regulation or order of repeal shall be filed immediately with the Office of Administrative Law. The statement or order of repeal shall be published in the next issue of the California Administrative Notice Register, which shall be delivered to each Member of the Legislature and to each standing committee. The regulation shall be published in the next issue of the California Administrative Code Supplement.

(c) (1) Notwithstanding any other provision of the law, no board or commission shall have the power to adopt an emergency regulation to interpret, implement, or make specific provisions of the law relating to campaign disclosure except by a unanimous vote of all members of such board or commission present at the proceeding at which such regulation is adopted.

(2) Notwithstanding any other provision of law, no emergency regulation which is a building standard, as defined in Section 18909 of the Health and Safety Code, shall be filed, nor shall such building standard be effective, unless such building standards are submitted to the State Building Standards Commission, and are approved and filed pursuant to the provisions of Sections 18937 and 18938 of the Health and Safety Code.

(d) The emergency regulation or order of repeal shall become effective upon filing or upon any later date specified by the state agency in a written instrument filed with, or as a part of, the regulation or order of repeal.

(e) No regulation adopted as an emergency regulation shall remain in effect more than 120 days unless the adopting agency has complied with Sections 11346.4 to 11346.8, inclusive, prior to the adoption of the emergency regulation, or has, within the 120-day period, completed the regulation adoption process by formally adopting the emergency regulation or any amendments thereto,

pursuant to the provisions of this chapter. The adopting agency shall transmit to the office for filing with the Secretary of State the adopted regulation, the rulemaking file, and a certification that either Sections 11346.4 to 11346.8, inclusive, were complied with prior to adoption, or that there was compliance with the provisions of this section within the 120-day period.

(f) In the event an emergency regulation was filed as an amendment to an existing regulation, upon failure of the adopting agency to comply with subdivision (e) as provided above, the regulation as it existed prior to such emergency amendment shall thereupon become effective and after notice to the adopting agency by the Office of Administrative Law shall be reprinted in the California Administrative Code in the place of such emergency amendment.

(g) In the event a regulation is originally adopted and filed as an emergency and the adopting agency fails to comply with subdivision (e) 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 Director of the Office of Administrative Law.

SEC. 4. Section 11346.8 of the Government Code is amended to read:

11346.8. (a) If a public hearing is held, statements, arguments, or contentions, either oral or in writing, or both, shall be permitted. If a public hearing is not scheduled, the state agency shall, consistent with Section 11346.4, afford any interested person or his or her duly authorized representative, the opportunity to present statements, arguments or contentions in writing. In addition, a public hearing shall be held if, no later than 15 days prior to the close of the written comment period, an interested person or his or her duly authorized representative submits in writing to the state agency, a request to hold a public hearing. The state agency shall, to the extent practicable, provide notice of the time, date, and place of the hearing by mailing the notice to every person who has filed a request for notice thereby with the state agency. The state agency shall consider all relevant matter presented to it before adopting, amending or repealing any regulation.

(b) In any hearing under this section the state agency or its duly authorized representative shall have authority to administer oaths or affirmations. An agency may continue or postpone such hearing from time to time to such time and at such place as it shall determine.

(c) No state agency may adopt, amend, or repeal any regulation, unless the full text of the proposed adoption, amendment or repeal has been available to the public at least 45 days prior to the public hearing or close of the written comment period. A state agency may adopt, amend or repeal a regulation which has been changed or

modified from that which was made available to the public only if the change or modification is (1) nonsubstantial or solely grammatical in nature, or (2) the resulting adoption, amendment or repeal is sufficiently related to the text made available to the public pursuant to the provisions of Section 11346.5 that the public was adequately placed on notice that the adoption, amendment or repeal could result from the originally proposed regulatory action and the full text of the resulting adoption, amendment, or repeal, with the change or modification clearly indicated, is made available to the public for at least 15 days prior to the date on which the agency adopts, amends or repeals the resulting regulation.

(d) No state agency shall add any material to the record of the rulemaking proceeding after the close of the public hearing or comment period, unless adequate provision is made for public comment on that matter.

SEC. 5. Section 11349.1 of the Government Code is amended to read:

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 Code Supplement 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 and with the provisions of this chapter.

SEC. 6. Section 11349.5 of the Government Code is amended to read:

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, an order repealing an emergency regulation adopted pursuant to subdivision (b) of Section 11346.1, or a decision refusing to allow the readoption of an emergency regulation pursuant to Section 11346.1. In that event, the office shall immediately transmit the regulation to the Secretary of State for filing.

Upon overruling the decision of the office, the Governor shall immediately transmit to the Rules Committees of both houses of the Legislature a statement of his reasons for overruling the decision of the office, along with copies of the adopting agency's general statement issued pursuant to Section 11346.7 and the office's statement regarding the disapproval of a regulation issued pursuant

to subdivision (b) of Section 11349.3.

SEC. 7. Section 11349.7 of the Government Code is amended to read:

11349.7. Every agency subject to the provisions of this chapter shall undertake a review of all regulations administered by it as of June 30, 1980, in accordance with the following:

(a) On or before December 31, 1980, each agency shall transmit to the Office of Administrative Law a plan for the review of all regulations it is administering. The plan shall be prepared in the manner prescribed by the office and shall include the estimated annual cost of implementing the plan, time schedules for the orderly review of regulations, personnel required to evaluate all regulations, and such other information required by the office.

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, on or before April 1, 1981, 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 California Administrative 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, in addition, make periodic recommendations directly to the Legislature for the repeal or amendment of statutory provisions that affect the operations of regulatory agencies.

(g) Within six months following the date when a regulation has been reviewed by a state agency and a Statement of Review Completion has been submitted to the office 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.

If a state agency reports in a Statement of Review Completion that it will amend or repeal a regulation, the amendment or repeal shall be completed and submitted to the office within six months of the submission of the Statement of Review Completion, unless that period is extended by the office upon a showing of good cause.

If a state agency, in conjunction with its review of existing regulations pursuant to this section, submits a proposed adoption, amendment or repeal of a regulation to the office, the time for approval or disapproval of that proposed adoption, amendment, or repeal shall also be six months from the date it is submitted to the office.

(h) In the event it determines that an existing regulation does not meet the standards set forth in Section 11349.1, or that an agency has failed to meet the provisions of this chapter, 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, or the reasons for its determination that the agency failed to meet the provisions of this chapter. 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.

The Governor shall transmit to the Rules Committees of both houses of the Legislature a statement of reasons for overruling the decision of the office, plus any other information that may be requested by either of the Rules Committees.

(*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 (e) of Section 11346.4.

(m) Notwithstanding any other subdivision of this section, the Office of Administrative Law, at the request of any standing, select, or joint committee of the Legislature, shall initiate a priority review of any regulation, group of regulations, or series of regulations which the committee believes does not meet the standards set forth in Section 11349.1. A review pursuant to this subdivision may be made at any time and shall be made without regard to the master plan review schedule in subdivision (d), or to the sequence for reviewing individual titles of the California Administrative Code as required by Section 11349.8.

The Office of Administrative Law shall notify interested persons that a priority review has been requested, shall consider the written comments submitted by interested persons, and shall complete each priority review made pursuant to this subdivision within 60 calendar days of the receipt of the committee's written request. In the event that the Office of Administrative Law determines that a regulation does not meet the standards set forth in Section 11349.1, it shall order the adopting agency to show cause why the regulation should not be repealed and shall proceed to seek repeal of the regulation as provided by this section.

(n) The power of a court to invalidate a regulation shall not be altered or barred by the fact that the office has not ordered the repeal of a regulation pursuant to this section. The procedure adopted by this section allowing the office to order the repeal of a regulation shall not be considered an exhaustible administrative remedy.

SEC. 8. Section 11349.11 of the Government Code, is amended to read:

11349.11. The Office of Administrative Law shall determine whether a regulation reviewed pursuant to Section 11349.1 may require state reimbursement to local agencies or school districts pursuant to Section 2231 of the Revenue and Taxation Code. If the office determines in the affirmative, and if such regulation has not already been reviewed by the Department of Finance for mandated cost purposes, the office shall refer such regulation to the Department of Finance for review.

SEC. 9. Section 11350 of the Government Code is amended to read:

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. The right to judicial

determination shall not be affected by the failure either to petition or to seek reconsideration of a petition filed pursuant to Section 11347.1 before the agency promulgating the regulations. The 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, court decision, or other provision of law which is being implemented, interpreted, or made specific by 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.

SEC. 10. Section 11351 of the Government Code is amended to read:

11351. (a) Except as provided in subdivision (b), Article 5 (commencing with Section 11346), Article 6 (commencing with Section 11349), and Article 7 (commencing with Section 11350) of this chapter shall not apply to the Public Utilities Commission or the Industrial Accident Commission, and Article 3 (commencing with Section 11343) and Article 4 (commencing with Section 11344) 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 (d) of Section 11346.4 with respect to regulations which are required to be filed with the Secretary of State pursuant to Section 11343.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the expeditious review of a variety of regulations affecting the people of the state, it is necessary that this act go into effect immediately.

CHAPTER 87

An act to amend Sections 65920, 65922, 66412.1, 66424, 66428, 66434, 66434.5, 66436, 66445, 66452.1, 66452.2, 66452.6, 66456.1, 66473.5, 66474, 66474.1, 66477.2, 66499.7, 66499.30, 66499.33, 66499.34, and 66499.35 of, to amend and renumber Sections 66499.20½ and 66499.20¾ of, and to add Sections 65952.1, 66426.5, 66435.1, 66435.2, 66451.5, 66468.1, and 66499.20¾ to the Government Code, relating to subdivisions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1982. Filed with Secretary of State March 1, 1982.]

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

SECTION 1. Section 65920 of the Government Code is amended to read:

65920. Notwithstanding any other provision of law, the provisions of this chapter shall apply to all public agencies to the extent specified in this chapter, except that the time limits specified in Division 2 (commencing with Section 66410) of Title 7 shall not be extended by operation of this chapter.

SEC. 2. Section 65922 of the Government Code is amended to read:

65922. The provisions of this chapter shall not apply to the following:

(a) Activities of the State Energy Resources Development and Conservation Commission established pursuant to Division 15 (commencing with Section 25000) of the Public Resources Code.

(b) Administrative appeals within a state or local agency or to a state or local agency.

SEC. 3. Section 65952.1 is added to the Government Code, to read:

65952.1. Where a development project consists of a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7), the time limits established by Sections 65950 and 65952 shall apply to the approval or disapproval of the tentative map, or the parcel map for which a tentative map is not required.

SEC. 4. Section 66412.1 of the Government Code is amended to read:

66412.1. This division shall also be inapplicable to:

(a) The financing or leasing of any parcel of land, or any portion thereof, in conjunction with the construction of commercial or industrial buildings on a single parcel, unless the project is not subject to review under other local agency ordinances regulating design and improvement.

(b) The financing or leasing of existing separate commercial or industrial buildings on a single parcel.

SEC. 5. Section 66424 of the Government Code is amended to read:

66424. "Subdivision" means the division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease or financing, whether immediate or future except for leases of agricultural land for agricultural purposes. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way. "Subdivision" includes a condominium project, as defined in Section 1350 of the Civil Code, a community apartment project, as defined in Section 11004 of the Business and Professions Code, or the conversion of five or more existing dwelling units to a stock cooperative, as defined in Section 11003.2 of the Business and Professions Code. As used in this section, "agricultural purposes" means the cultivation of food or fiber or the grazing or pasturing of livestock.

SEC. 6. Section 66426.5 is added to the Government Code, to read:

66426.5. Any conveyance of land to a governmental agency, public entity, public utility or subsidiary of a public utility for conveyance to such public utility for rights-of-way shall not be considered a division of land for purposes of computing the number of parcels.

SEC. 7. Section 66428 of the Government Code is amended to read:

66428. Local ordinances may require a tentative map where a parcel map is required by this chapter. A parcel map shall be required for subdivisions as to which a final or parcel map is not otherwise required by this chapter, unless the preparation of such parcel map is waived by local ordinance as provided in this section. A parcel map shall not be required for: (a) subdivisions of a portion of the operating right-of-way of a railroad corporation defined as such by Section 230 of the Public Utilities Code, which are created by short-term leases (terminable by either party on not more than 30 days' notice in writing), or (b) land conveyed to or from a governmental agency, public entity, public utility, or for land conveyed to a subsidiary of a public utility for conveyance to such public utility for rights-of-way, unless a showing is made in individual cases, upon substantial evidence, that public policy necessitates such a parcel map.

A local agency shall, by ordinance, provide a procedure for waiving the requirement for a parcel map, imposed by this division, including the requirements for a parcel map imposed by Section 66426. The ordinance shall require a finding by the legislative body or advisory agency, that the proposed division of land complies with such requirements as may have been established by this division or local ordinance enacted pursuant thereto as to area, improvement and design, floodwater drainage control, appropriate improved public

roads, sanitary disposal facilities, water supply availability, environmental protection, and other requirements of this division or local ordinance enacted pursuant thereto. In any case, where the requirement for a parcel map is waived by local ordinance pursuant to provisions of this section, a tentative map may be required by local ordinance.

SEC. 8. 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) The map shall conform to any additional survey and map requirements of local ordinances.

SEC. 9. Section 66434.5 of the Government Code is amended to read:

66434.5. When a soils report, geologic report, or soils and geologic report has been prepared specifically for the subdivision, each report shall be kept on file for public inspection by the city or county having

jurisdiction.

SEC. 10. Section 66435.1 is added to the Government Code, to read:

66435.1. Notwithstanding any other provision of this article, local agencies may require that those certificates and acknowledgments required by Sections 66436 and 66443, be made by separate instrument to be recorded concurrently with the final map being filed for record.

SEC. 11. Section 66435.2 is added to the Government Code, to read:

66435.2. Whenever a certificate or acknowledgment is made by separate instrument, there shall appear on the final map a reference to the separately recorded document. This reference shall be completed by the county recorder pursuant to Section 66468.1.

SEC. 12. Section 66436 of the Government Code is amended to read:

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 final map is required, except as follows:

(a) Neither a lien for state, county, municipal or local taxes, nor for special assessments, nor a trust interest under bond indentures, nor mechanics' liens constitute a record title interest in land for the purpose of this chapter or local ordinance.

(b) The signature of either the holder of beneficial interests under trust deeds or the trustee under such trust deeds, but not both, may be omitted. The signature of either shall constitute a full and complete subordination of the lien of the deed of trust to the map and any interest created by the map.

(c) Signatures of parties owning the following types of interests may be omitted if their names and the nature of their respective interests are stated on the final map:

(1) Rights-of-way, easements or other interests which cannot ripen into a fee, except those owned by a public entity, public utility, or subsidiary of a public utility for conveyance to such public utility for rights-of-way. If, however, the legislative body or advisory agency determines that division and development of the property in the manner set forth on the approved or conditionally approved tentative map will not unreasonably interfere with the free and complete exercise of the public entity or public utility right-of-way or easement, the signature of such public entity or public utility may be omitted. Where such determination is made, the subdivider shall send, by certified mail, a sketch of the proposed final map, together with a copy of this section, to any public entity or public utility which has previously acquired a right-of-way or easement.

If the public entity or utility objects to either (i) recording the final map without its signature; or (ii) the determination of the legislative body or advisory agency that the division and development of the property will not unreasonably interfere with

the full and complete exercise of its right-of-way or easement, it shall so notify the subdivider and the legislative body or advisory agency within 30 days after receipt of the materials from the subdivider.

If the public entity or utility objects to recording the final map without its signature, the public entity or utility so objecting may affix its signature to the final map within 30 days of filing its objection with the legislative body or advisory agency.

If the public entity or utility either (i) does not file an objection with the legislative body or advisory agency; or (ii) fails to affix its signature within 30 days of filing its objection, to recording the map without its signature, the local agency may record the final map without such signature.

If the public entity or utility files an objection to the determination of the legislative body or advisory agency that the division and development of the property will not unreasonably interfere with the exercise of its right-of-way or easement, the legislative body or advisory agency shall set the matter for public hearing to be held not less than 10 nor more than 30 days of receipt of the objection. At such hearing, the public entity or public utility shall present evidence in support of its position that the division and development of the property will unreasonably interfere with the free and complete exercise of the objector's right-of-way or easement.

If the legislative body or advisory agency finds, following such hearing, that the development and division will in fact unreasonably interfere with the free and complete exercise of the objector's right-of-way or easement, it shall set forth those conditions whereby such unreasonable interference will be eliminated and upon compliance with such conditions by the subdivider, the final map may be recorded with or without the signature of the objector. If the legislative body or advisory agency finds that the development and division will in fact not unreasonably interfere with the free and complete exercise of the objector's right-of-way or easement, the final map may be recorded without the signature of the objector, notwithstanding its objections thereto.

Failure of the public entity or public utility to file an objection pursuant to this section shall in no way affect its rights under a right-of-way or easement.

(2) Rights-of-way, easements or reversions, which by reason of changed conditions, long disuse or laches appear to be no longer of practical use or value and signatures are impossible or impractical to obtain. A statement of the circumstances preventing the procurement of the signatures shall also be stated on the map.

(3) Interests in or rights to minerals, including but not limited to oil, gas or other hydrocarbon substances.

(d) Real property originally patented by the United States or by the State of California, which original patent reserved interest to either or both of such entities, may be included in the final map without the consent of the United States or the State of California thereto or to dedications made thereon.

SEC. 13. 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.

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. If the 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.

Notwithstanding any other provision of this article, local agencies may require that those certificates and acknowledgments required pursuant to this subdivision and subdivision (f) be made by separate instrument to be recorded concurrently with the parcel map being filed for record.

(h) Whenever a certificate or acknowledgment is made by separate instrument, there shall appear on the final map a reference to the separately recorded document. This reference shall be completed by the county recorder pursuant to Section 66468.1.

SEC. 14. Section 66451.5 is added to the Government Code, to read:

66451.5. Failure to receive the notice required by Section 66451.3 or 66451.4 shall not invalidate any action taken pursuant to this division.

SEC. 15. Section 66452.1 of the Government Code is amended to read:

66452.1. (a) If the advisory agency is not authorized by local ordinance to approve, conditionally approve or disapprove the tentative map, it shall make its written report on the tentative map to the legislative body within 50 days after the filing thereof with its clerk.

(b) If the advisory agency is authorized by local ordinance to approve, conditionally approve, or disapprove the tentative map, it shall take such action within 50 days after the filing thereof with its clerk and report its action to the subdivider.

(c) The local agency shall comply with the time periods referred to in Section 21151.5 of the Public Resources Code, within the time limits set forth in this section. However, if an environmental impact report is prepared for the tentative map, the 50-day period specified in this section shall not be applicable and the advisory agency shall render its report or decision required by this section within 45 days after certification of the environmental impact report.

SEC. 16. Section 66452.2 of the Government Code is amended to read:

66452.2. (a) If there is an advisory agency which is not authorized by local ordinance to approve, conditionally approve or disapprove the tentative map, at the next regular meeting of the legislative body following the filing of the advisory agency's report with it, the legislative body shall fix the meeting date at which the tentative map will be considered by it, which date shall be within 30 days thereafter and the legislative body shall approve, conditionally approve, or disapprove the tentative map within such 30-day period.

(b) If there is no advisory agency, the clerk of the legislative body shall submit the tentative map to the legislative body at its next regular meeting which shall approve, conditionally approve or disapprove such map within 50 days thereafter.

(c) The local agency shall comply with the time periods referred to in Section 21151.5 of the Public Resources Code within the time

limits set forth in this section. However, if an environmental impact report is prepared for the tentative map, the 50-day period specified in this section shall not be applicable and the legislative body shall render its decision required by subdivision (b) within 45 days after certification of the environmental impact report.

SEC. 17. Section 66452.6 of the Government Code is amended to read:

66452.6. (a) An approved or conditionally approved tentative map shall expire 24 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 12 months.

(b) The period of time specified in subdivision (a) shall not include any period of time during which a development moratorium, imposed after approval of the tentative map, is in existence, provided however, that the length of the moratorium does not exceed five years.

Once a moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

(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 the time period is approved by the local agency pursuant to this section. Within 10 days of the service of the initial petition or complaint in the lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving the application, the local agency shall either stay the time period for up to five years or deny the requested stay. The local agency may, by ordinance, establish procedures for reviewing the requests, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

(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 the tentative map shall be filed with the legislative body pursuant to Section 66457 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 the map expires may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve tentative maps for a period or periods not exceeding a total of 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.

(f) For purposes of this section, a development moratorium shall

include a water or sewer moratorium or a water and sewer moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land, other than the public agency with the authority to approve or conditionally approve the tentative map, which thereafter prevents, prohibits, or delays the approval of a final or parcel map.

SEC. 18. Section 66456.1 of the Government Code is amended to read:

66456.1. Multiple final maps relating to an approved or conditionally approved tentative map may be filed prior to the expiration of the tentative map if: (a) the subdivider, at the time the tentative map is filed, informs the advisory agency of the local agency of the subdivider's intention to file multiple final maps on such tentative map, or (b) after filing of the tentative map, the local agency and the subdivider concur in the filing of multiple final maps. In providing such notice, the subdivider shall not be required to define the number or configuration of the proposed multiple final maps. The filing of a final map on a portion of an approved or conditionally approved tentative map shall not invalidate any part of such tentative map. The right of the subdivider to file multiple final maps shall not limit the authority of the local agency to impose reasonable conditions relating to the filing of multiple final maps.

SEC. 19. Section 66468.1 is added to the Government Code, to read:

66468.1. Whenever separate documents are to be recorded concurrently with the final or parcel map pursuant to Section 66435.1 or 66445, the county recorder shall complete the cross-reference to such concurrently recorded separate documents.

SEC. 20. Section 66473.5 of the Government Code is amended to read:

66473.5. No local agency shall approve a tentative map, or a parcel map for which a tentative map was not required, unless the legislative body shall find that the proposed subdivision, together with the provisions for its design and improvement, is consistent with the general plan required by Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of this title, or any specific plan adopted pursuant to Article 8 (commencing with Section 65450) of Chapter 3 of Division 1 of this title.

A proposed subdivision shall be consistent with a general plan or a specific plan only if the local agency has officially adopted such a plan and the proposed subdivision or land use is compatible with the objectives, policies, general land uses and programs specified in such a plan.

SEC. 21. Section 66474 of the Government Code is amended to read:

66474. A legislative body of a city or county shall deny approval of a tentative map, or a parcel map for which a tentative map was not required, if it makes any of the following findings:

(a) That the proposed map is not consistent with applicable

general and specific plans.

(b) That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans.

(c) That the site is not physically suitable for the type of development.

(d) That the site is not physically suitable for the proposed density of development.

(e) That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

(f) That the design of the subdivision or type of improvements is likely to cause serious public health problems.

(g) That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the governing body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public. This subsection shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to a legislative body to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision.

SEC. 22. Section 66474.1 of the Government Code is amended to read:

66474.1. A legislative body shall not deny approval of a final or parcel map if it has previously approved a tentative map for the proposed subdivision and if it finds that the final or parcel map is in substantial compliance with the previously approved tentative map.

SEC. 23. Section 66477.2 of the Government Code is amended to read:

66477.2. (a) If at the time the final map is approved, any streets, paths, alleys, public utility easements, rights-of-way for local transit facilities such as bus turnouts, benches, shelters, landing pads, and similar items, which directly benefit the residents of a subdivision, or storm drainage easements are rejected, subject to Section 771.010 of the Code of Civil Procedure, the offer of dedication shall remain open and the legislative body may by resolution at any later date, and without further action by the subdivider, rescind its action and accept and open the streets, paths, alleys, rights-of-way for local transit facilities such as bus turnouts, benches, shelters, landing pads, and similar items, which directly benefit the residents of a subdivision, or storm drainage easements for public use, which acceptance shall be recorded in the office of the county recorder.

(b) In the case of any subdivision fronting upon the ocean coastline or bay shoreline, the offer of dedication of public access route or routes from public highways to land below the ordinary high watermark shall be accepted within three years after the approval

of the final map; in the case of any subdivision fronting upon any public waterway, river, or stream, the offer of dedication of public access route or routes from public highways to the bank of the waterway, river, or stream and the public easement along a portion of the bank of the waterway, river, or stream shall be accepted within three years after the approval of the final map; in the case of any subdivision fronting upon any lake or reservoir which is owned in part or entirely by any public agency, including the state, the offer of dedication of public access route or routes from public highways to any water of such lake or reservoir shall be accepted within five years after the approval of the final map; all other offers of dedication may be accepted at any time.

(c) Offers of dedication which are covered by subdivision (a) may be terminated and abandoned in the same manner as prescribed for the summary vacation of streets by Part 3 (commencing with Section 8300) of Division 9 of the Streets and Highways Code.

(d) Offers of dedication which are not accepted within the time limits specified in subdivision (b) shall be deemed abandoned.

(e) Except as provided in Sections 66499.16, 66499.17, and 66499.18, if a resubdivision or reversion to acreage of the tract is subsequently filed for approval, any offer of dedication previously rejected shall be deemed to be terminated upon the approval of the map by the legislative body.

SEC. 24. Section 66499.7 of the Government Code is amended to read:

66499.7. The security furnished by the subdivider may be released in whole or in part in the following manner:

(a) Security given for faithful performance of any act or agreement may be released upon the performance of the act or final completion and acceptance of the required work or the legislative body may provide for the partial release of the security upon the partial performance of the act or the acceptance of the work as it progresses, under rules established by the legislative body.

(b) Security securing the payment to the contractor, his or her subcontractors and to persons furnishing labor, materials or equipment may, after passage of the time within which claims of lien are required to be recorded pursuant to Article 3 (commencing with Section 3114) of Chapter 2 of Title 15 of Part 4 of Division 3 of the Civil Code and after acceptance of the work, be reduced to an amount not less than the total claimed by all claimants for whom claims of lien have been recorded and notice thereof given in writing to the legislative body, and if no such claims have been recorded, the security may be released in full.

Such release shall not apply to any required guarantee and warranty period nor to the amount of the security deemed necessary by the local agency for such guarantee and warranty period nor to costs and reasonable expenses and fees, including reasonable attorneys' fees.

The legislative body may authorize any of its public officers or

employees to authorize release or reduction of the security in accordance with the conditions hereinabove set forth and in accordance with such rules as it may prescribe.

SEC. 25. Section 66499.20½ of the Government Code is amended and renumbered to read:

66499.20¼. A city or county may, by ordinance, authorize a parcel map to be filed under the provisions of this chapter for the purpose of reverting to acreage land previously subdivided and consisting of four or less contiguous parcels under the same ownership. Any map so submitted shall be accompanied by evidence of title and nonuse or lack of necessity of any streets or easements which are to be vacated or abandoned. Any streets or easements to be left in effect after the reversion shall be adequately delineated on the map. After approval of the reversion by the governing body or advisory agency the map shall be delivered to the county recorder. The filing of the map shall constitute legal reversion to acreage of the land affected thereby, and shall also constitute abandonment of all streets and easements not shown on the map. The filing of the map shall also constitute a merger of the separate parcels into one parcel for purposes of this chapter and shall thereafter be shown as such on the assessment roll subject to the provisions of Section 66445. Except as provided in subdivision (f) of Section 66445, on any parcel map used for reverting acreage, a certificate shall appear signed and acknowledged by all parties having any record title interest in the land being reverted, consenting to the preparation and filing of the parcel map.

SEC. 26. Section 66499.20¾ of the Government Code is amended and renumbered to read:

66499.20½. Subdivided lands may be merged and resubdivided without reverting to acreage by complying with all the applicable requirements for the subdivision of land as provided by this division and any local ordinances adopted pursuant thereto. The filing of the final map or parcel map shall constitute legal merging of the separate parcels into one parcel and the resubdivision of such parcel, and the real property shall thereafter be shown with the new lot or parcel boundaries on the assessment roll. Any unused fees or deposits previously made pursuant to this division pertaining to the property shall be credited pro rata towards any requirements for the same purposes which are applicable at the time of resubdivision. Any streets or easements to be left in effect after the resubdivision shall be adequately delineated on the map. After approval of the merger and resubdivision by the governing body or advisory agency the map shall be delivered to the county recorder. The filing of the map shall constitute legal merger and resubdivision of the land affected thereby, and shall also constitute abandonment of all streets and easements not shown on the map.

SEC. 27. Section 66499.20¾ is added to the Government Code, to read:

66499.20¾. A city or county may, by ordinance, authorize the

merger of contiguous parcels under common ownership without reverting to acreage. Such ordinance shall require the recordation of an instrument evidencing the merger.

SEC. 28. Section 66499.30 of the Government Code is amended to read:

66499.30. (a) No person shall sell, lease, or finance any parcel or parcels of real property or commence construction of any building for sale, lease or financing thereon, except for model homes, or allow occupancy thereof, for which a final map is required by this division or local ordinance, until such map thereof in full compliance with the provisions of this division and any local ordinance has been filed for record by the recorder of the county in which any portion of the subdivision is located.

(b) No person shall sell, lease or finance any parcel or parcels of real property or commence construction of any building for sale, lease or financing thereon, except for model homes, or allow occupancy thereof, for which a parcel map is required by this division or local ordinance, until such map thereof in full compliance with the provisions of this division and any local ordinance has been filed for record by the recorder of the county in which any portion of the subdivision is located.

(c) Conveyances of any part of a division of real property for which a final or parcel map is required by this division or local ordinance shall not be made by parcel or block number, initial or other designation, unless and until such map has been filed for record by the recorder of the county in which any portion of the subdivision is located.

(d) This section does not apply to any parcel or parcels of a subdivision offered for sale or lease, contracted for sale or lease, or sold or leased in compliance with or exempt from any law (including a local ordinance), regulating the design and improvement of subdivisions in effect at the time the subdivision was established.

(e) Nothing contained in subdivisions (a) and (b) shall be deemed to prohibit an offer or contract to sell, lease, or finance real property or to construct improvements thereon where such sale, lease, or financing, or the commencement of such construction, is expressly conditioned upon the approval and filing of a final subdivision map or parcel map, as required under this division.

(f) Nothing in this section shall in any way modify or affect the provisions of Section 11018.2 of the Business and Professions Code.

SEC. 29. Section 66499.33 of the Government Code is amended to read:

66499.33. This division does not bar any legal, equitable or summary remedy to which any aggrieved local agency or other public agency, or any person, firm, or corporation may otherwise be entitled, and any such local agency or other public agency, or such person, firm, or corporation may file a suit in the superior court of the county in which any real property attempted to be subdivided or sold, leased, or financed in violation of this division or local

ordinance enacted pursuant thereto is located, to restrain or enjoin any attempted or proposed subdivision or sale, lease, or financing in violation of this division or local ordinance enacted pursuant thereto.

SEC. 30. Section 66499.34 of the Government Code is amended to read:

66499.34. No local agency shall issue any permit or grant any approval necessary to develop any real property which has been divided, or which has resulted from a division, in violation of the provisions of this division or of the provisions of local ordinances enacted pursuant to this division if it finds that development of such real property is contrary to the public health or the public safety. The authority to deny such a permit or such approval shall apply whether the applicant therefor was the owner of record at the time of such violation or whether the applicant therefor is either the current owner of record or a vendee of the current owner of record pursuant to a contract of sale of the real property with, or without, actual or constructive knowledge of the violation at the time of the acquisition of his interest in such real property.

If a city or a county issues a permit or grants approval for the development of any such real property, it may impose only those conditions that would have been applicable to the division of the property at the time the applicant acquired his interest in such real property, and which has been established at such time by this division or local ordinance enacted pursuant thereto, except that where the applicant was the owner of record at the time of the initial violation of the provisions of this division or of local ordinances enacted pursuant thereto who, by a grant of the real property created a parcel or parcels in violation of this division or local ordinances enacted pursuant thereto, and such person is the current owner of record of one or more of the parcels which were created as a result of the grant in violation of the division or local ordinances enacted pursuant thereto, then the local agency may impose such conditions as would be applicable to a current division of the property, and except that if a conditional certificate of compliance has been filed for record under the provisions of subdivision (b) of Section 66499.35 only such conditions stipulated in that certificate shall be applicable.

SEC. 31. Section 66499.35 of the Government Code is amended to read:

66499.35. (a) Any person owning real property or a vendee of such person pursuant to a contract of sale of such real property may request, and a local agency shall determine, whether such real property complies with the provisions of this division and of local ordinances enacted pursuant thereto. Upon making such a determination the city or the county shall cause a certificate of compliance to be filed for record with the recorder of the county in which the real property is located. The certificate of compliance shall identify the real property and shall state that the division thereof complies with applicable provisions of this division and of local

ordinances enacted pursuant thereto. The local agency may impose a reasonable fee to cover the cost of issuing and recording the certificate of compliance.

(b) If a local agency determines that such real property does not comply with the provisions of this division or of local ordinances enacted pursuant thereto, it shall issue a certificate of compliance or a conditional certificate of compliance. A local agency may, as a condition to granting a certificate of compliance, impose such conditions as would have been applicable to the division of the property at the time the applicant acquired his or her interest therein, and which had been established at such time by this division or local ordinance enacted pursuant thereto, except that where the applicant was the owner of record at the time of the initial violation of the provisions of this division or of local ordinances enacted pursuant thereto who by a grant of the real property created a parcel or parcels in violation of this division or local ordinances enacted pursuant thereto, and such person is the current owner of record of one or more of the parcels which were created as a result of the grant in violation of the division or local ordinances enacted pursuant thereto, then the local agency may impose such conditions as would be applicable to a current division of the property. Upon making such a determination and establishing such conditions the city or county shall cause a conditional certificate of compliance to be filed for record with the recorder of the county in which the real property is located. Such certificate shall serve as notice to the property owner or vendee who has applied for the certificate pursuant to this section, a grantee of the property owner, or any subsequent transferee or assignee of the property that the fulfillment and implementation of such conditions shall be required prior to subsequent issuance of a permit or other grant of approval for development of the property.

Compliance with such conditions shall not be required until such time as a permit or other grant of approval for development of such property is issued by the local agency.

(c) A certificate of compliance shall be issued for any real property which has been approved for development pursuant to Section 66499.34.

(d) A recorded final map or parcel map shall constitute a certificate of compliance with respect to the parcels of real property described therein.

SEC. 32. The amendments made to Section 66499.30 of the Government Code by this act are intended to overrule Attorney General's Opinion No. 80-407 (July 10, 1980) and to authorize a person to offer or contract to sell, lease, finance, or convey, or construct improvements on a parcel of real property where the offer or contract is expressly conditioned upon the approval and filing of a final subdivision map or parcel map, as required by the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7 of the Government Code).

SEC. 33. Amendments made to Section 66499.34 by this act are

intended to eliminate the statutory authorization whereby a person who divides real property in violation of the Subdivision Map Act (Division 2 (commencng with Section 66410) of Title 7 of the Government Code) or local ordinances enacted pursuant thereto is himself or herself entitled to obtain a permit to develop such property based solely on conditions which could have been imposed upon such person at the time of the unlawful division.

SEC. 34. Amendments made to Section 66499.35 of the Government Code by this act are intended to eliminate the statutory authorization whereby a person who divides real property in violation of the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7 of the Government Code) or local ordinances enacted pursuant thereto is himself or herself entitled to obtain a conditional certificate of compliance with regard to such property based solely on conditions which could have been imposed upon such person at the time of the unlawful division.

SEC. 35. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 36. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 37. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Several provisions of the Subdivision Map Act have been subjected to varying interpretations by cities and counties throughout the state. This bill is intended, among other things, to resolve certain existing ambiguities in the act, with the goal of clarifying for cities and counties the statutory framework for the local regulation of land use. In order to achieve consistent statewide administration of the Subdivision Map Act at the earliest possible time, it is essential that this act take effect immediately.

CHAPTER 88

An act to amend Section 6 of Chapter 106 of the Statutes of 1980, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. Section 6 of Chapter 106 of the Statutes of 1980 is amended to read:

Sec. 6. The governing board of the Black Butte Elementary School District may continue to use the buildings referred to in Section 4 until June 30, 1983, or until the final completion of the replacement facilities, whichever occurs first. The governing board of the Redlands Unified School District may continue to use the buildings referred to in Section 5 until June 30, 1981. The liability of the Black Butte Elementary School District and the members of its governing board for a dangerous condition of the buildings referred to in Section 4 during the period of use authorized by this section shall be determined by the provisions of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code.

SEC. 2. The leased portable classroom facility in use at the Alleghany Elementary School, within the Sierra-Plumas Unified School District, does not meet Field Act standards. The district has continued to provide for the acquisition or building of necessary replacement buildings, but there remain unsolved problems.

SEC. 3. The governing board of the Sierra-Plumas Unified School District may continue to use the buildings referred to in Section 2 until June 30, 1983, or until the final completion of replacement facilities, whichever occurs first. The liability of the Sierra-Plumas Unified School District and the members of its governing board for a dangerous condition in the Alleghany Elementary School during the period of use authorized by this section shall be determined by the provisions of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code.

SEC. 4. The governing board of the Allan Hancock Joint Community College District may continue to use for classroom and support services seven buildings constructed between 1940 and 1945 for use as World War II barracks and two buildings constructed between 1928 and 1932 as part of the Hancock Airfield Facility, all of which presently comprise part of the campus of the Allan Hancock College. The use of the buildings herein described may be continued until June 30, 1983, or until the final completion of replacement facilities, whichever occurs first, and the liability of the Allan Hancock Joint Community College District and the members of its governing board during the period of use authorized by this section shall be determined by the provisions of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code.

SEC. 5. Due to the unique circumstances concerning the school facilities in the Black Butte Elementary School District, the Sierra-Plumas Unified School District, and the Allan Hancock Joint Community College 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. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to continue providing necessary educational services, the school districts affected by this act must continue to use their structures not meeting Field Act requirements. It is therefore necessary that this act take effect immediately.

CHAPTER 89

An act to amend Sections 25117, 25142, 25145, 25150, 25151, 25152, 25154, 25170, 25175, 25177, 25180, 25189, 25191, and 25202, and the heading of Article 7 (commencing with Section 25170) of Chapter 6.5 of Division 20 of, to amend and renumber Section 25172 of, to add Sections 25117.8, 25150.5, 25157, 25174.5, and 25178, and Article 5.5 (commencing with Section 25159) to Chapter 6.5 of Division 20 of, and to add and repeal Article 9.5 (commencing with Section 25206) to Chapter 6.5 of Division 20 of, and to repeal and add Sections 25100, 25101, and 25171 of, the Health and Safety Code, relating to hazardous waste, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 2, 1982 Filed with Secretary of State March 2, 1982]

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

SECTION 1. Section 25100 of the Health and Safety Code is repealed.

SEC. 2. Section 25100 is added to the Health and Safety Code, to read:

25100. The Legislature finds that:

(a) Increasing quantities of hazardous wastes are being generated in the state, for which the generators of the hazardous waste must provide safe disposal.

(b) Long-term threats to public health and to air and water quality are posed by the landfill disposal of many types of untreated hazardous wastes and by the inappropriate handling, storage, use, and disposal of hazardous wastes.

(c) Extensive technology exists for the safe treatment, neutralization, and destruction of many types of hazardous wastes prior to disposal.

(d) Numerous opportunities exist to reduce the amount of hazardous waste generated in the state and to conserve resources through the application of existing source reduction and recycling

technology.

(e) The people of the state face immense costs as a result of improper hazardous waste handling and disposal practices.

SEC. 3. Section 25101 of the Health and Safety Code is repealed.

SEC. 4. Section 25101 is added to the Health and Safety Code, to read:

25101. The Legislature therefore declares that:

(a) In order to protect the public health and the environment and to conserve natural resources, it is in the public interest to establish regulations and incentives which ensure that the generators of hazardous waste employ technology and management practices for the safe handling, treatment, recycling, and destruction of their hazardous wastes prior to disposal.

(b) In order to assist the generators of hazardous waste in meeting the responsibility for the safe disposal of hazardous waste it is necessary to establish the Hazardous Waste Management Council.

(c) The Legislature further declares that in order to protect the public of this state and particularly the communities where hazardous wastes are treated and disposed, it is essential to assure full compensation of all people injured or damaged by hazardous wastes. It is therefore necessary that the Hazardous Waste Management Council, created pursuant to Section 25206, make recommendations regarding a system of insurance and mechanisms establishing liability to achieve this result, as required by subdivision (e) of Section 25208.

(d) It is in the best interest of the health and safety of the people of the State of California for the state to obtain and maintain authorization to administer a state hazardous waste program in lieu of the federal program pursuant to Section 3006 of Public Law 94-580, as amended, the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6926). Therefore, it is the intent of the Legislature that the director shall have those powers necessary to secure and maintain interim and final authorization for the state hazardous waste program pursuant to the requirements of Section 3006 of Public Law 94-580, the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6926), and to implement such program in lieu of the federal program.

SEC. 5. Section 25117 of the Health and Safety Code is amended to read:

25117. "Hazardous waste" means a waste, or combination of wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may either:

(a) Cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness.

(b) Pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported, or disposed of, or otherwise managed.

Unless expressly provided otherwise, the term "hazardous waste"

shall be understood to also include extremely hazardous waste.

SEC. 6. Section 25117.8 is added to the Health and Safety Code, to read:

25117.8. "Natural resources" includes, but is not limited to, disposal site capacity and substances which are hazardous waste, or which are in hazardous waste, the reuse of which is technologically and economically feasible.

SEC. 7. Section 25142 of the Health and Safety Code is amended to read:

25142. Any waste which conforms to a criterion adopted pursuant to Section 25141 shall be handled, stored, used, processed, and disposed of in accordance with permits, orders, and regulations issued or promulgated by the department pursuant to this chapter and building standards published in the State Building Standards Code relating to hazardous waste facilities, or recycled consistent with the list of hazardous wastes which the department, pursuant to Section 25175, finds are economically and technologically feasible to recycle, until such waste is cited in a list adopted by the department pursuant to Section 25140.

SEC. 7.5. Section 25145 of the Health and Safety Code is amended to read:

25145. This chapter shall not be construed to limit, abridge, or supersede the powers or duties granted to the State Water Resources Control Board and each regional water quality control board by Division 7 (commencing with Section 13000) and Division 7.5 (commencing with Section 14000) of the Water Code.

SEC. 8. Section 25150 of the Health and Safety Code is amended to read:

25150. (a) Except as provided in Section 18930, the department shall adopt, and revise when appropriate, standards and regulations for the handling, processing, use, storage, and disposal of hazardous wastes to protect against hazards to the public health, to domestic livestock, to wildlife, or to the environment

(b) The department shall apply the standards and regulations adopted pursuant to subdivision (a) to the use and operation of facilities for handling, treating, storing and disposing of hazardous waste and, except as provided in Section 18930, may adopt, and revise when appropriate, additional standards and regulations for the use and operation of such facilities to protect against hazards to public health, domestic livestock, wildlife, or the environment posed by such facilities.

(c) The department shall adopt, and revise when appropriate, regulations for the recycling of hazardous waste to protect against hazards to the public health, domestic livestock, wildlife, or to the environment and to encourage the best use of natural resources.

(d) The department shall adopt and submit building standards relating to hazardous waste facilities for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of Division 13 of this code for the purposes described in this section.

(e) Before preparation of such building standards or adoption of such other regulations, the department shall consult with all agencies of interested local governments, including, but not limited to, local governing bodies, local planning agencies, local health authorities, and local building inspection departments, and secure technical assistance from the Department of Food and Agriculture, the Department of the California Highway Patrol, the Department of Fish and Game, the Department of Industrial Relations, the Division of Industrial Safety, the State Air Resources Board, the State Water Resources Control Board, the State Fire Marshal, regional water quality control boards, the State Building Standards Commission, and the State Solid Waste Management Board.

SEC. 8.5. Section 25150.5 is added to the Health and Safety Code, to read:

25150.5. The department shall adopt all standards and regulations required to be adopted by any provision of this chapter, and shall revise any standard or regulation required to be revised by the act which enacted this section during the 1981 portion of the 1981–1982 Regular Session of the Legislature, on or before January 1, 1983.

SEC. 9. Section 25151 of the Health and Safety Code is amended to read:

25151. The department may adopt varying regulations pursuant to Section 25150, other than building standards for different areas of the state depending on population density, climate, geology, types and volumes of hazardous waste generated in the area, types of waste treatment technology available in the area, and other factors relevant to hazardous waste handling, processing, storing, recycling, and disposal.

SEC. 10. Section 25152 of the Health and Safety Code is amended to read:

25152. Before adopting building standards or adopting or revising other standards and regulations for the handling, processing, storing, use, recycling, and disposal of hazardous and extremely hazardous wastes, the department shall hold at least one public hearing in Sacramento, or in a city within the area of the state to be affected by the proposed regulations. Except as provided in Section 18930, the department shall adopt the proposed regulations after making changes or additions that are appropriate in view of the evidence and testimony presented at the public hearing or hearings.

SEC. 10.5. Section 25154 of the Health and Safety Code is amended to read:

25154. It shall be unlawful for any person to handle, store, use, process, or dispose of any hazardous waste or extremely hazardous waste except as provided for in this chapter or regulations adopted by the department pursuant to this chapter.

SEC. 11. Section 25157 is added to the Health and Safety Code, to read:

25157. Regulations adopted pursuant to this chapter may require the treatment of extremely hazardous waste at the site of production

prior to any transportation, if the director determines that treatment is necessary to provide safe transportation of the extremely hazardous waste. No provision of this chapter shall be construed to require disposal of hazardous waste at the site of production, provided, that the transportation of the extremely hazardous waste conforms to all applicable regulations.

SEC. 12.5. Article 5.5 (commencing with Section 25159) is added to Chapter 6.5 of Division 20 of the Health and Safety Code, to read:

Article 5.5. Coordination with Federal Acts

25159. To the extent authorized by Section 25145, the department shall adopt and revise when necessary regulations which will allow the state to receive and maintain authorization to administer a state hazardous waste program in lieu of the federal program pursuant to Section 3006 of Public Law 94-580, as amended (42 U.S.C. 6926).

25159.5. In adopting or revising standards and regulations pursuant to this chapter, the department shall, insofar as practicable, make such standards and regulations conform with corresponding regulations adopted by the United States Environmental Protection Agency pursuant to Public Law 94-580, as amended (the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq.). Nothing in this section shall preclude the department from adopting standards and regulations which are more stringent or more extensive than federal regulations.

25159.6. Until such time as the department adopts standards and regulations corresponding to and equivalent to, or more stringent or extensive than, regulations adopted by the United States Environmental Protection Agency pursuant to Sections 3002, 3003, 3004, 3005 and 3006 of Public Law 94-580, as amended, the following shall apply:

(a) Any person who produces a waste which is a hazardous waste as defined by Section 25117 shall comply with this chapter and regulations adopted thereunder and, in addition, to the extent that the waste is both hazardous as defined by regulations adopted pursuant to Section 3001 of the Resource Conservation and Recovery Act, as amended (P.L. 94-580) and has not been excluded from regulation pursuant to that section, the person shall also comply with federal regulations adopted pursuant to Section 3002 of that federal act.

(b) Any person who transports a waste which is a hazardous waste as defined by Section 25117 shall comply with this chapter and regulations adopted thereunder and, in addition, to the extent that such waste is both hazardous as defined by regulations adopted pursuant to Section 3001 of the Resource Conservation and Recovery Act, as amended (P.L. 94-580), and has not been excluded from regulation pursuant to that section, the person shall also comply with federal regulations adopted pursuant to Section 3003 of that act.

(c) Any person who owns or operates a hazardous waste facility shall comply with this chapter and regulations adopted thereunder and, in addition, to the extent that the facility is defined as a hazardous waste facility in regulations adopted under the Resource Conservation and Recovery Act, as amended (P.L. 94-580), and to the extent that the waste is both hazardous as defined by regulations adopted pursuant to Section 3001 of that act and has not been excluded from regulation pursuant to that section, such person shall also comply with federal regulations adopted pursuant to Sections 3004 and 3005 of that act.

25159.7. Except as otherwise authorized, the Department of Health Services is authorized to carry out all hazardous waste management responsibilities imposed or authorized by Public Law 94-580, as amended, Public Law 96-510 (the Comprehensive Environmental Response, Compensation, and Liability Act of 1980), and subsequent amendments. and any regulations promulgated pursuant to these federal acts.

25159.8. Nothing in this chapter shall be construed as prohibiting the furnishing of trade secret information to the federal Environmental Protection Agency to the extent required by law to obtain and maintain interim and final authorization to implement the state hazardous waste program in lieu of the federal program under the Resource Conservation and Recovery Act of 1976, P.L. 94-580, as amended (42 USC 6901 et seq.). If the department has received a written claim that particular information furnished to the EPA is trade secret information, the department shall so inform the EPA.

25159.9. Notwithstanding any other provision of law, the department may make available to the federal Environmental Protection Agency any and all information required by law to be furnished to such agency pursuant to the Resource Conservation and Recovery Act of 1976, P.L. 94-580, as amended (42 USC 6901 et seq.) in order to obtain and maintain interim and final authorization to administer the state hazardous waste program in lieu of the federal program. The sharing of information between the department and the EPA pursuant to this section shall not constitute a waiver by the department or any affected person of any privilege or confidentiality of such information provided by law.

SEC. 13. The heading of Article 7 (commencing with Section 25170) of Chapter 6.5 of Division 20 of the Health and Safety Code is amended to read:

Article 7. Treatment, Recycling, and Disposal Technology

SEC. 13.5. Section 25170 of the Health and Safety Code is amended to read:

25170. The department in performing its duties under this chapter shall:

(a) Coordinate research and development regarding methods of

hazardous waste handling, storage, use, processing, and disposal and may conduct appropriate studies relating to hazardous wastes.

(b) Maintain a technical reference center on hazardous waste disposal, recycling practices, and related information for public and private use.

(c) Provide statewide planning for hazardous waste facility site identification and assessment and render technical assistance to state and local agencies in the planning and operation of hazardous waste programs.

(d) Provide for appropriate surveillance of hazardous waste processing, use, handling, storage, and disposal practices in the state.

(e) Coordinate research and study in the technical and managerial aspects of management and use of hazardous wastes, and recycling and recovery of resources from hazardous wastes.

(f) Determine existing and expected rates of production of hazardous waste.

(g) Investigate market potential and feasibility of use of hazardous wastes and recovery of resources from hazardous wastes.

(h) Promote recycling and recovery of resources from hazardous wastes.

(i) Conduct studies for the purpose of improving departmental operations.

(j) Encourage the reduction or exchange, or both, of hazardous waste.

(k) Establish and maintain an information clearinghouse, which shall consist of a record of wastes which may be recyclable. Every producer of hazardous waste shall supply the department with information for the clearinghouse. Each producer shall not be required to supply any more information than is required by the manifests provided for in Section 25160. The department shall make this information available to persons who desire to recycle the wastes. The information shall be made available in such a way that the trade secrets of the producer are protected.

(*l*) Conduct pilot projects, as appropriate, to document the technical performance of emerging technologies which offer potential for ameliorating California's hazardous waste disposal problems.

SEC. 14. Section 25171 of the Health and Safety Code is repealed.

SEC. 15. Section 25171 is added to the Health and Safety Code, to read:

25171. Commencing July 1, 1982, and every other year thereafter, the department shall prepare and issue to the public a report that contains an assessment of the best available technologies for the treatment, storage, recycling, source reduction, and disposal of hazardous waste in preparation for revisions to regulations adopted pursuant to Section 25150. The assessment shall include, but not be limited to, those technologies considered by the department to be the best currently available and an estimate of the unit costs associated with each technology.

SEC. 16. Section 25172 of the Health and Safety Code is amended and renumbered to read:

25105. No provision of this chapter shall limit the authority of any state or local agency in the enforcement or administration of any provision of law which it is specifically permitted or required to enforce and administer.

SEC. 18. Section 25174.5 is added to the Health and Safety Code, to read:

25174.5. The schedule of fees established pursuant to Section 25174 shall provide that the fee paid for the disposal of a class of hazardous waste, as determined by the department, be increased or decreased relative to the fee applied to the disposal of other classes of hazardous wastes according to the relative short-term and long-term hazards posed by the hazardous waste at the point of disposal, as determined by the department, when compared to the other classes of hazardous wastes disposed of in California.

SEC. 21. Section 25175 of the Health and Safety Code is amended to read:

25175. (a) The department shall prepare and adopt and may revise when appropriate, a list of hazardous wastes which the department finds are economically and technologically feasible to recycle. Each substance shall be categorized according to the degree of difficulty and the kind of difficulty encountered in recycling that substance. Whenever any waste on the list is disposed of by a person, the department may request, and the producer or disposer of that waste shall supply the department with, a formal, complete, and detailed statement justifying why the waste was not recycled. If the request is made of any entity listed in Section 25118 other than an individual, the statement shall be issued by the responsible management of that entity. The department shall keep confidential any trade secrets contained in any such statement.

(b) If, after receipt of the statement described in subdivision (a), the department finds the recycling of a hazardous waste to be economically and technologically feasible at the site of production, as determined by the site operator, or, if the department provides the name of a ready, willing, and able purchaser of the recyclable waste, the disposer of the hazardous waste shall recycle the hazardous waste by either of the above described methods. Failure to comply with an order to recycle by either of these methods shall result in the assessment of fees for disposal pursuant to Section 25174. The director may establish fees for the disposal of hazardous wastes determined to be recyclable in amounts which may be up to two times the base fee paid under the annual fee schedule established by the director.

SEC. 22. Section 25177 of the Health and Safety Code is amended to read:

25177. The department may report findings and results of an investigation which the department undertakes pertaining to subject matter governed by this chapter, except for trade secrets as provided

in Section 25173. The department may distribute such information as it considers necessary for the protection of the public or for the protection of human health, domestic livestock, wildlife, and the environment and to ensure the best use of natural resources. The department may publish reports summarizing or containing any order of the director or any judgment or court order which has been rendered pursuant to this chapter, including the nature of the charge and its disposition.

SEC. 22.5. Section 25178 is added to the Health and Safety Code, to read:

25178. On or before January 1, 1983, and on or before January 1st of each odd-numbered year thereafter, the department shall prepare and submit to the Legislature a report containing, but not limited to, the following:

(a) The status of the regulatory and program developments required pursuant to legislative mandates.

(b) The status of the hazardous waste facilities permit program.

(c) The status of the hazardous waste facilities siting program

(d) The status of the hazardous waste abandoned sites program.

(e) A summary of enforcement actions taken pursuant to this chapter and any other actions relating to hazardous waste management.

(f) Summary data on annual quantities and types of hazardous waste generated, transported, treated, stored, and disposed

(g) Summary data regarding onsite and offsite disposition of hazardous waste.

(h) Research activity initiated by the department.

(i) Regulatory action by other agencies relating to hazardous waste management.

(j) Any other data considered pertinent by the department to hazardous waste management.

SEC. 23. Section 25180 of the Health and Safety Code is amended to read:

25180. The standards and regulations adopted by the department pursuant to Section 25150 shall be enforced by the department or any local health officer or any local public officer as designated by the director.

SEC. 24. Section 25189 of the Health and Safety Code is amended to read:

25189. (a) Any person who intentionally or negligently makes any false statement or representation in any application, label, manifest, record, report, permit, or other document, filed, maintained, or used for purposes of compliance with this chapter, shall be liable for a civil penalty not to exceed twenty-five thousand dollars ($25,000) for each separate violation or, for continuing intentional violations, for each day that violation continues.

(b) Except as provided in subdivision (c), any person who intentionally or negligently violates any provision of this chapter or any permit, rule, regulation, standard, or requirement issued or

promulgated pursuant to this chapter, shall be liable for a civil penalty not to exceed twenty-five thousand dollars ($25,000) for each violation of a separate provision or, for continuing intentional violations, for each day that violation continues.

(c) Any person who intentionally or negligently disposes of any hazardous waste at a point which is not authorized according to the provisions of this chapter shall be subject to a civil penalty of not more than twenty-five thousand dollars ($25,000) for each violation and may be ordered to disclose the fact of this violation or these violations to such persons as the court may direct. Each day on which such deposit remains and that person has knowledge thereof is a separate additional violation, unless the person immediately files a report of the deposit with the department and is complying with any order concerning the deposit issued by the director or a court of competent jurisdiction for such cleanup.

(d) Each civil penalty imposed for any separate violation pursuant to this section shall be separate and in addition to any other civil penalty imposed pursuant to this section or any other provision of law.

SEC. 25. Section 25191 of the Health and Safety Code is amended to read:

25191. (a) Any person who knowingly does any of the following acts shall, upon conviction, be punished by a fine of not more than twenty-five thousand dollars ($25,000) for each day of violation, or by imprisonment in the county jail not to exceed one year, or both such fine and imprisonment. If the conviction is for a violation committed after a first conviction of such person under this section, such person shall be punished by imprisonment in the state prison for 16, 20, or 24 months, or in the county jail for not to exceed one year, or by a fine of not more than fifty thousand dollars ($50,000) per day of violation, or by both such fine and imprisonment:

(1) Makes any false statement or representation in any application, label, manifest, record, report, permit, or other document filed, maintained, or used for the purposes of compliance with this chapter.

(2) Has in his or her possession any record relating to the generation, storage, treatment, transportation, disposal, or handling of hazardous waste required to be maintained pursuant to this chapter, that has been altered or concealed, whether altered or concealed prior to January 1, 1982.

(3) Destroys, alters, or conceals any record relating to the generation, storage, treatment, transportation, disposal, or handling of hazardous waste required to be maintained pursuant to this chapter.

(4) Withholds information regarding a real and substantial danger to the public health or safety when such information has been requested by the department in writing and is required to carry out the department's responsibilities pursuant to the provisions of this chapter in response to a real and substantial danger.

(b) Any person who knowingly does any of the following acts shall, upon conviction, be punished by a fine of not more than fifty thousand dollars ($50,000) for each day of violation, or by imprisonment in the county jail not to exceed one year or both such fine and imprisonment. If the conviction is for a violation committed after a first conviction of such person under this section, such person shall be punished by imprisonment in the state prison for 16, 20, or 24 months, or in the county jail for not to exceed one year, or by a fine of not more than fifty thousand dollars ($50,000) per day of violation or by both such fine and imprisonment.

(1) Transports any hazardous waste to a facility which does not have a permit from the department issued pursuant to this chapter, or to any point which is not authorized according to the provisions of this chapter.

(2) Treats, stores, or disposes of any hazardous waste at a facility which does not have a permit from the department issued pursuant to the provisions of this chapter, or at any point which is not authorized according to the provisions of this chapter.

SEC. 26. Section 25202 of the Health and Safety Code is amended to read:

25202. Compliance with conditions on the hazardous waste facilities permit and with regulations adopted by the department pursuant to this chapter shall be required to sustain the validity of such permit. The department shall impose conditions on such permit, specifying the types of hazardous wastes which may be accepted for treatment or disposal, special operating conditions, requirements for evidence of financial responsibility for liabilities which may be incurred in the operation of the facility, provision of bond or other sureties to cover the costs of monitoring, maintaining, and closing the facility, and of postclosure security, and changes in the operation of the permitted facility necessary to comply with the regulations promulgated pursuant to this chapter. The department may impose other conditions on such permit which are consistent with the intent of this chapter.

SEC. 28. Article 9.5 (commencing with Section 25206) is added to Chapter 6.5 of Division 20 of the Health and Safety Code, to read:

Article 9.5. Hazardous Waste Management Council

25206. There is in state government a Hazardous Waste Management Council. The council shall consist of the following 16 members:

(a) The State Director of Health Services or a designated representative.

(b) The chairperson of the State Water Resources Control Board or a designated representative.

(c) The chairperson of the State Air Resources Board or a designated representative.

(d) The chairperson of the State Solid Waste Management Board

or a designated representative.

(e) Three members appointed by the Speaker of the Assembly as follows:

(1) One member of the State Assembly.

(2) One representative who belongs to a California municipal association.

(3) One representative who belongs to a California association connected with the waste management industry.

(f) One member of the State Senate appointed by the Rules Committee of the Senate.

(g) Two members appointed by the President pro Tempore of the Senate as follows:

(1) One representative who belongs to a California association connected with the chemical manufacturing industry.

(2) One representative who belongs to a California environmental association.

(h) Three members appointed by the Governor as follows:

(1) One representative who belongs to a public interest group.

(2) One representative who shall be a registered geologist experienced in toxic and solid waste disposal and groundwater protection.

(3) One representative who shall be a chemical engineer experienced in the waste management field.

(i) One representative selected by the County Supervisors Association of California, who shall be a member of the board of supervisors from a county which is not represented through the association pursuant to subdivisions (j) and (k) and that county is not within a metropolitan statistical area as defined in the federal census.

(j) One representative appointed by the Association of Bay Area Governments.

(k) One representative appointed by the Southern California Association of Governments.

The appointments required to be made pursuant to subdivisions (e), (f), (g), and (h) shall be made on or before March 1, 1982.

25207. (a) The chairperson of the council shall be elected by the council.

(b) A vacancy occurring on the council shall be filled in the same manner as the original appointments.

(c) All meetings of the council shall be subject to the state open meeting law contained in Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of the Government Code. A majority of the total membership of the council shall constitute a quorum for the transaction of official business.

(d) Members of the council shall serve without compensation, but shall be entitled to reimbursement for actual and necessary expenses.

(e) The members appointed who are members of the Senate and the Assembly shall meet with, and participate in, the work of the council to the extent that their participation is not incompatible with their position as Members of the Legislature. For the purposes of this

article, the council members who are Members of the Legislature shall constitute a joint interim legislative committee on the subject of this article.

(f) The council shall cease to exist on January 1, 1984.

25208. Prior to January 1, 1983, the Hazardous Waste Management Council shall prepare a Hazardous Waste Management Plan which shall include all of the following elements:

(a) The development of a statewide hazardous waste facilities siting and permit process which will provide for, but not be limited to, the following:

(1) Public participation in the site selection and permit process.

(2) Local government and regional council government and regional government participation in the site selection and permit process.

(3) Maximum facility applicant and local community discussion to determine local permit conditions and applicant actions to offset risks imposed by the facility.

(4) Opportunity for negotiation and arbitration over siting and facility disputes.

(5) Incorporation of statewide and regional hazardous waste facility needs in the siting and local permit process and alternatives to meet those needs.

(b) Recommendations regarding legislative, administrative, and economic mechanisms necessary to assist in the siting of new hazardous waste facilities including those actions necessary to implement the process developed pursuant to subdivision (b), including consideration of the need for the council to be reestablished with additional powers.

(c) Recommendations to the Legislature regarding legislative, administrative, and economic mechanisms necessary to ensure that all persons, particularly those in communities where hazardous wastes are treated and disposed of, shall be fully compensated for injury or damage caused by hazardous materials.

25208.3. The department shall present, at the first meeting of the council, all available reports and information in its possession on all of the following subjects, or, if any type of such information on such subjects is not available, the department shall explain why it is not available:

(a) A compilation and review of all current and projected production of hazardous waste. This compilation shall incorporate present and projected data on:

(1) The types of hazardous wastes being generated in each county.

(2) The amount and type of waste being imported and exported.

(3) The sites currently being used for the disposition of these wastes within the state as well as the existing capacities and lifespans of such sites.

(b) A proposal for a reasonable geographic distribution of hazardous waste disposal facilities to fulfill the state's need for

hazardous waste treatment, storage, or disposal for the next 25 years. This proposal shall be based on, but not limited to, the following:

(1) Location of generators.

(2) The amount and type of waste being generated in the state.

(3) The amount and type of waste being imported and exported.

(4) Health and environmental safety.

(5) Economics of transportation and the risk associated with such transportation.

(6) Capacity and lifespan of existing hazardous waste sites.

(c) A determination of those site selection criteria which will ensure that hazardous waste facilities may be established without causing unacceptable environmental or public health effects. These criteria shall include, but not be limited to, the following:

(1) Health and environmental impact factors.

(2) Hydrological, geological, and climatic factors.

(3) The adequacy of access to the site.

(4) The risk and impact of accidents during the transportation of hazardous waste.

(5) Local zoning and other land use regulations.

(6) Population density considerations.

(7) Closure and postclosure monitoring and maintenance requirements.

(8) The risk of fires and explosions.

(9) Other criteria that the council deems appropriate and necessary.

(d) An investigation and analysis of methods or technologies and incentives for source reduction, reuse, recycling or recovery of potentially hazardous waste and a strategy for encouraging and promoting those methods.

(e) An investigation and analysis of alternative methods for treatment and disposal of hazardous waste.

The unavailability of information on any of the subjects identified in subdivisions (a) to (e), inclusive, shall not be construed as restricting or limiting the authority of the council to discharge its responsibilities.

25208.5. (a) Prior to the completion of a final plan, the council shall prepare a preliminary draft plan. The preliminary draft plan shall be distributed to local units of government and regional councils of government throughout the state. The council shall establish a system whereby notice of the availability of the plan is disseminated throughout the state and shall also issue a statewide news release announcing the availability of the draft and how it may be reviewed or obtained.

(b) The council shall conduct not less than three public hearings throughout the state at diverse geographical locations. The first public hearing shall not be held until 60 days have elapsed from the date of the notice announcing the availability of the draft. The notice of the hearing shall be widely publicized within the area. Within 30 days after the hearings are completed, the council shall prepare a

written summary of the comments received, provide comments on the major concerns raised at the hearings, and make appropriate amendments to the preliminary draft. The council shall submit a completed final plan upon completion of this review process, but prior to July 1, 1983, with the comments and amendments, to the Governor and the Legislature.

25209. (a) All state agencies shall provide assistance to the council in carrying out the council's responsibilities.

(b) The council may contract for consulting studies it deems necessary to enable it to carry out its assigned duties.

25209.5. This article 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 January 1, 1984, deletes or extends such date.

SEC. 29. If Assembly Bill 70 is chaptered, whether before or after this bill, and amends Section 25189 of the Health and Safety Code, the amendments made to that section by AB 70 shall prevail over the amendments made to that section by this bill, and therefore, in that event, Section 24 of this bill shall not become operative.

SEC. 30. If Assembly Bill 70 is chaptered, whether before or after this bill, and amends Section 25191 of the Health and Safety Code, the amendments made to that section by Assembly Bill 70 shall prevail over the amendments made to that section by this bill, and therefore, in that event, Section 25 of this bill shall not become operative.

SEC. 31. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 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 shall go into immediate effect. The facts constituting the necessity are:

In order that urgently needed programs for the proper management of hazardous waste to protect the public health and safety and the environment may be commenced during the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 90

An act to add Sections 25174.3 and 25205 to, and to add Article 12 (commencing with Section 25245) to Chapter 6.5 of Division 20 of, the Health and Safety Code, and to amend Section 13320 of, to add Sections 13172, 13226, and 13227 to, and to repeal Division 7.5 (commencing with Section 14000) of, the Water Code, relating to water quality, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 2, 1982. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. Section 25174.3 is added to the Health and Safety Code, to read:

25174.3. The fee authorized by Section 25174 shall be calculated to produce revenues in an amount necessary also to cover all costs incurred in the administration of Section 13227 of the Water Code. The department shall reimburse the State Water Resources Control Board for all expenses incurred by the board in administering Section 13227 of the Water Code.

SEC. 2. Section 25205 is added to the Health and Safety Code, to read:

25205. (a) The department shall not issue, renew, or continue a permit to operate a hazardous waste facility unless the operator of the facility establishes and maintains the financial assurance prescribed pursuant to Section 25245. With respect to the continuation of an existing permit, the department shall allow a period of at least six months from the effective date of regulations relating to financial assurances adopted pursuant to Section 25245 for the operator to obtain the prescribed financial assurances.

(b) The department shall not issue a permit for, or take any other approval action regarding, a hazardous waste facility in conflict with any determination relating to water quality made by the State Water Resources Control Board or any regional water quality control board. Any limitations and requirements imposed upon a facility by a regional water quality control board pursuant to Section 13227 of the Water Code shall also be a condition of any permit issued for the facility by the department.

SEC. 3. Article 12 (commencing with Section 25245) is added to Chapter 6.5 of Division 20 of the Health and Safety Code, to read:

Article 12. Financial Responsibility and Closure and Maintenance of Facilities

25245. The department shall adopt, within 90 days of the effective date of this article, and revise when appropriate, standards and

regulations which shall do both of the following:

(a) Specify the financial assurances to be provided by the operator of a hazardous waste facility that are necessary to respond adequately to damage claims arising out of the operation of that type of facility and to provide for the cost of closure and subsequent maintenance of the facility, including, but not limited to, the monitoring of ground water and other aspects of the environment after closure. The financial assurance shall be a trust fund, surety bond, letter of credit, insurance, or other equivalent financial arrangement acceptable to the department.

(b) Provide that every hazardous waste facility can be closed and maintained for 30 years subsequent to its closure in a manner that protects human health and the environment and minimizes or eliminates the escape of hazardous waste constituents, leachate, contaminated rainfall, and waste decomposition products to ground and surface waters and to the atmosphere.

25246. (a) Each operator of a hazardous waste facility shall submit a hazardous waste facility closure and maintenance report to the department. The report shall contain the operator's estimate of the cost of closure and subsequent maintenance and shall conform to the requirements prescribed pursuant to Section 25245 of this code and Section 13227 of the Water Code.

(b) The report shall be submitted to the department with the application for a hazardous waste facility permit. An operator who has submitted a request for or received a hazardous waste facility permit prior to the adoption of the standards and regulations pursuant to Section 25245 shall submit the report within 180 days after the department issues a written request for the report. Prior to actual closure of the facility, the report shall be updated if requested by the department. However, no operator shall be required to revise or amend a report after actual closure of the facility in order to reflect subsequent changes in the standards and regulations adopted pursuant to Section 25245.

(c) An operator who has not submitted a facility closure and maintenance report shall submit that report 180 days prior to closure of the hazardous waste facility.

25247. The department shall review each report submitted pursuant to Section 25246 and shall approve the report if it finds that the report complies with the standards and regulations adopted pursuant to Section 25245, complies with other applicable state and federal regulations, and has been approved pursuant to Section 13227 of the Water Code.

25248. The operator of a facility for which a closure and maintenance report has been approved shall carry out the report during the closure and maintenance period required by law.

25249. On the effective date of this article, any operator subject to former Division 7.5 (commencing with Section 14000) of the Water Code shall be subject to this article.

SEC. 4. Section 13172 is added to the Water Code, to read:

13172. To ensure adequate protection of water quality and statewide uniformity in the siting, operation, and closure of waste disposal sites, except for sewage treatment plants or those sites which primarily contain fertilizer or radioactive material, the state board shall do all of the following:

(a) Classify wastes according to the risk of impairment to water quality, taking into account toxicity, persistence, degradability, solubility, and other biological, chemical, and physical properties of the wastes.

(b) Classify the types of disposal sites according to the level of protection provided for water quality, taking into account the geology, hydrology, topography, climatology, and other factors relating to ability of the site to protect water quality.

(c) Adopt standards and regulations to implement Sections 13226 and 13227.

SEC. 5. Section 13226 is added to the Water Code, to read:

13226. Consistent with classifications adopted by the state board pursuant to Section 13172, each regional board shall review and classify any proposed or currently operating waste disposal site, except any sewage treatment plant or any site which primarily contains fertilizer or radioactive material, within its region.

SEC. 6. Section 13227 is added to the Water Code, to read:

13227. (a) Each regional board, with respect to its region, shall review the facility closure and maintenance report submitted to the State Department of Health Services pursuant to Section 25246 of the Health and Safety Code, to ensure that water quality is adequately protected during closure and the post-closure maintenance period.

(b) The regional board shall approve the facility closure and maintenance report if it finds that the report complies with applicable state and federal laws and regulations relating to water quality protection and monitoring.

(c) The regional board may condition its approval of the report in accordance with the requirements of this section.

SEC. 7. Section 13320 of the Water Code is amended to read:

13320. (a) Within 30 days of any action or failure to act by a regional board under subdivision (c) of Section 13225, Article 4 (commencing with Section 13260) of Chapter 4, Chapter 5 (commencing with Section 13300), Chapter 5.5 (commencing with Section 13370), or Chapter 7 (commencing with Section 13500), any aggrieved person may petition the state board to review such action or failure to act. In case of failure to act, the 30-day period shall commence upon refusal of the board to act, or 60 days after request has been made to the board to act. The state board may, on its own motion, at any time review such action or failure to act and also any failure to act under Article 3 (commencing with Section 13240) of Chapter 4.

(b) The evidence before the state board shall consist of the record before the regional board, and any other relevant evidence which, in the judgment of the state board, should be considered to

effectuate and implement the policies of this division.

(c) The state board may find the regional board action or inaction to be appropriate and proper. Upon finding that the action of the regional board, or the failure of the regional board to act, was inappropriate or improper, the state board may direct that the appropriate action be taken by the regional board, refer the matter to any other state agency having jurisdiction, take the appropriate action itself, or do any combination of the foregoing. In taking any such action, the state board is vested with all the powers of the regional boards under this division.

(d) In the event a waste discharge in one region affects the waters in another region and there is any disagreement between the regional boards involved as to the requirements which should be established, either regional board may submit the disagreement to the state board which shall determine the applicable requirements.

SEC. 8. Division 7.5 (commencing with Section 14000) of the Water Code is repealed.

SEC. 9. Notwithstanding Section 25356 of the Health and Safety Code, an amount, not to exceed two hundred thousand dollars ($200,000), of the amount appropriated to the Hazardous Substance Account by Section 25332 of the Health and Safety Code may be expended by the State Director of Health Services without regard to fiscal years for the state's share of the cost to characterize the wastes present at the McColl hazardous waste disposal sites and to evaluate appropriate remedial action.

SEC. 10. The unencumbered balance of the Site Closure and Maintenance Revolving Account, administered pursuant to former Article 3.6 (commencing with Section 14055) of Chapter 1 of Division 7.5 of the Water Code, is hereby transferred to the State Water Pollution Cleanup and Abatement Account administered pursuant to Article 3 (commencing with Section 13440) of Chapter 6 of Division 7 of the Water Code.

SEC. 11. Three hundred thousand dollars ($300,000) of the amount appropriated for Program 10 by Item 394-001-001 of the Budget Act of 1981 (Chapter 99, Statutes of 1981) is hereby reverted to the General Fund.

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to complete the expeditious review of closure and maintenance reports for existing hazardous waste facilities so that the public health and safety will not be threatened by toxic releases from the improper closure of these facilities, it is necessary that this act take effect immediately.

CHAPTER 91

An act to add Section 926.15 to the Government Code, and to add Section 14104.7 to the Welfare and Institutions Code, relating to fiscal affairs.

[Approved by Governor March 2, 1982. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. Section 926.15 is added to the Government Code, to read:

926.15. (a) Any state agency which, without reasonable cause, fails to make any payment within 30 days of the required payment date to a small business awarded a contract with the agency to supply property or services, for an undisputed claim which was properly executed by the claimant and submitted to the agency, shall pay a penalty of .25 percent of the amount due, per day, from the 31st day after the required payment date.

(b) In applying this section to claims submitted to the state, or to its fiscal intermediary, by providers of services or equipment under the Medi-Cal program, pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, payment for claims shall be due 30 days after a claim is received by the state or its fiscal intermediary, unless reasonable cause for nonpayment exists. With regard to Medi-Cal claims "reasonable cause" shall include review of claims to determine medical necessity, review of claims for providers subject to special prepayment fraud and abuse controls, and claims which require review by the fiscal intermediary or department due to special circumstances. Claims requiring special review as specified above shall not be eligible for a late payment penalty.

(c) Unless otherwise specified, for the purposes of this section, "reasonable cause" shall include review of a claim which is improperly executed by the claimant or for which additional evidence of the validity of the claim is required. If it is determined by the state agency that a claim was improperly executed or that additional evidence of the validity of the claim is required, the small business shall be notified within 15 working days of receipt by the state agency that the claim needs correction or that additional evidence of validity is required. The required payment date for claims requiring correction or additional information establishing validity shall be 30 days from the date the corrected claim is received by the state agency.

(d) For the purposes of this section, "required payment date" means: (1) the date on which payment is due under the terms of the contract; or (2) if a specific date is not established by contract, the date upon which an invoice is received, if the invoice specifies

payment is due upon receipt; or (3) if a specific date is not established by contract or invoice, 30 days after receipt of a proper invoice for the amount of the payment due.

(e) For the purposes of this section, "small business" means any business so defined by regulations of the Department of General Services which implements this section.

(f) Any penalty required to be paid by a state agency pursuant to this section shall be paid by the Controller out of the state agency's budget.

(g) When a state agency is required by this section to pay a penalty, it shall be presumed that the fault is that of the head of the state agency and, in such cases, the head of the state agency shall submit to the Legislature a report on the actions taken to correct the problem.

(h) Any state agency which requests that the Legislature make a deficiency appropriation for the agency shall identify what part of the requested amount is necessitated because of any penalties imposed by this section.

(i) Accrual of the penalty provided by subdivision (a) shall cease on the date a claims schedule for the claim is submitted to the Controller. For purposes of this section, the term "small business" shall, in referring to providers under the Medi-Cal program, mean a business:

(1) Where the principal office is located in California.

(2) Where the officers, if any, are domiciled in California.

(3) Which is independently owned and operated.

(4) Which is not dominant in its field of operation.

(5) Which, together with any affiliates, has gross receipts from business operations which do not exceed three million dollars ($3,000,000) per year, except that the State Director of Health Services may increase this amount if the director deems that this action would be in futherance of the intent of this section.

SEC. 2. Section 14104.7 is added to the Welfare and Institutions Code, to read:

14104.7. The Director of the Department of Health Services shall negotiate a modification of the contract with Computer Sciences Corporation for the provision of fiscal intermediary services for the Medi-Cal program in effect on the effective date of this section to establish providers of durable medical equipment, prosthetic and orthotic devices, and emergency and nonemergency medical transportation as a distinct and separate provider classification for claim processing purposes. The director shall determine which providers qualify as providers for the purposes of this section. The contract shall be further amended to provide that claims of this type shall be processed for payment within an average of 25 days from the date of receipt. If the contractor fails to process such claims within the 25-day standard, the department shall assess maximum liquidated damages against the contractor, per day, until the performance standard is met.

CHAPTER 92

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 March 2, 1982. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. The sum of nine hundred forty-nine thousand eighty-six dollars and forty-four cents ($949,086.44) is hereby appropriated from the funds indicated to the State Board of Control to pay the claims of the Secretary of the State Board of Control:

General Fund	$585,375.47
Transportation Fund	
Motor Vehicle Account	1,479.70
State Highway Account	8,699.39
Motor Vehicle Account (CHP)	22,893.68
Motor Vehicle Account (DMV)	13.00
Motor Vehicle License Fee Account	1,474.00
Transportation Tax Fund	
Motor Vehicle Fuel Account	33,361.29
Unemployment Administration Fund	1,975.19
Unemployment Compensation Disability Insurance Fund	1,763.58
State University & College Continuing Education Revenue Fund	1,243.49
Fish and Game Preservation Fund	174.90
Item 31, Budget Act of 1980	2,869.38
Item 33(A), Budget Act of 1980	1,764.00
Item 40, Budget Act of 1980	111.85
Item 42(B), Budget Act of 1980	121.95
Item 47(B), Budget Act of 1980	980.64
Item 48(A), Budget Act of 1980	6,042.00
Item 48(B), Budget Act of 1980	14,992.40
Item 53(A), Budget Act of 1980	75.40
Item 59(B), Budget Act of 1980	3,012.30
Item 64(B), Budget Act of 1980	91.40
Item 99, Budget Act of 1980	13,684.00
Item 122(A), Budget Act of 1980	375.86
Item 131(A), Budget Act of 1980	452.00
Item 132(A), Budget Act of 1980	771.44
Item 132(B), Budget Act of 1980	229.73
Item 150(A), Budget Act of 1980	1,875.00
Item 163(B), Budget Act of 1980	2,000.00
Item 172(H), Budget Act of 1980	7,586.92
Item 186(A), Budget Act of 1980	782.27

Item 186(B), Budget Act of 1980	394.18
Item 190(A), Budget Act of 1980	10,550.34
Item 201(A), Budget Act of 1980	3,391.29
Item 218(A), Budget Act of 1980	1,135.00
Item 224(A), Budget Act of 1980	3,058.28
Item 239(B), Budget Act of 1980	188.57
Item 256(A), Budget Act of 1980	1,837.28
Item 256(B), Budget Act of 1980	5,405.50
Item 268(A), Budget Act of 1980	10,619.11
Item 268(C), Budget Act of 1980	5,963.17
Item 268(D), Budget Act of 1980	4,163.09
Item 272(A), Budget Act of 1980	1,030.00
Item 284(A), Budget Act of 1980	5,753.54
Item 295(A), Budget Act of 1980	22,952.39
Item 296(A), Budget Act of 1980	31,504.26
Item 300(A), Budget Act of 1980	12,482.87
Item 300(B), Budget Act of 1980	471.84
Item 308(A), Budget Act of 1980	748.73
Item 308(E), Budget Act of 1980	252.60
Item 309(A), Budget Act of 1980	14,847.32
Item 309(B), Budget Act of 1980	504.00
Item 316(A), Budget Act of 1980	2,850.69
Item 379(A), Budget Act of 1980	6,744.98
Item 379(D), Budget Act of 1980	804.00
Item 379(F), Budget Act of 1980	2,197.00
Item 393(B), Budget Act of 1980	24,342.70
Item 393(D), Budget Act of 1980	1,905.37
Item 404(B), Budget Act of 1980	12,146.73
Item 404(C), Budget Act of 1980	7,980.00
Item 404(D), Budget Act of 1980	9,465.86
Item 411(D), Budget Act of 1980	5,608.94
Item 412(A), Budget Act of 1980	4,050.00
Item 416(A), Budget Act of 1980	3,245.00
Item 416(B), Budget Act of 1980	173.40
Item 424(A), Budget Act of 1980	9,554.93
Item 424(B), Budget Act of 1980	2,602.25
Item 435(B), Budget Act of 1980	150.00
Item 443(A), Budget Act of 1980	1,739.00
Total	$949,086.44

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

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

CHAPTER 93

An act to amend Section 25192 of, and to add Section 25191.7 to, the Health and Safety Code, relating to hazardous waste, and making an appropriation therefor.

[Approved by Governor March 2, 1982. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. Section 25191.7 is added to the Health and Safety Code, to read:

25191.7. (a) Any person who provides information which materially contributes to the imposition of a civil penalty against any person for violating the provisions of subdivision (a), (b), or (c) of Section 25189, shall be paid a reward by the department pursuant to regulations adopted by the department under subdivision (f), equal to 10 percent of the amount of the civil penalty collected by the department pursuant to subdivision (a), (b), or (c) of Section 25189 and deposited in the Hazardous Waste Control Account pursuant to Section 25192. No reward paid pursuant to this subdivision shall exceed five thousand dollars ($5,000).

(b) Any person who provides information which materially contributes to the conviction of a person for violating the provisions of subdivision (a), (b), or (c) of Section 25191 shall be paid a reward by the county pursuant to regulations adopted by the department under subdivision (f), equal to 10 percent of the amount of the fine collected pursuant to subdivision (a), (b), or (c) of Section 25191 and deposited in the county treasury pursuant to Section 1463 of the Penal Code. No reward paid pursuant to this subdivision shall exceed five thousand dollars ($5,000).

(c) No informant shall be eligible for a reward for a violation known to the department, unless the information materially contributes to the imposition of criminal or civil penalties for a violation specified in this section.

(d) If there is more than one informant for a single violation, the first notification received by the department shall be eligible for the reward. If the notifications are postmarked on the same day or telephoned notifications are received on the same day, the reward shall be divided equally among those informants.

(e) Public officers and employees of the United States, the State of California, or counties and cities in California, shall not be eligible for the reward pursuant to subdivision (a) or (b), unless reporting those violations does not relate in any manner to their responsibilities as public officers or employees.

(f) On or before July 1, 1982, the department shall adopt regulations which establish procedures for the receipt and review of claims for payment of rewards and for the determination of the

material contribution by the information furnished to the imposition of civil or criminal penalties for a violation specified in this section. In each case brought under subdivision (a) the department shall determine whether the information materially contributes to the imposition of civil or criminal penalties for violations specified in this section. In each case brought under subdivision (b) the county shall determine whether the information materially contributes to the imposition of civil or criminal penalties for violations specified in this section.

(g) On or before April 1, 1982, and continuing thereafter, the department shall publicize the availability of the rewards pursuant to this section for persons who provide information pursuant to subdivision (a) or (b).

(h) Claims may be submitted only for those referrals made on or after January 1, 1982.

SEC. 2. Section 25192 of the Health and Safety Code is amended to read:

25192. Penalties collected pursuant to this chapter shall be paid to the Hazardous Waste Control Account in the General Fund. Funds deposited in such account are continuously appropriated for expenditure without regard to fiscal years to the State Department of Health Services to carry out the provisions of this chapter. If civil penalties are awarded and the action is brought by a city attorney or district attorney, the department, upon payment of the penalty, shall pay the city or county an amount which shall be equal to the actual cost incurred by the office of the city attorney or district attorney for prosecuting the case for which the penalty was awarded, one-half of the penalty awarded, or one-half the amount of any civil penalty awarded and remaining after deducting the amount paid pursuant to subdivision (a) of Section 25191.7, whichever is less. If no penalty is awarded or paid, or both, the state shall have no obligation to make any payment to the city or county. If the actual cost incurred by the office of the city attorney or district attorney for prosecuting the case was less than one-half the penalty awarded or less than one-half of any civil penalty awarded and remaining after deducting the amount paid pursuant to subdivision (a) of Section 25191.7, whichever is greater, the department shall use funds in an amount equal to the monetary difference between such actual cost and one-half such penalty to partially fund activity of local health officers to enforce the provisions of this chapter pursuant to Section 25180.

CHAPTER 94

An act to amend Sections 51874 and 62000 of, and to amend the heading of Article 15 (commencing with Section 51870) of Chapter 5 of Part 28 of, to add Sections 51873.3, 51873.6, 51877, 51878, and 51879 to, to repeal and add Sections 41920, 51872, 51873, and 51876 of, and

to repeal Article 15 (commencing with Section 51870) of Chapter 5 of Part 28 of, the Education Code, relating to schools.

[Approved by Governor March 2, 1982. Filed with Secretary of State March 2, 1982.]

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

SECTION 1. It is the intent of the Legislature to provide for statewide coordination among school districts, county offices of education, regional organizations and other agencies concerned with educational technology services, including improved planning and coordination of state, regional, and local agencies in the development and delivery of instructional programming and the use of funds.

It is the intent of the Legislature that high-quality instructional programming be provided on a voluntary and equitable basis to California school pupils.

It is further the intent of the Legislature that the apportionment formula for funding instructional television be modified to assure that educational technology in California schools remains responsive to changing technology, changing socioeconomic conditions, changing knowledge about how children learn, and emerging pupil needs within school districts.

SEC. 1.5. Section 41920 of the Education Code is repealed.

SEC. 2. Section 41920 is added to the Education Code, to read:

41920. Allowances to school districts for the educational technology local assistance program established pursuant to Section 51872 shall be determined using as a guide twenty-five cents ($0.25) multiplied by the number of pupils enrolled in the California public school system during the preceding fiscal year.

It is the intention of the Legislature that the system of allowances prescribed by this section be used only as means to establish a proposed level of funding for the educational technology local assistance program. It is further the intention of the Legislature that the actual funding level for the educational technology local assistance program be provided each year through the annual Budget Act, commencing with the 1982–83 fiscal year.

SEC. 2.5. The heading of Article 15 (commencing with Section 51870) of Chapter 5 of Part 28 of the Education Code is amended to read:

Article 15. Educational Technology Local Assistance Program

SEC. 3. Section 51872 of the Education Code is repealed.

SEC. 4. Section 51872 is added to the Education Code, to read:

51872. (a) Under the rules and regulations adopted by the State Board of Education pursuant to Section 51874, the Superintendent of Public Instruction shall administer an educational technology local assistance program for the school pupils of California.

(b) The duties of the superintendent shall include, but not be limited to, the following:

(1) Obtaining instructional programming for statewide use by regional organizations, county superintendents of schools, school districts, and other agencies concerned with educational technology programs through purchase, lease, or other agreement, which instructional programming shall be made available to all pupils in the areas of highest priorities of statewide need as determined by local school districts, regional organizations, and the Educational Technology Committee.

(2) Providing for the production of the highest quality educational technology programs possible within the limits of available resources for distribution on a statewide basis. The superintendent shall ensure that the areas of highest priorities of statewide need as determined by local school districts, regional organizations, and the Educational Technology Committee, be first serviced.

(3) Assisting school districts and assisting regional organizations and county superintendents of schools to work with school districts in developing comprehensive plans for the use of educational technology in their respective school programs. These plans shall demonstrate how technology will be integrated into the regular curriculum. In order to preclude redundant or unnecessary effort, the planning shall, to the maximum extent feasible, be integrated in existing school and district planning efforts. The acceptance of these plans by the State Department of Education shall serve as the prerequisite for the provision of necessary funds to the district for the purchase of equipment, for equipment repair and maintenance costs, and for other technology-related purposes.

(4) To the extent funds are available, providing matching funds to school districts for the purchase of technology-related equipment and for equipment repair and maintenance.

(5) Negotiating group purchases for equipment in the broadcast and recording technologies, computers, and other technologies.

(6) Developing and implementing teacher training and parent involvement programs to maximize the school and home use of technology for instructional purposes.

(7) Developing a system for making grants and providing technical assistance upon request to regional organizations, county superintendents of schools, school districts, and other agencies concerned with educational technology programs for the purpose of developing and operating exemplary programs using technology in instruction, staff development, or administrative communication, or a combination thereof.

(8) Providing for statewide coordination among regional organizations, county superintendents of schools, school districts, and other agencies concerned with educational technology programs for the purpose of facilitating the development and economical provision of high-quality programming.

(9) Development of criteria, in consultation with the Educational Technology Committee, for awarding any grants for educational technology programs. The criteria shall be developed to insure that the following are addressed:

(A) In-service training of teachers in the use of educational technology.

(B) Promotion of television viewing skills in pupils.

(C) Dissemination of those practices and programs which are effective.

(D) Grants shall be awarded to insure a geographic and urban-rural balance.

SEC. 5. Section 51873 of the Education Code is repealed.

SEC. 6. Section 51873 is added to the Education Code, to read:

51873. The following definitions, unless the context otherwise requires, shall govern the construction of this article.

(a) "Educational technology" means those electronic systems, such as television, radio, computers, and other emerging state-of-the-art equipment, used as part of instructional devices available for classroom instruction.

(b) "Instructional programming" means programs whose content is closely related to the adopted formal curriculum of the public schools.

(c) "Group purchase" means acquiring instructional programming in conjunction with other state, regional, or national organizations for use by local school districts which will result in effective use of limited resources.

(d) "Equipment" means any hardware, device, or other telecommunications technology that delivers instructional programming.

(e) "Regional organization" means any agency organized under the auspices of one or more county superintendents of schools, or one or more school districts, or any combination of county superintendents of schools and school districts, pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, or other appropriate authority, with a demonstrated interest in and capacity for providing services related to educational technology, to students, their parents, teachers, and administrators in the area served by the regional organization. A regional organization shall include only county superintendents of schools or school districts of this state, or a combination of both.

SEC. 7. Section 51873.3 is added to the Education Code, to read:

51873.3. (a) The State Board of Education shall establish an Educational Technology Committee, whose members shall be appointed as follows:

(1) One member appointed by the Rules Committee of the Senate.

(2) One member appointed by the Speaker of the Assembly.

(3) One member appointed by the Governor.

(4) Six members appointed by the State Board of Education to be

representative of the following groups:

(A) Educators, administrators, and teachers.

(B) The general public.

(C) Representatives of various technologies.

(D) A representative of postsecondary education.

(E) A representative of the California Public Broadcasting Commission.

(F) Professional organizations.

(G) The vocations.

(H) Business and industry.

(I) Pupils.

(5) Two members appointed by the Superintendent of Public Instruction.

(b) Members of the Educational Technology Committee shall serve without compensation, except that members shall be reimbursed for their actual and necessary travel expenses incurred in the performance of their duties. Terms for members shall be for a period of four years. Terms for pupils shall be one year.

(c) Terms for the first members appointed to the commission shall be determined by lot at the first official meeting as follows:

(1) Terms of members appointed by the Rules Committee of the Senate, the Speaker of the Assembly, and the Governor shall be one for two years, one for three years, and one for four years.

(2) Terms of members appointed by the State Board of Education shall be two for two years, two for three years, and two for four years.

(3) Terms of members appointed by the Superintendent of Public Instruction shall be for four years.

SEC. 8. Section 51873.6 is added to the Education Code, to read:

51873.6. The duties of the Educational Technology Committee shall include, but not be limited to, the following:

(a) Apprising the State Board of Education and the Superintendent of Public Instruction of continuing developments in information technologies and their application to education.

(b) Serving in an advisory capacity to the State Department of Education in the appropriate use of new technologies.

(c) Reviewing and making grants in conjunction with the State Board of Education.

(d) In conjunction with the State Board of Education, allocating annually the available funds between grants for educational technology programs and program acquisition pursuant to Section 51872.

SEC. 9. Section 51874 of the Education Code is amended to read:

51874. The State Board of Education shall establish rules and regulations governing the administration of this article and may request assistance and advice from any interested entities and individuals in the exercise of this responsibility. The Superintendent of Public Instruction shall enforce the board rules and regulations.

SEC. 10. Section 51876 of the Education Code is repealed.

SEC. 11. Section 51876 is added to the Education Code, to read:

51876. (a) The State Department of Education shall prepare a sunset review report of educational technology programs.

(b) The State Department of Education shall submit to the Educational Technology Committee the sunset report prepared pursuant to subdivision (a).

SEC. 12. Section 51877 is added to the Education Code, to read:

51877. The Educational Technology Committee shall review the sunset report prepared pursuant to Section 51876 and transmit the report, along with any further recommendations, to the State Board of Education.

SEC. 13. Section 51878 is added to the Education Code, to read:

51878. The State Board of Education shall transmit the sunset report prepared pursuant to Section 51876, by March 1, 1984, to the legislative fiscal committees, copies of the report and recommendations submitted to the board by the Educational Technology Committee pursuant to Section 51877, along with any further recommendations by the board.

SEC. 14. Section 51879 is added to the Education Code, to read:

51879. This article shall remain in effect only until June 30, 1985, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1985, deletes or extends that date.

SEC. 15. Section 62000 of the Education Code is amended to read:

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, 1983:

(1) Driver training.

(2) Environmental education.

(3) Adult education.

(4) Career guidance centers.

(5) Transportation.

(b) Termination date of June 30, 1984:

(1) Demonstration programs in reading and mathematics.

(2) School improvement program.

(3) Professional development centers and staff development centers.

(4) Economic impact aid.

(c) Termination date of June 30, 1985:

(1) Urban impact aid.

(2) Bilingual education.

(3) Child care and preschool programs.

(4) Instructional materials.

(d) Termination date of June 30, 1986:

(1) Indian education centers.

(2) Indian early childhood education.

(3) Gifted and talented education.

(e) Termination date of June 30, 1987:

(1) Special education for individuals with exceptional needs.

(2) Miller-Unruh Basic Reading Act of 1965.

CHAPTER 95

An act to amend Section 25805 of, to add Sections 25811.5, 25813, and 25814 to, to add and repeal Section 25811.7 of, and to repeal Section 25813 of, the Health and Safety Code, relating to low-level nuclear waste, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 2, 1982 Filed with Secretary of State March 2, 1982]

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

SECTION 1. The Legislature finds and declares that without means for adequate, safe disposal of low-level radioactive waste, medical, industrial, and other operations which contribute to the health and safety of the people of California as well as to the state economy, may be seriously impaired. For this reason the Legislature finds and declares that the State of California must develop plans to address the issues surrounding the long-range management, treatment, and disposal of low-level radioactive waste generated by licensed users of radioactive material within the state.

The Legislature further finds and declares that the impact of the generation and disposal of low-level radioactive waste upon the environment and the public health and safety must be minimized. To this end, the state must consider developing mechanisms to reduce the potential for adverse environmental and health effects related to low-level radioactive waste, including, but not limited to, reduction of volume, reduction of total amount produced, reactivity, and chemical and radionuclide toxicity of low-level radioactive waste.

The Legislature further finds and declares that any long-range program for the management and disposal of low-level radioactive waste must incorporate integrated efforts that collectively:

(a) Assess the potential for, and effects of, and, if feasible, recommend methods of volume and source reduction.

(b) Develop specific plans for an interim low-level radioactive waste storage facility.

(c) Develop procedures for the segregation and classification of low-level radioactive waste according to treatment and disposal options.

(d) Develop criteria for the possible siting of treatment facilities and disposal facilities within the state.

SEC. 2. Section 25805 of the Health and Safety Code is amended to read:

25805. As used in this chapter:

(a) "Secretary" means the Secretary of the Resources Agency.

(b) "Ionizing radiation" means gamma rays and X-rays; alpha and beta particles, high-speed electrons, neutrons, protons, and other nuclear particles; but not sound or radio waves, or visible, infrared, or ultraviolet light.

(c) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, agency, political subdivision of this state, any other state or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of the foregoing, other than the United States Nuclear Regulatory Commission, the United States Department of Energy, or any successor thereto, and other than federal government agencies licensed by the United States Nuclear Regulatory Commission, under prime contract to the United States Department of Energy, or any successor thereto.

(d) "Byproduct material" means any radioactive material, except special nuclear material, yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(e) "Source material" means (1) uranium, thorium, or any other material which the department declares by rule to be source material after the United States Nuclear Regulatory Commission, or any successor thereto, has determined the material to be such; or (2) ores containing one or more of the foregoing materials, in such concentration as the department declares by rule to be source material after the United States Nuclear Regulatory Commission, or any successor thereto, has determined the material in such concentration to be source material.

(f) "Special nuclear material" means (1) plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the department declares by rule to be special nuclear material after the United States Nuclear Regulatory Commission, or any successor thereto, has determined the material to be such, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material.

(g) "General license" means a license, pursuant to regulations promulgated by the department, effective without the filing of an application, to transfer, acquire, own, possess or use quantities of, or devices or equipment utilizing, byproduct, source, or special nuclear materials or other radioactive material occurring naturally or produced artificially.

(h) "Specific license" means a license, issued after application, to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of, or devices or equipment utilizing, byproduct, source, or special nuclear materials or other radioactive material occurring naturally or produced artificially.

(i) "Registration" means the reporting of possession of a source of radiation and the furnishing of information with respect thereto, in

accordance with subdivision (b) of Section 25815.

(j) "Department" means the State Department of Health Services.

(k) "Director" means the State Director of Health Services.

(*l*) "Low-level waste" means any radioactive waste except high-level radioactive waste and transuranic waste. "High-level radioactive wastes" means: (1) irradiated reactor fuel, (2) liquid waste resulting from the operation of the first cycle solvent extraction system, or equivalent, and the concentrated wastes from subsequent extraction cycles, or equivalent, in a facility for reprocessing irradiated reactor fuel, and (3) solids into which such liquid wastes have been converted. "Transuranic waste" includes any waste containing more than 10 nanocuries of transuranic elements per gram of waste material.

SEC. 3. Section 25811.5 is added to the Health and Safety Code, to read:

25811.5. In addition to the requirements imposed by Section 25811, the department shall develop an overall plan, in consultation with other state, regional, and federal agencies, for the management, treatment, and disposal of low-level radioactive waste generated within California. The plan shall contain, at a minimum, all of the following elements:

(a) Specific contingency plans to address the needs of the state for the short-term storage of low-level radioactive waste in the event of a precipitous closure of existing out-of-state commercial waste disposal facilities and to evaluate feasible alternatives for meeting the state's needs. This element of the plan shall include, but is not limited to, all of the following factors:

(1) The amount and kinds of low-level radioactive waste generated by California licensees and current disposal locations.

(2) The size and nature of an interim storage facility required to meet California's interim low-level radioactive waste disposal needs.

(3) The cost of developing and operating an interim storage site by the department or contracting organizations.

(4) Criteria for the siting of an interim storage site, including, but not limited to, all of the following:

(A) Proximity to population.

(B) Geologic stability.

(C) Proximity to ground or surface water.

(D) Availability of transportation.

(E) General public health and economic considerations.

This element of the plan shall be completed and submitted to the appropriate committees of each house of the Legislature on or before December 31, 1982.

(b) A classification scheme for the separation of low-level waste which will facilitate the management, treatment, storage, and ultimate disposal of such waste. This classification scheme shall consider such matters as possible de minimus radiation levels for specific radionuclides, the quantity and specific activity of the

material, its persistence, toxicity, chemical form, reactivity, and the principal radionuclides present. The classification scheme shall also include the specifications necessary to determine which classes of waste may or may not be accepted for storage in an interim storage facility established pursuant to Section 25813, which may or may not be held by the licensee for decay to specified residual radioactivity levels and which require long-term isolation from the environment, as the case may be, for the protection of the public health and safety. The department may require as a condition of licensure the submission of information necessary to determine the total amount of waste produced in each class of the classification scheme. The department may, by regulation, adopt the classification scheme establishing which wastes may or may not be accepted at an interim storage facility or at a treatment or disposal facility.

This element of the plan shall be completed and submitted to the appropriate committees of each house of the Legislature on or before December 31, 1982.

(c) Siting criteria for potential land burial disposal sites and treatment facilities within the state. In establishing these criteria, the department shall consider the following factors, including, but not limited to:

(1) The present and projected future uses of land, water, and natural resources.

(2) The proximity of the site to major population centers.

(3) The presence of active earthquake faults.

(4) Geologic and other natural barriers which protect against surface or groundwater contamination.

(5) The effectiveness of engineered barriers, waste treatment, and waste packaging in ensuring isolation of the waste from the environment.

(6) Transportation of radioactive materials as it relates to public health and safety.

(7) The relative economic impact of location and operation of treatment or disposal facilities.

This element of the plan shall be completed and submitted to the appropriate committees of each house of the Legislature on or before December 31, 1982.

(d) A plan of action to minimize the environmental, occupational, and public health impact of low-level radioactive waste and to protect the public health and safety by encouraging a reduction in the amount and toxicity of waste produced. This activity shall include conducting or having studies conducted which evaluate the technical and economic feasibility of (1) reducing the volume, reactivity, and chemical and radioactive hazard of such waste, and (2) substituting nonradioactive or short-lived radioactive materials for those radionuclides which require long-term isolation from the environment. The results of these studies, along with the departmental recommendations for their implementation, shall be reported by the department to the appropriate committees of the

Legislature on or before December 31, 1983.

(e) Within 18 months after the department has fulfilled the requirements imposed by subdivisions (a) and (b), the department, in consultation with other state agencies, shall conduct and complete a study which identifies those regions of the state within which it is likely the criteria developed pursuant to subdivision (c) could be met.

SEC. 3.5. Section 25811.7 is added to the Health and Safety Code, to read:

25811.7. In addition to the fees authorized to be levied pursuant to Sections 25813 and 25816, the department shall set and collect fees, due and payable on July 1, 1982, and July 1, 1983, to be paid by generators in California of low-level radioactive waste in an amount sufficient to support the development and implementation of the plans required to be prepared by Section 25811.5. The total amount of fees collected pursuant to this section shall not exceed one dollar ($1) for each cubic foot of waste prepared for disposal in a land burial disposal site or put into a retrievable surface storage facility pending ultimate disposal between July 1, 1981, and July 1, 1983, or a total of four hundred thousand dollars ($400,000), whichever is less. The amount of the annual fee shall be based on the amount of low-level radioactive waste prepared for disposal during the preceding fiscal year.

If the department contracts with any public or private entity for preparation of the plan required to be prepared pursuant to Section 25811.5, or any portion thereof, the department shall, to the extent the director determines it to be beneficial, contract with entities which are knowledgeable and experienced in the management and disposal of low-level radioactive waste. The department shall seek all available federal funds for the purposes of implementing this section.

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. 4. Section 25813 is added to the Health and Safety Code, to read:

25813. (a) The department is authorized, pursuant to subdivision (d), to establish and operate, or contract for the establishment and contract for operation, of one or more low-level radioactive waste interim storage facilities for the exclusive use of persons located in California who are licensed by the department or the United States Nuclear Regulatory Commission.

(b) In addition to the fees authorized to be levied pursuant to Sections 25811.7 and 25816, the department is authorized to set and collect fees, by regulation, to be paid by generators in California of low-level radioactive waste in an amount sufficient to support the development and operation of such facilities including the surveillance and repair of damaged packages, maintenance of the facilities, decontamination, decommissioning, and postclosure maintenance of these facilities, recordkeeping systems, and such

other activities as the department finds necessary to ensure the safe operation of such a facility. In no event shall any fee be set in an amount which exceeds the amount reasonably necessary to implement the provisions of this section. The department is also authorized to require the operators or the users of such facilities to post bonds or possess adequate insurance as may be reasonably necessary to protect the state against such liabilities as storage and ultimate disposal costs for abandoned waste and against claims arising out of accidents or failures of the storage facility.

(c) All users of any facility operated pursuant to this section must all meet state and federal orders, requirements, or regulations for handling and management of low-level radioactive waste including those prescribed pursuant to subdivision (b) of Section 25811.5.

(d) No low-level radioactive waste interim storage facility may be established pursuant to subdivision (a) until (1) the department has fulfilled the requirements of subdivisions (a) and (b) of Section 25811.5 and has submitted its findings to the Legislature, and the Legislature has authorized the department, by statute enacted after the effective date of this section, to establish interim storage facilities.

(e) In addition to any other grounds authorizing the department, or any person with whom it contracts, to cease the operation of a low-level radioactive waste interim storage facility, any such facility shall cease accepting low-level radioactive waste for interim storage (1) no later than five years after the date it commences operating or (2) if the director determines that an alternate disposal site is available to California licensees in the western region of the United States, whichever event occurs first.

(f) Within seven years of commencing operation of any interim storage facility all wastes stored at the facility shall be transferred to a permanent land burial disposal site or permanently disposed of by some other treatment or means of disposal and the facility shall be closed and thereafter, to the extent necessary, as determined by the department, decontaminated and decommissioned.

(g) This section shall remain in effect for a period of eight years from the date of the establishment of a low-level radioactive waste interim storage facility pursuant to this section, and as of such date is repealed. The director shall report the date the facility is established to the appropriate committees of each house of the Legislature and the Legislative Counsel Bureau.

SEC. 5. Section 25814 is added to the Health and Safety Code, to read:

25814. The director shall appoint, in consultation with the Chairperson of the Senate Rules Committee and the Speaker of the Assembly, an advisory committee to advise the department regarding methods for minimizing the environmental impact of low-level radioactive wastes, criteria for siting low-level waste treatment and burial facilities, alternatives to land burial of low-level waste, and waste classification schemes

The committee shall include representatives from the field of

medicine, and from research, industrial, environmental, and public health organizations, who have demonstrated expertise and experience with radioactive materials, waste management, the health effects of exposure to low-level radioactive waste, or the environmental impact associated with the storage of low-level radioactive waste.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to assure the continued availability of safe methods for the disposal of low-level radioactive waste generated by California's licensees, it is necessary that this act take effect immediately.

CHAPTER 96

An act to amend Section 25863.1 of, and to add Section 25866 to, the Health and Safety Code, relating to radiation.

[Approved by Governor March 2, 1982 Filed with Secretary of State March 2, 1982]

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

SECTION 1. Section 25863.1 of the Health and Safety Code is amended to read:

25863.1. (a) The city attorney of the city or the district attorney of the county in which any violations of this chapter occur, occurred, or will occur, or the Attorney General, at the request of the department, may institute on behalf of the people of California any civil action necessary to carry out the provisions of this chapter, including, but not restricted to, the enforcement of liens, the obtaining of injunctions, or the imposition of civil penalties.

(b) If the civil penalties are awarded and the action is brought by a city attorney or district attorney, the penalty shall be paid directly to the city or county. If no penalty is awarded or paid, or both, the state shall have no obligation to make any payment to the city or county.

If the civil penalty is awarded and the action is brought by the Attorney General, the penalty shall be deposited in the General Fund.

SEC. 2. Section 25866 is added to the Health and Safety Code, to read:

25866. (a) Any person who intentionally or through gross negligence violates any provision of this chapter, or who fails or refuses to comply with a cease and desist order or other order of the department issued thereunder, which action causes a substantial danger to the health of others, shall be liable for a civil penalty not

to exceed five thousand dollars ($5,000) for each separate violation or, for continuing intentional violations, for each day that violation continues.

(b) The remedies under this section are in addition to, and do not supersede or limit, any and all other remedies, civil or criminal.

CHAPTER 97

An act relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 2, 1982 Filed with Secretary of State March 2, 1982]

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

SECTION 1. From the funds appropriated to Section B of the State School Fund for the 1981–82 fiscal year, a sum not to exceed five hundred thousand dollars ($500,000) is hereby reappropriated to the Chancellor of the California Community Colleges for allocation to the Barstow Community College District for the 1981–82 fiscal year for any purpose for which money in the district general fund may be used.

The effect of any deficit in the state general apportionment to community college districts in the 1981–82 fiscal year created by this reappropriation shall be excluded from the computation of community college district base 1982–83 fiscal year revenues pursuant to Section 84620 of the Education Code.

SEC. 2. For each of the fiscal years 1982–83 to 1984–85, inclusive, the Controller shall, from the apportionments made to the Barstow Community College District pursuant to law, deduct an amount equal to one-third of the amount actually allocated to the district pursuant to Section 1 of this act, together with amounts representing interest at a rate based on the most current investment rate of the Pooled Money Investment Account as of the date of disbursement of funds to the district.

For each of the fiscal years 1982–83 to 1984–85, inclusive, the amounts deducted by the Controller pursuant to this section shall be reappropriated to Section B of the State School Fund for apportionment by the Chancellor of the California Community Colleges to community college districts to alleviate any deficits in fiscal years 1981–82 to 1984–85, inclusive. The chancellor and other public officers may, for such purposes, take all necessary steps to effect the required adjustments, including the authority to adjust allowance computations, apportionments, and disbursements ordered from Section B of the State School Fund.

SEC. 3. Before any apportionment is made pursuant to Section 1 of this act, the requirements of subdivisions (a), (b), (c), and (d) of

Section 84310 of the Education Code, and of Section 84311 of the Education Code, shall be met by the Barstow Community College District.

SEC. 4. Following any apportionment made pursuant to Section 1, the Barstow Community College District shall meet the requirements of Section 84312 of the Education Code.

SEC. 5. Due to the unique circumstances concerning the financial condition of the Barstow Community College 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. 6. Notwithstanding any other provision of law, the sale proceeds from a parcel of land held by the Barstow Community College District shall first be used to repay the reappropriation made pursuant to this act, including all interest charges, to Section B of the State School Fund. Any remaining sale proceeds may be deposited in the general fund of the district and be utilized for expenditures from that fund.

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

In order that the Barstow Community College District may continue to meet its contractual obligations and other required costs in the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 98

An act to add Chapter 4.5 (commencing with Section 1346) to Title 10 of Part 2 of the Penal Code, relating to testimony.

[Approved by Governor March 6, 1982 Filed with Secretary of State March 6, 1982]

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

SECTION 1. Chapter 4.5 (commencing with Section 1346) is added to Title 10 of Part 2 of the Penal Code, to read:

CHAPTER 4.5. EXAMINATION OF VICTIMS OF SEXUAL CRIMES

1346. (a) When a defendant has been charged with a violation of Section 261, 261.5, 264.1, 285, 286, 288, 288a, or 289, where the victim is a person 15 years of age or less, the people may apply for an order that the victim's testimony at the preliminary hearing, in addition to being stenographically recorded, be recorded and preserved on videotape.

(b) The application for the order shall be in writing and made three days prior to the preliminary hearing.

(c) Upon timely receipt of the application, the magistrate shall order that the testimony of the victim given at the preliminary hearing be taken and preserved on videotape. The videotape shall be transmitted to the clerk of the court in which the action is pending.

(d) If at the time of trial the court finds that further testimony would cause the victim emotional trauma so that the victim is medically unavailable or otherwise unavailable within the meaning of Section 240 of the Evidence Code, the court may admit the videotape of the victim's testimony at the preliminary hearing as former testimony under Section 1291 of the Evidence Code.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

CHAPTER 99

An act to amend Section 1399 of, and to add Section 1393.5 to, the Health and Safety Code, relating to health and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 6, 1982. Filed with Secretary of State March 6, 1982.]

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

SECTION 1. Section 1393.5 is added to the Health and Safety Code, to read:

1393.5. (a) A person who violates Section 1349 shall be liable for civil penalties as follows:

(1) A sum not less than five hundred dollars ($500) nor more than two thousand five hundred dollars ($2,500), and, (2) except as provided in subdivision (b), a sum not exceeding five hundred dollars ($500) for each subscriber under an individual or group plan contract which was entered into or renewed while such person was in violation of Section 1349.

(b) The penalty specified in paragraph (2) of subdivision (a) shall be imposed only if one or more of the following occurs:

(1) The solicitation of the entry into or renewal of such contract, or of any subscription or enrollment thereunder, included the use by the plan or a representative of the plan of any advertising, evidence of coverage, or disclosure form which was untrue, misleading, or deceptive.

(2) The contract is not in compliance with the provisions of this chapter, or the rules adopted pursuant to this chapter.

(3) The plan does not have a financially sound operation and adequate provision against the risk of insolvency.

(4) The plan has operated in violation of the provisions of subdivision (a), (b), (c), (d), or (e) of Section 1367.

(5) The plan has not complied with the provisions of Section 1379.

(c) The civil penalty may be assessed and recovered only in a civil action. The cause of action may be brought in the name of the people of the State of California by the Attorney General or the commissioner, as determined by the commissioner.

SEC. 2. Section 1399 of the Health and Safety Code is amended to read:

1399. (a) Surrender of a license as a health plan becomes effective 30 days after receipt of an application to surrender such license or within such shorter period of time as the commissioner may determine, unless a revocation or suspension proceeding is pending when the application is filed or a proceeding to revoke or suspend or to impose conditions upon the surrender is instituted within 30 days after the application is filed. If such a proceeding is pending or instituted, surrender becomes effective at such time and upon such conditions as the commissioner by order determines.

(b) If the commissioner finds that any plan is no longer in existence, or has ceased to do business as such a licensee or is subject to an adjudication of mental incompetence or to the control of a committee or conservator or guardian, or cannot be located after reasonable search, the commissioner may by order summarily revoke the license of such plan.

(c) The commissioner may summarily suspend or revoke the license of a plan upon (1) failure to pay any fee required by this chapter within 15 days after notice by the commissioner that such fee is due and unpaid, or (2) failure to file any amendment or report required under this chapter within 15 days after notice by the commissioner that such report is due, or (3) failure to maintain any bond or insurance pursuant to Section 1376.

(d) The commissioner may summarily suspend or revoke the transitional license of a plan on (1) the approval of the plan's application for license pursuant to Section 1353 of this chapter, as is provided in subdivision (a) of Section 1350, (2) the denial, abandonment, or withdrawal of the plan's application for license pursuant to Section 1353 or the cessation of the plan's operations as provided in subdivision (b) of Section 1350, or (3) the failure to make a bona fide written response to the commissioner as provided in Section 1351.2.

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

In order to protect the public from unlicensed health care service

plans by providing the Department of Corporations with additional enforcement remedies, it is necessary that this act take immediate effect.

CHAPTER 100

An act to add Sections 14021.5 and 14103.75 to the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 6, 1982. Filed with Secretary of State March 6, 1982.]

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

SECTION 1. Section 14021.5 is added to the Welfare and Institutions Code, to read:

14021.5. (a) Notwithstanding any other provision of law, rates for reimbursing Short-Doyle mental health and drug services allowable under the Medi-Cal program and rendered to Medi-Cal beneficiaries under the Short-Doyle program shall continue to be based on the upper limits allowable under federal law and regulations for service provided prior to July 1, 1980, and on the lower of reasonable cost and customary charges for services rendered through June 30, 1983.

(b) The Legislature hereby states and declares that this section does not constitute a change in, but is declaratory of, existing law and that rates for reimbursing Short-Doyle mental health and drug services to Medi-Cal beneficiaries under the Short-Doyle program in previous fiscal years were based upon the lower of reasonable costs or customary charges.

(c) The State Department of Health Services, after consulting with the State Department of Mental Health and the State Department of Alcohol and Drug Programs, in regard to their respective programs, shall promulgate emergency regulations relating to claims submission and establishing rates and a rate-setting methodology for determining reimbursement of Short-Doyle mental health and drug services allowable under the Medi-Cal program and rendered to Medi-Cal beneficiaries under the State Department of Mental Health and the State Department of Alcohol and Drug Programs' programs respectively. Such methodology and rates shall be effective commencing July 1, 1983.

(d) The Legislature hereby declares its intent that the rates of reimbursement established pursuant to subdivision (c) shall be based on countywide weighted averages.

SEC. 2. Section 14103.75 is added to the Welfare and Institutions Code, to read:

14103.75. Prior authorization may be required by the director for

services or items prescribed or ordered by a practitioner who has been determined by the director to have been prescribing or ordering medically unnecessary or excessive services or items for Medi-Cal beneficiaries. Written notification identifying such practitioners shall be provided by the department to all Medi-Cal providers who may be requested to furnish ordered or prescribed services or items. Payments may not be denied for services or items provided pursuant to an order or prescription issued by such practitioners prior to written notification by the department that such services or items must have prior authorization.

SEC. 3. Regulations adopted to implement the provisions of Section 1 of this act shall be adopted as emergency regulations in accordance with the provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 4. The State Department of Mental Health shall devise procedures to assure that counties affected by audit exceptions resulting from the application of reimbursement rates based upon the lower of reasonable costs or customary charges are not denied an opportunity to gain full recoupment as the result of late audits, for the period July 1, 1980, through June 30, 1983.

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

In order to provide statutory changes needed for implementation of the Budget Act of 1981, it is necessary that this act go into immediate effect.

CHAPTER 101

An act to add Sections 1236, 1237, 1238, 1239, and 10529 to the Government Code, relating to auditing procedures.

[Approved by Governor March 6, 1982 Filed with Secretary of State March 6, 1982.]

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

SECTION 1. Section 1236 is added to the Government Code, to read:

1236. The Controller, the Director of the Department of Finance, and the respective staffs thereof, all state agencies that have their own internal auditors or that conduct internal audits or that conduct internal audit activities, and all city, county, city and county, and district employees that conduct internal audits or that conduct

internal audit activities of those respective agencies, shall utilize the general and specified standards of internal auditing specified on the effective date of this section in the publication entitled "Standards for the Professional Practice of Internal Auditing," as published by the Institute of Internal Auditors, Inc. in its fourth printing, dated April 1980. The standards contained therein provide that: auditors should be independent of the activities they audit; internal audits should be performed with proficiency and due professional care; the scope of the internal audit should encompass the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control and the quality of performance in carrying out assigned responsibilities; audit work should include planning the audit, examining and evaluating information, communicating results and following up; and the director of internal auditing should properly manage the internal auditing department.

SEC. 2. Section 1237 is added to the Government Code, to read:

1237. All state and local agencies with an aggregate spending of fifty million dollars ($50,000,000) or more annually shall consider establishing an ongoing internal audit function.

SEC. 3. Section 1238 is added to the Government Code, to read:

1238. Notwithstanding the provisions of Section 1236, if a city, county, city and county, or district determines that the implementation of any specific standard enumerated in Section 1236 would result in net additional costs which exceed any potential savings, the governing body of that city, county, city and county, or district shall have the option to determine whether or not to implement the specified standard.

SEC. 4. Section 1239 is added to the Government Code, to read:

1239. Notwithstanding the provisions of Section 1236, the Joint Legislative Audit Committee, may, by majority vote, grant a waiver to any agency that petitions the committee from compliance with any standard prescribed in Section 1236.

SEC. 5. Section 10529 is added to the Government Code, to read:

10529. The Director of Finance shall, in coordinating the internal auditors of state agencies, insure that these auditors utilize the "Standards for the Professional Practices of Internal Auditing." The Auditor General shall, in conjunction with their annual audit of state financial statements, or when otherwise directed by the Joint Legislative Audit Committee, test compliance with this section and report to the Legislature and the respective governmental entities on the significant variances from the general and specific standards for the professional practice of internal auditing.

SEC. 6. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1

of that code.

SEC. 7. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 102

An act relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 8, 1982. Filed with Secretary of State March 8, 1982]

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

SECTION 1. If, on or before January 28, 1982, and pursuant to subdivision (g) of Section 3520 of the Elections Code, the Secretary of State received from the several county clerks certificates establishing that the number of valid signatures affixed to an initiative petition is more than 105 percent of the number of qualified voters needed to find the petition sufficient, the petition shall be deemed to have qualified for the ballot and the initiative measure shall be submitted, by the Secretary of State, to the voters at the June 8, 1982, Direct Primary Election.

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

In order that the provisions of this act may apply to any initiative petition in which the county clerks, on or before January 28, 1982, certified to the Secretary of State, based on random sampling technique, a sufficient number of valid signatures, it is essential that this act take effect immediately.

CHAPTER 103

An act to add Section 99.2 to the Revenue and Taxation Code, relating to local funding, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982.]

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

SECTION 1. Section 99.2 is added to the Revenue and Taxation Code, to read:

99.2. In the event that a jurisdictional change was filed under Section 54900, 54901, 54902, 54903, or 54904 of the Government Code between January 2, 1978, and July 28, 1980, or was initiated, pursuant to the applicable provisions of law governing those jurisdictional changes, between July 24, 1979, and July 28, 1980, and the jurisdictional change has, or will, result in a special district providing one or more services to an area where those services have not been previously provided by any local agency, the following shall apply:

(a) The special district and each local agency which receives an apportionment of property taxes from the area subject to the jurisdictional change may negotiate an exchange of property tax. Under no circumstances shall a school entity's portion of the tax increment be considered negotiable.

(b) The provisions of paragraphs (2), (3) and (4) of subdivision (a), and subdivision (b) of Section 99.1 shall apply to that jurisdictional change.

(c) Any resolution providing for the exchange of property tax revenues adopted pursuant to this section shall specify the fiscal year in which the exchange shall become effective.

(d) The provisions of this section shall not affect the validlity of any jurisdictional change subject to the provisions of this section which was completed prior to July 28, 1980.

(e) Nothing in this section shall affect an agreement entered into pursuant to the provisions of Section 99.1.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

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:

A variety of formulas are contained in statutes pertaining to the allocation of property tax revenues, including the exchange of property tax revenues between local agencies in the case of jurisdictional changes. In order to revise these formulas and to effectuate such allocations as soon as possible, it is necessary that this

act take effect immediately.

CHAPTER 104

An act to add Section 51612.5 to, and to add and repeal Sections 51601.5 and 51632.5 of, the Water Code, relating to reclamation districts.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982]

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

SECTION 1. Section 51601.5 is added to the Water Code, to read:

51601.5. The county treasurer shall give notice by registered mail of the date and place of the sale and the amount of the delinquent installment, interest, and penalty due on the parcel to the owner of the parcel to be sold, mailed to the owner's last known address as shown on the last equalized county assessment roll, and to any holder of a deed of trust on the parcel or tax service entity or any other entity interested in the parcel requesting notice by written instrument identifying the parcel filed with the county treasurer's office, mailed to the address specified in such request. The notice shall be mailed at least 30 days prior to the date of sale. If a new date of sale is fixed for any reason, the county treasurer shall give a new notice by registered mail as required by this section.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 2. Section 51612.5 is added to the Water Code, to read:

51612.5. The county treasurer, at least 60 days prior to the expiration of the redemption period, shall give notice by registered mail of the fact of sale, the purchase price paid, the date of termination of the redemption period, and the fact that a failure to redeem by payment of the purchase price plus interest and plus costs incurred following the date of sale to the county treasurer within the redemption period will result in permanent loss of the property by issuance of a treasurer's deed. The notice shall be mailed to the owner's last known address as shown on the last equalized county assessment roll and to any holder of a deed of trust on the parcel or tax service entity or any other entity interested in the parcel requesting notice by written instrument identifying the parcel filed with the county treasurer's office, mailed to the address specified in such request.

Notwithstanding the provisions of Section 51646, should the county treasurer fail to give the notice, the redemption period set forth in Section 51646 shall be extended to the date 60 days following the date of mailing of the notice in the manner provided for in this section.

SEC. 3. Section 51632.5 is added to the Water Code, to read:

51632.5. The county treasurer shall give notice by registered mail of the date and place of the sale and the amount of the delinquent installment, interest, and penalty due on the parcel to the owner of the parcel to be sold, mailed to the owner's last known address as shown on the last equalized county assessment roll, and to any holder of a deed of trust on the parcel or tax service entity or any other entity interested in the parcel requesting notice by written instrument identifying the parcel filed with the county treasurer's office, mailed to the address specified in such request. The notice shall be mailed at least 30 days prior to the date of sale. If a new date of sale is fixed for any reason, the county treasurer shall give a new notice by registered mail as required by this section.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 105

An act to amend Section 6 of the Vallejo Sanitation and Flood Control District Act (Chapter 17 of the Statutes of 1952, First Extraordinary Session), relating to the Vallejo Sanitation and Flood Control District.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982.]

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

SECTION 1. Section 6 of the Vallejo Sanitation and Flood Control District Act (Chapter 17 of the Statutes of 1952, First Extraordinary Session) is amended to read:

Sec. 6. Compensation, organization and meetings of trustees. Each trustee of the district shall receive and be paid as compensation for each meeting of the board of trustees attended, whether regular or special, such sum as shall be established by resolution of the board of trustees, not to exceed the sum of seventy-five dollars ($75); provided, however, that the trustee shall not be so paid for any meetings in excess of three in any one month, nor more than two hundred twenty-five dollars ($225) in any one month, as such

compensation. The trustees shall elect one of their number as president of the board, one as vice president, and one as secretary, but none of said officers shall receive any additional compensation for their services as such. They shall establish and maintain an office within the district for the transaction of the business thereof, at which office all books, records and papers of the district must be kept and shall be open to inspection at all reasonable times. They shall hold regular meetings at such office, at such times as they shall by resolution prescribe. Special meetings may be called and held on written order of any two trustees and 24 hours written notice to any trustee not joining in the order. The order must specify the business for which the special meeting is called and no other business shall be transacted thereat. The county treasurer shall be the treasurer of the district.

CHAPTER 106

An act to add Section 359.5 to the Code of Civil Procedure, relating to limitations of actions.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982.]

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

SECTION 1. Section 359.5 is added to the Code of Civil Procedure, to read:

359.5. If the obligations under a surety bond are conditioned upon performance of the principal, the expiration of the statute of limitations with respect to the obligations of the principal, other than the obligations of the principal under the bond, shall also bar an action against the principal or surety under the bond, unless the terms of the bond provide otherwise.

CHAPTER 107

An act to amend Section 6388.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982.]

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

SECTION 1. Section 6388.5 of the Revenue and Taxation Code is amended to read:

6388.5. Notwithstanding Section 6388, whenever a new trailer or

semitrailer with an unladen weight of 6,000 pounds or more which has been manufactured outside this state is purchased for use without this state and is delivered by the manufacturer or dealer to the purchaser within this state, and the purchaser drives or moves the vehicle to any point outside this state within 30 days from and after the date of delivery or whenever a new trailer or semitrailer with an unladen weight of 6,000 pounds or more which has been manufactured in this state is purchased for use without this state and is delivered by the manufacturer or dealer to the purchaser within this state, and the purchaser drives or moves the vehicle to any point outside this state within 75 days from and after the date of delivery, there are exempted from the taxes imposed by Part 1 (commencing with Section 6001), Part 1.5 (commencing with Section 7200), and Part 1.6 (commencing with Section 7251) the gross receipts from the sale of and the storage, use or other consumption of the vehicle within the state, provided that the purchaser furnishes the following to the manufacturer:

(a) Written evidence of an out-of-state license and registration for the vehicle.

(b) The purchaser's affidavit attesting that he purchased the vehicle from a dealer at a specified location for use exclusively outside this state, or exclusively in interstate commerce.

(c) The purchaser's affidavit that the vehicle has been moved or driven to a point outside this state within the appropriate period of either 30 days or 75 days of the date of the delivery of the vehicle to him.

SEC. 2. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act.

SEC. 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 become operative on the first day of the first calendar quarter commencing more than 90 days after the effective date of this act.

CHAPTER 108

An act to amend Section 1282.6 of the Code of Civil Procedure, relating to arbitration proceedings.

[Approved by Governor March 9, 1982. Filed with Secretary of State March 9, 1982.]

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

SECTION 1. Section 1282.6 of the Code of Civil Procedure is amended to read:

1282.6. (a) A subpoena requiring the attendance of witnesses, and a subpoena duces tecum for the production of books, records, documents and other evidence, at an arbitration proceeding or a deposition under Section 1283, and if Section 1283.05 is applicable, for the purposes of discovery, shall be issued as provided in this section. In addition, the neutral arbitrator upon his own determination may issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, documents and other evidence.

(b) Subpoenas shall be issued, as of course, signed but otherwise in blank, to the party requesting them, by a neutral association, organization, governmental agency, or office if the arbitration agreement provides for administration of the arbitration proceedings by, or under the rules of, a neutral association, organization, governmental agency or office or by the neutral arbitrator.

(c) The party serving the subpoena shall fill it in before service. Subpeonas shall be served and enforced in accordance with Chapter 2 (commencing with Section 1985) of Title 3 of Part 4 of this code.

CHAPTER 109

An act to amend Sections 27023, 27031.5, 27210, 27211, 27212, 27214, 27215, 27230, 27231, and 27317 of, to add Section 27023.5 to, and to repeal Section 27030.5 of, the Elections Code, relating to recall elections.

[Approved by Governor March 11, 1982. Filed with Secretary of State March 11, 1982.]

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

SECTION 1. Section 27023 of the Elections Code is amended to read:

27023. Within seven days after the filing of the notice of intention, the officer sought to be recalled may file with the clerk, or in the case of a state officer, the Secretary of State, an answer, in not more than 200 words, to the statement of the proponents. If an answer is filed, the officer shall, within seven days after the filing of the notice of intention, also serve a copy of it, personally or by certified mail, on one of the proponents named in the notice of intention.

SEC. 2. Section 27023.5 is added to the Elections Code, to read:

27023.5. If an answer is filed with the clerk of a city or district, the clerk shall, within one day, Saturdays, Sundays and holidays excepted, provide to the county clerk a copy of the answer and a

copy of the notice of intention. If no answer was filed, a statement to that effect, together with a copy of the notice of intention, shall be provided by the clerk to the county clerk within one day, Saturdays, Sundays, and holidays excepted, after the seven days provided in Section 27023.

SEC. 3. Section 27030.5 of the Elections Code is repealed.

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

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

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

SEC. 5. Section 27210 of the Elections Code is amended to read:

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

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

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

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

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

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

The number of registered voters shall be that which was reported at the last report of registration by the 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.

SEC. 6. Section 27211 of the Elections Code is amended to read:

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

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

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

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

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

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

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

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

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

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

SEC. 6.1. Section 27212 of the Elections Code is amended to read:

27212. The petition shall be filed by the proponents, or by any person or persons authorized, in writing, by a proponent. All sections of the petition shall be filed at the same time.

When the petition is presented for filing, the clerk shall determine the total number of signatures affixed to the petition. If from this examination, the clerk determines that the number of signatures, prima facie, equals or is in excess of the minimum number of signatures required, the clerk shall accept the petition for filing. The

petition shall be deemed as filed on that date. Any sections of the petition, not so filed, shall be void for all purposes. If, from the clerk's examination, the clerk determines that the number of signatures, prima facie, does not equal or exceed the minimum number of signatures required, the petition shall not be filed. Any petition not accepted for filing shall be returned to the proponents.

SEC. 7. Section 27214 of the Elections Code is amended to read:

27214. Except as provided in Section 27215, within 30 days from the date of filing of the petition, the clerk shall examine the petition, and from the records of registration ascertain whether or not the petition is signed by the requisite number of voters. If the clerk's examination shows that the number of valid signatures is greater than the required number, the clerk shall certify the petition to be sufficient. If the number of valid signatures is less than the required number, the clerk shall certify the petition to be insufficient.

In determining the number of valid signatures, the clerk may use the duplicate file of affidavits maintained, or may check the signatures against facsimiles of voters' signatures, provided that the method of preparing and displaying the facsimiles complies with law.

The clerk shall attach to the petition, a certificate showing the result of this examination, and shall notify the proponents of either the sufficiency or insufficiency of the petition.

If the petition is found sufficient, the clerk shall certify the results of the examination to the governing board at its next regular meeting.

SEC. 8. Section 27215 of the Elections Code is amended to read:

27215. (a) Within 30 days from the date of filing of the petition, if, from the examination of petitions pursuant to Section 27212, more than 500 signatures have been signed on the petition, the clerk may use a random sampling technique for verification of signatures. The random sample of signatures to be verified shall be drawn in such a manner that every signature filed with the clerk shall be given an equal opportunity to be included in the sample. Such a random sampling shall include an examination of at least 500 or 5 percent of the signatures, whichever is greater.

(b) If the statistical sampling shows that the number of valid signatures is greater than 110 percent of the required number, the clerk shall certify the petition to be sufficient.

(c) If the statistical sampling shows that the number of valid signatures is within 90 to 110 percent of the number of signatures of qualified voters needed to declare the petition sufficient, the clerk shall examine and verify each signature filed. If the clerk's examination of each signature shows that the number of valid signatures is greater than the required number, the clerk shall certify the petition to be sufficient. If the number of valid signatures is less than the required number, the clerk shall certify the petition to be insufficient.

(d) If the statistical sampling shows that the number of valid signatures is less than 90 percent of the required number, the clerk

shall certify the petition to be insufficient.

(e) In determining from the records of registration what number of valid signatures are signed on the petition, the clerk may use the duplicate file of affidavits maintained, or may check the signatures against facsimiles of voters' signatures, provided that the method of preparing and displaying the facsimiles complies with law.

(f) The clerk shall attach to the petition, a certificate showing the result of this examination, and shall notify the proponents of either the sufficiency or insufficiency of the petition.

(g) If the petition is found insufficient, no action shall be taken on the petition. However, the failure to secure sufficient signatures shall not preclude the filing later of an entirely new petition to the same effect.

(h) If the petition is found to be sufficient, the clerk shall certify the results of the examination to the governing body at its next regular meeting.

SEC. 9. Section 27230 of the Elections Code is amended to read:

27230. Within 14 days after the meeting at which the governing body received the certificate of sufficiency as specified in Section 27217, the governing body shall issue an order stating that an election shall be held pursuant to this article to determine whether or not the officer named in the petition shall be recalled.

SEC. 10. Section 27231 of the Elections Code is amended to read:

27231. The election shall be held not less than 88 nor more than 125 days after the issuance of the order, and if a regular or special election is to be held throughout the electoral jurisdiction of the officer sought to be recalled within such time period, the recall election shall be held on the same day, and consolidated with, the regular or special election.

SEC. 11. Section 27317 of the Elections Code is amended to read:

27317. Except in the case of a city recall election, an officer whose recall is being sought may file a candidate's statement with the clerk in accordance with the provisions of Section 10012, to be sent to each voter, together with the sample ballot.

SEC. 12. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

CHAPTER 110

An act to amend Sections 10952 and 18494 of, and to add Section 18496 to, the Welfare and Institutions Code, relating to public social services.

[Approved by Governor March 11, 1982. Filed with Secretary of State March 11, 1982.]

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

SECTION 1. Section 10952 of the Welfare and Institutions Code is amended to read:

10952. The department shall set the hearing to commence within 30 working days after the request is filed, and, at least 10 days prior to the hearing, shall give all parties concerned written notice of the time and place of the hearing.

SEC. 2. Section 18494 of the Welfare and Institutions Code is amended to read:

18494. If any applicant or recipient is dissatisfied with the action of the board of supervisors, he shall, upon filing a petition with the department, have the right of appeal and shall be accorded an opportunity for a fair hearing. The department shall set such appeal for hearing 30 working days from the filing of the request and shall give all parties concerned written notice of the time and place at least 10 days prior to the hearing. At the hearing, the applicant or recipient may appear in person with counsel of his own choosing or in person and without such counsel.

The department shall consider the appeal and shall dismiss the appeal or award relief as prescribed in this chapter. The board of supervisors shall then pay to such person the sum awarded, if any, by the department.

SEC. 3. Section 18496 is added to the Welfare and Institutions Code, to read:

18496. Whenever an applicant or recipient loses an appeal made pursuant to Section 18494, the applicant or recipient shall be liable for any amount paid pending the hearing which was at issue in the hearing, to the extent permitted by federal law.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

SEC. 5. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 111

An act to amend Sections 50950, 50952, 50961, and 50973 of the Government Code, relating to volunteer firefighters, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 11, 1982. Filed with Secretary of State March 11, 1982.]

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

SECTION 1. Section 50950 of the Government Code is amended to read:

50950. It is the purpose of this chapter to provide cities, counties, cities and counties, or districts, that have fire departments with volunteer firefighting members, the opportunity to offer such members an award for life as an incentive. Nothing contained herein shall be deemed to supersede the provisions of existing state law and the charters, ordinances, and rules of local public agencies which establish and regulate the activities of such fire departments. This chapter is intended, instead, to strengthen such departments through the creation of an incentive for the volunteer to respond to emergency calls, attend approved formal study courses, attend official department training drills and meetings, and serve at the local fire station in a standby or sleep-in capacity. It is the further intention of this chapter to provide a means whereby local communities may bestow fitting reward and recognition for long and faithful volunteer service.

SEC. 2. Section 50952 of the Government Code is amended to read:

50952. For the purposes of this chapter, unless the context otherwise requires, the definitions set forth below shall mean the following:

(a) "Actuarial interest rate" means the interest rate fixed by the board for purposes of actuarial valuation of the assets and liabilities of the award system.

(b) "Annual interest rate" means the interest rate fixed by the board for purposes of crediting interest.

(c) "Award" means monthly payments for life derived from contributions by a department.

(d) "Award system" means the Volunteer Firefighters Length of Service Award System established by this chapter.

(e) "Board" means the Board of Administration of the Public Employees' Retirement System.

(f) "Certified current service credit" means credit certified pursuant to Section 50959 for services rendered after the contract operative date.

(g) "Compensation" means remuneration paid in cash and does not include coverage under Division 4 (commencing with Section

3201) of the Labor Code or reimbursement or payments for meals, transportation, lodging, and incidental expenses incurred in the line of duty during active fire suppression or the purchase of necessary safety equipment and clothing.

(h) "Contract operative date" means the first day of the month next following the date on which the contract becomes effective.

(i) "Department" means a regularly organized fire department of a city, county, city and county, or district, having official recognition of the government of the city, county, city and county, or district in which such department is located.

(j) "Fund" means the Volunteer Firefighters Length of Service Award System Fund created by this chapter.

(k) "Member" means a volunteer of a department, the governing body of which has contracted with the Public Employees' Retirement System under this chapter, and who has been certified by a qualifications review commission as having qualified for at least one year of current service credit. Membership, once established, continues indefinitely unless membership is terminated pursuant to Section 50957.

(*l*) "Service credit" means the aggregate of certified current service credit.

(m) "Service year" means the period beginning July 1 and ending June 30 of the following year.

(n) "Volunteer" means any person registered as a volunteer member of a regularly organized fire department as defined in subdivision (i).

(o) "Certified prior service credit" means credit for service performed prior to the contract operative date as certified by a qualifications review commission. That prior service shall be credited in the award system only in addition to current service for the same department or its predecessor. Certified prior service credit is optional to the contracting agency. The provisions of this subdivision shall not apply to any department or to its volunteers unless and until the department elects to be subject to it by an amendment to its contract which is approved by the electorate pursuant to Section 50973.

In no event shall any member be credited with more than eight years of prior service credit.

SEC. 3. Section 50961 of the Government Code is amended to read:

50961. (a) The governing body of each contracting department shall establish a qualifications review commission which shall include the fire chief, one member of the governing body appointed by the governing body, and one volunteer elected by the volunteers employed by the contracting department.

(b) The qualifications review commission shall review the list of department members each year, and prior to October 1 of each year shall certify to the board those volunteers who have qualified by earning 100 points during the preceding service year.

(c) In no event shall any member be credited with more than 20 years of service.

(d) With respect to each contracting department which provides benefits for prior service credit, the qualifications review commission shall promulgate and publish guidelines for computing prior service credit. The guidelines shall require the prior service credit to be verified and certified and, in the event that there are no records in existence, the members of the commission and the volunteer shall sign an affidavit certifying that the prior service met the criteria prescribed in Section 50959. The affidavit shall be signed under penalty of perjury. Thereafter, the qualifications review commission shall certify to the board certified prior service credit which has been earned by each member.

SEC. 4. Section 50973 of the Government Code is amended to read:

50973. Approval of the contract shall be by an ordinance adopted by the affirmative vote of a majority of the electorate of the area served by the department voting thereon. The electorate shall be informed of the projected costs of the program and its method of financing.

If a governing body of a department is permitted by law to act by resolution, any action required by this article to be taken by ordinance may also be taken by adoption of a resolution, except that any portion of a contract providing prior service credit shall be approved by a majority of the electorate of the area served by the department voting thereon.

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

In order that needed qualified volunteer firefighters may be retained by local governmental entities and that the certified prior service credit authorized by this act may be provided at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 112

An act to amend Sections 11041 and 91549 of the Government Code, relating to bonds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 11, 1982. Filed with Secretary of State March 11, 1982.]

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

SECTION 1. Section 11041 of the Government Code is amended to read:

11041. Sections 11042 and 11043 are not applicable to the Regents of the University of California, Legal Division of the Department of Public Works, Division of Labor Law Enforcement, Workmen's Compensation Appeals Board, Public Utilities Commission, State Compensation Insurance Fund, Legislative Counsel Bureau, Inheritance Tax Department, Secretary of State, State Lands Commission, Alcoholic Beverage Control Appeals Board (except when the board affirms the decision of the Department of Alcoholic Beverage Control), Department of Education, and State Treasurer with respect to bonds, nor to any other state agency which by law enacted after Chapter 213, of the Statutes of 1933, is authorized to employ legal counsel.

SEC. 2. Section 91549 of the Government Code is amended to read:

91549. (a) Except as may be authorized by other state legislation, this title provides the exclusive authority of public agencies for the undertaking, carrying out, and completion of projects authorized by this title.

(b) Except as limited by subdivision (a), the authorizations of this title shall be regarded as supplemental and additional to powers conferred by other laws.

(c) In the exercise of any of the powers conferred, including powers relating to the offer, issuance, and sale of bonds, under the provisions of this title, authorities need not comply with the provisions of any law applicable to the exercise of similar powers except as referred to in this article.

(d) A charter city which is otherwise authorized to undertake, carry out and complete projects hereunder authorized need not comply with the provisions of this title if (1) the project is undertaken by January 1, 1982, by the adoption of a resolution or by the taking of other similar official action which describes the project in terms sufficient for identification and states a conditional or unconditional intention to undertake such project and enter into agreements with an identified company or companies relating thereto, and (2) all bonds are issued for such project by January 1, 1984.

(e) A charter city which is otherwise authorized to undertake, carry out and complete projects hereunder authorized and which adopted an industrial bond ordinance before December 31, 1979, need not comply with the provisions of this title (commencing with Section 91500) if: (1) the project is undertaken by January 1, 1984, by the adoption of a resolution or by the taking of other similar official action which describes the project in terms sufficient for identification and states a conditional or unconditional intention to undertake such project and enter into agreements with an identified company or companies relating thereto, and (2) all bonds are issued for such project by January 1, 1986.

SEC. 3. No money from the General Fund shall be expended by the State Treasurer in the fiscal years 1982–83 and 1983–84 for the employment of staff bond counsel.

SEC. 4. Section 1 of this act shall become operative January 1, 1983.

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

In order that certain chartered cities may be exempted from the application of the California Industrial Development Financing Act as soon as possible and in order that the State Treasurer may have sufficient time to implement and budget for staff bond counsel, it is necessary for this act to take effect immediately.

CHAPTER 113

An act to amend Section 18502.5 of, and to add Section 50748.1 to, the Health and Safety Code, and to amend Section 5 of Chapter 1131 of the Statutes of 1980, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 11, 1982. Filed with Secretary of State March 11, 1982.]

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

SECTION 1. Section 18502.5 of the Health and Safety Code is amended to read:

18502.5. (a) There is hereby established in the State Treasury the Mobilehome Parks Revolving Fund into which funds collected by the department pursuant to this part shall be deposited. Money deposited in the fund is continuously appropriated to the department for expenditure in carrying out the provisions of this part.

(b) Notwithstanding any maximum fees set by this part, the department may, by regulation, set fees charged by the department for all permits and for the department's activities mandated by this part. The fees shall be set with the primary objective that the aggregate revenue deposited in the Mobilehome Parks Revolving Fund shall not, on an annual basis, exceed the costs of the department's activities mandated by this part.

(c) No proposed increase in fees may be effective any sooner than 45 days after written notification thereof is provided to the Chairman of the Joint Legislative Audit Committee and the Auditor General. Upon receipt of the notification, the Auditor General may prepare, a report to the Legislature which indicates whether the proposed increase is appropriate and consistent with the provisions of this part.

(d) The total money contained in the Mobilehome Parks Revolving Fund on June 30 of each fiscal year shall not exceed the amount of money needed for the department's operating expenses for one year for the enforcement of this part. If the total money contained in the fund exceeds this amount, the department shall make appropriate reductions in the schedule of fees authorized by this section.

This section shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends such date.

SEC. 2. Section 50748.1 is added to the Health and Safety Code, to read:

50748.1. The department shall from time to time direct the State Treasurer to invest moneys set aside or otherwise deposited in the annuity fund established by Section 50748, which are not required for its current needs, in such eligible securities specified in Section 16430 of the Government Code as the department may designate. The department may direct the State Treasurer to deposit moneys in interest-bearing accounts in state or national banks or other financial institutions having principal offices in this state, or in other investments which are consistent with state policy and achieve returns adequate to fulfill the requirements of this chapter. The department may alternatively require the transfer of moneys in the annuity 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 or other increment resulting from such investment or deposit shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

SEC. 3. Section 5 of Chapter 1131 of the Statutes of 1980 is amended to read:

Sec. 5. The Joint Legislative Audit Committee may conduct a study utilizing existing available resources evaluating the mobilehome enforcement program administered by the Department of Housing and Community Development pursuant to Part 2 (commencing with Section 18000) of, and Part 2.1 (commencing with Section 18200) of, Division 13 of the Health and Safety Code.

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

In order to enable prompt and effective implementation of the urgently required housing programs, and to clarify recent changes in the law, it is necessary that this act go into immediate effect.

CHAPTER 114

An act to add and repeal Chapter 7 (commencing with Section 52075) to Part 5 of Division 31 of, and to repeal Sections 52055 and 52056 of, the Health and Safety Code, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 12, 1982. Filed with Secretary of State March 13, 1982.]

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

SECTION 1. Section 52055 of the Health and Safety Code is repealed.

SEC. 2. Section 52056 of the Health and Safety Code is repealed.

SEC. 3. Chapter 7 (commencing with Section 52075) is added to Part 5 of Division 31 of the Health and Safety Code, to read:

CHAPTER 7. MULTIFAMILY RENTAL HOUSING

Article 1. Financing

52075. Subject to the limitations of this chapter, any city or county may, in addition to any other power conferred by this part, issue revenue bonds as provided in Chapter 4 (commencing with Section 52030) for the purpose of financing the construction or development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to such multifamily rental housing.

For such purpose, the term "home mortgage," as used in Chapter 4 (commencing with Section 52030), and as defined by Section 52013, shall be further defined to include construction loans and mortgage loans to housing sponsors to finance the development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to such multifamily rental housing.

To the extent possible, the provisions of Chapter 4 (commencing with Section 52030) shall be construed in a manner that enables a city or county to comply with the purpose and requirements of this chapter.

52076. Subject to the limitations prescribed in this chapter, a city or county may make, or undertake commitments to make, construction loans and mortgage loans to housing sponsors to finance the development of multifamily rental housing. For such purpose, the city or county shall enter into regulatory contracts and other agreements with housing sponsors receiving loans under the provisions of this chapter to assure all requirements of this chapter are satisfied.

52077. Subject to the limitations prescribed in this chapter, a city

or county may purchase, or undertake, directly or indirectly through lending institutions, commitments to purchase, construction loans and mortgage loans originated in accordance with a financing agreement with the city or county to finance the development of multifamily rental housing and may make loans to lending institutions under terms and conditions which, in addition to other provisions determined by the city or county, shall require the lending institutions to use the net proceeds of the loans for the making, directly or indirectly, of construction loans to finance the development of multifamily rental housing.

52078. For the purposes of this chapter, a city or county shall have the power to issue its bonds to defray, in whole or in part, the costs of studies and surveys, insurance premiums, underwriting fees, legal, accounting and marketing services incurred in connection with the issuance and sale of bonds, including bond and mortgage reserve accounts; trustee, custodian, and rating agency fees, and such other costs as are reasonably related to the foregoing.

52079. A city or county may, in conjunction with the financing of multifamily rental housing pursuant to this chapter, finance the development of commercial property for lease, subject to all of the following conditions:

(a) No more than 10 percent of the proceeds of any revenue bonds issued pursuant to this chapter may be used to develop the commercial property for lease.

(b) The commercial property developed will be located on the same parcel or on a parcel adjacent to a multifamily rental housing development.

(c) As a condition of such financing, any lease payments collected in excess of payments necessary for debt service, operating expenses and any required reserves related to such property, shall be used to reduce rents on units reserved for occupancy by lower income households and very low income households in a multifamily rental housing development.

52080. (a) Not less than 20 percent of the total number of units in a multifamily rental housing development financed, or for which financing has been extended or committed, pursuant to this chapter from the proceeds of sale of each bond issuance of the city or county shall be for occupancy on a priority basis by lower income households, as defined in Section 50079.5, at affordable rents. In the case of multifamily rental housing development located within a targeted area project, as defined by Section 1103(b) of P.L. 96-499, a part of the federal Mortgage Subsidy Bond Tax Act of 1980, not less than 15 percent of the total number of units financed, or for which financing has been extended or committed pursuant to this chapter, shall be for occupancy on a priority basis by lower income households at affordable rents. To the extent feasible, as determined in the sole discretion of the governing body of the issuing city or county, half of such reserved units shall be available to very low income households.

(b) As a condition of financing pursuant to this chapter, the

housing sponsor shall enter into a regulatory agreement with the city or county providing that units reserved for occupancy by lower income households remain available on a priority basis for such occupancy for a period of not less than 20 years from the date the loan is made. Such regulatory agreement shall contain a provision making the covenants and conditions of the agreement binding upon successors in interest of the housing sponsor. Such regulatory agreement shall be recorded in the office of the county recorder of the county in which the multifamily rental housing development is located.

52081. For purposes of this article, "housing sponsor" means a person as defined in Section 52016.

Article 2. General Provisions

52085. The primary purpose of this chapter is to meet the multifamily rental housing needs of persons and families of low or moderate income. The exercise of the powers granted by this division shall be in all respects for the benefit of the people of this state and for their health and welfare. Therefore, any bonds issued by a city, county, or city and county pursuant to this chapter, their transfer, and the income therefrom shall at all times be free from taxation by the state or any political subdivision or other instrumentality of the state, excepting inheritance and gift taxes.

52086. Two or more cities in the same county, or a county and one or more cities within such county, or two or more counties, may enter into an agreement to join or cooperate with one another in the exercise jointly, or otherwise, of any or all of their powers for the purpose of financing multifamily rental housing development pursuant to this chapter.

Article 3. State Assistance

52090. This article constitutes an alternative method for cities and counties to issue bonds for making construction loans and mortgage loans for multifamily rental housing developments pursuant to the provisions of this chapter.

52090.5. The agency and any city or county may enter into an agreement which provides that the agency may sell bonds authorized pursuant to Chapter 4 (commencing with Section 52030) for the city or county and operate a program with the proceeds of such sale for the purpose of providing funds for construction loans and mortgage loans for multifamily rental housing developments within such city or county and for the provision of capital improvements in connection with and determined necessary to the multifamily rental housing.

52091. Any agreement made pursuant to Section 52090.5 shall contain all of the following provisions:

(a) Limitations on the maximum amount of bonds to be issued by

a city or county.

(b) A requirement that all bonds and any prospectus in connection with such bonds contain a legend condition to the following effect: "Neither the faith and credit of the State of California or the agency nor the taxing power of the state is pledged to the payment of principal or interest on this bond."

(c) A requirement that the agency approve the bond counsel selected by the city or county.

(d) The designation of criteria for multifamily rental housing developments eligible for financing; the number of units which shall be available for occupancy by persons of low income, which shall not be less than 20 percent of the total units; the amount to be allocated to a bond reserve fund; and, such other matters as the agency finds necessary or desirable.

(e) That the agency shall make construction loans and mortgage loans for multifamily rental housing developed within the city or county.

(f) That the agency shall supervise all construction and management of multifamily rental housing developments financed pursuant to this chapter on behalf of the city or county, and with the same powers and duties under this chapter, to assure that all requirements of this part are met.

52091.5. Bonds issued pursuant to this article shall not be deemed bonds of the agency for the purposes of any limitations contained in Section 51350.

52092. The agency shall adopt uniform regulations for administration of local programs under this article. Local programs conducted by the agency under this article shall be administered in a manner consistent with this chapter.

Article 4. Miscellaneous

52095. Whenever a complaint is received concerning a violation of the restrictions imposed pursuant to Section 52080, the city or county shall investigate promptly and make a report to the complaining party on whether such violation existed and whether it persists, and if it persists, what action the city or county will take to remedy the violation. When the city or county determines that such a violation exists, whether determined upon such an investigation of a complaint or on its own motion, the city or county shall take all appropriate action, including necessary legal action, to promptly eliminate the violation.

Notwithstanding any provision of this section, any person aggrieved by such violation may seek a judicial remedy without regard to whether a complaint has been made to the city or county or whether the city or county is then taking any action to remedy the same violation.

Article 5. Application to Chartered Cities

52097. Except as otherwise provided in this article, the provisions of this chapter shall not be construed to limit or otherwise restrict the authority of chartered cities to issue bonds for the purpose of financing the construction or development of multifamily rental housing or for the provision of capital improvements in connection with and determined necessary to such multifamily rental housing.

52097.5. At least 30 days prior to issuing bonds pursuant to this chapter or a charter provision or ordinance for the purposes specified in Section 52097, a city, county, or city and county shall notify the State Treasurer that it intends to issue bonds pursuant to this chapter or such other authority, the amount of bonds expected to be issued, and the approximate date on which the bonds will be issued. The State Treasurer shall advise the city, county, or city and county of the aggregate amount of bonds previously issued in the calendar year pursuant to this chapter or such other authority.

(b) Within five days of the issuance of bonds pursuant to this chapter or such other authority, the city, county, or city and county shall notify the State Treasurer of the amount of bonds issued.

(c) The maximum aggregate amount of bonds which may be issued pursuant to this chapter or a charter provision or ordinance for the purposes specified in Section 52097, shall not exceed nine hundred million dollars ($900,000,000) in any calendar year.

52098. Each city, county, and city and county which has issued bonds pursuant to this chapter or a charter provision or ordinance for the purposes specified in Section 52097, shall file a report annually, on or before March 1st, with the Governor, the Legislature, and the Department of Housing and Community Development, which report shall include all of the following information:

(a) The total amount of bonds issued by the city, county, or city and county pursuant to this chapter or such other authority.

(b) The total number of units in multifamily rental housing developments financed pursuant to this chapter or such other authority.

(c) The total number of units in multifamily rental housing developments reserved for occupancy on a priority basis for lower income households.

(d) The total number of units, if any, in a multifamily rental housing development reserved for occupancy on a priority basis for very low income households.

52099. This chapter 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 January 1, 1984, deletes or extends such date.

SEC. 4. The Legislature finds and declares that it is necessary and serves a statewide purpose to impose a limitation on the aggregate amount of bonds which may be issued by cities and counties, whether chartered or general law, for the purposes specified in Chapter 7

(commencing with Section 52075) of Division 31 of the Health and Safety Code. Such limitation is necessary in order to maintain bond ratings and lower bond interest rates.

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

There is a vital need to develop additional new rental housing in this state. In order to provide local governments with the authority to issue bonds in an effort to alleviate that need, it is necessary for this act to take effect immediately.

CHAPTER 115

An act to amend Sections 2557, 42238, 49536, 56723, 56782, and 60246 of, and to add Section 84623 to, the Education Code, to amend Section 32812 of the Financial Code, to amend Sections 16113 and 16475 of the Government Code, to amend Sections 7314 and 7721 of, and to repeal Section 7727 of, the Labor Code, to amend Sections 6471 and 6474 of the Revenue and Taxation Code, to amend Sections 4075, 4681, 11453, 12201, 12201.5, 12303.5, 12303.7, 12304, 13920, 13921, 14106, and 16702, of, and to add Sections 14080.5 and 14105.8 to, the Welfare and Institutions Code, and to repeal Section 8 of Chapter 4 of the 1981–82 First Extraordinary Session, relating to fiscal affairs and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 12, 1982 Filed with Secretary of State March 13, 1982.]

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

SECTION 1. Notwithstanding any other provisions of law, on the operative date of this act, one million dollars ($1,000,000) in the Peace Officers' Training Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 2. Notwithstanding any other provisions of law, on the operative date of this act, one million one hundred fifty thousand dollars ($1,150,000) in the Architecture Revolving Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 3. Notwithstanding the provisions of Section 16310 of the Government Code or any other provisions of law, on the operative date of this act, twenty million dollars ($20,000,000) in the State Emergency Telephone Number Account in the General Fund may be borrowed by the General Fund without interest.

SEC. 4. Notwithstanding any other provisions of law, on or before June 30, 1982, the University of California shall transfer two million dollars ($2,000,000) to the unappropriated surplus of the General Fund.

It is the intention of the Legislature that the funds transferred pursuant to this section come from the pooled plant fund savings.

SEC. 5. Notwithstanding any other provisions of law, on the operative date of this act, two hundred fifty thousand dollars ($250,000) of the funds appropriated in category (c) of Item 426-001-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the General Fund.

SEC. 6. Notwithstanding any other provisions of law, on the operative date of this act, eight hundred and seventy-five thousand dollars ($875,000) of the 1981–82 fiscal year appropriation for the pilot attendance program made by Chapter 1329 of the Statutes of 1980 and not transferred to the State School Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 7. Notwithstanding any other provisions of law, on the operative date of this act, six million five hundred thousand dollars ($6,500,000) of the funds appropriated in category (a) (1) of Item 518-101-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the General Fund.

SEC. 8. Each county auditor shall notify the State Superintendent of Public Instruction and the Chancellor of the California Community Colleges the amount each school district, as defined in Section 2208.5 of the Revenue and Taxation Code, is to receive from the collection of the unsecured roll property tax during the remainder of the 1981–82 fiscal year. The notice required by this section shall be made no later than the day after each payment is made to the school district.

SEC. 9. Notwithstanding any other provisions of law, on the operative date of this act, two hundred thousand dollars ($200,000) of the funds appropriated in Item 644-001-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the fund from which the appropriation was made.

It is the intention of the Legislature that the reduction provided for in this section be taken from the "Equals" program.

SEC. 10. Notwithstanding any other provisions of law, on the operative date of this act, four million five hundred fifty-three thousand dollars ($4,553,000) of the funds appropriated in Item 980-001-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the General Fund.

SEC. 11. Notwithstanding any other provisions of law, on the operative date of this act, five million four hundred forty-seven thousand dollars ($5,447,000) of the funds appropriated in Chapter 192 of the Statutes of 1979 shall revert to the unappropriated surplus of the General Fund.

SEC. 12. Notwithstanding the provisions of Section 8 of Chapter 4 of the 1981–82 First Extraordinary Session or any other provisions of law, on the operative date of this act, all of the amount which would otherwise be transferred in the 1981–82 fiscal year pursuant to paragraph (3) of subdivision (a) of Section 7102 of the Revenue and Taxation Code shall be transferred to the unappropriated surplus of

the General Fund.

The reduced allocation of funds received by transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board during the final quarter of the 1981–82 fiscal year pursuant to Section 99313.5 of the Public Utilities Code as a result of this section shall not reduce allocations to pay a claimant's operating expenses.

SEC. 13. (a) Notwithstanding any other provisions of law, on the operative date of this act, the unencumbered balance of the appropriation made by Item 084-001-970 of the Budget Act of 1981 shall revert to the unappropriated surplus of the fund from which the appropriation was made.

It is the intent of the Legislature that no funds appropriated to the Controller be used for the purpose of carrying out the provisions of subdivisions (a) to (d), inclusive, of Section 1531 of the Code of Civil Procedure for the remainder of the 1981–82 fiscal year.

(b) Notwithstanding any other provisions of law, on the operative date of this act, the funds reverted by this section shall be transferred to the unappropriated surplus of the General Fund.

SEC. 14. (a) Notwithstanding any other provisions of law, on the operative date of this act, six million nine hundred ninety-seven thousand dollars ($6,997,000) of the appropriation made by Item 190-101-001 of the Budget Act of 1981 for the purposes of reimbursements in connection with Chapter 1170 of the Statutes of 1978, Chapter 1036 of the Statutes of 1979, and Chapter 799 of the Statutes of 1980, and seven hundred eighty-nine thousand dollars ($789,000) of the appropriation made by Item 147 of the Budget Act of 1980 for the purposes of reimbursements in connection with Chapter 1170 of the Statutes of 1978 and Chapter 1036 of the Statutes of 1979, shall revert to the unappropriated surplus of the fund from which the appropriation was made.

(b) Notwithstanding any other provisions of law, the employer contributions by school districts, county superintendents of schools, and community college districts to the Public Employees' Retirement Fund shall be reduced by 0.410 percent of covered members' earnings reported during the period July 1, 1981, through June 30, 1982. It is the intent of the Legislature that this percentage represents the aggregate amounts necessary to fund the cost-of-living adjustments provided by Chapter 1170 of the Statutes of 1978, Chapter 1036 of the Statutes of 1979, and Chapter 799 of the Statutes of 1980. The Board of Administration of the Public Employees' Retirement System shall make any adjustments or refunds to school districts, county superintendents of schools, and community college districts necessary to implement this section. Any adjustments or refunds shall be made from the reserve against deficiencies.

SEC. 15. Notwithstanding any other provisions of law, on the operative date of this act, one million one hundred forty-seven thousand dollars ($1,147,000) of the appropriation made in category

(a) (1) of Item 510-001-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the General Fund.

SEC. 17. Notwithstanding any other provisions of law, on the operative date of this act, the unencumbered balance of the appropriation made in category (h) of Item 297 of the Budget Act of 1980, as reappropriated by Item 430-490 of the Budget Act of 1981, shall revert to the unappropriated surplus of the fund from which the appropriation was made.

SEC. 18. Notwithstanding any other provisions of law, on the operative date of this act, four million three hundred thousand dollars ($4,300,000) of the unencumbered balance of the funds in the Local Health Capital Expenditure Account shall be transferred to the unappropriated surplus of the General Fund.

SEC. 19. Notwithstanding any other provisions of law, on the operative date of this act, one million dollars ($1,000,000) of the interest earned on the appropriation made by subdivision (a) of Section 50740 of the Health and Safety Code shall be transferred to the unappropriated surplus of the General Fund.

SEC. 20. Notwithstanding any other provisions of law, on the operative date of this act, one million dollars ($1,000,000) in the Corrections Training Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 21. Notwithstanding any other provisions of law, on the operative date of this act, two million seven hundred thousand dollars ($2,700,000) of the funds in the Aeronautics Account in the State Transportation Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 22. Notwithstanding any other provisions of law, on the operative date of this act, the unencumbered balances of the appropriations made in the following citations allocated for the purposes of acquiring the Santa Fe Depot in San Diego shall be transferred to the unappropriated surplus of the General Fund:

Chapter 460 of the Statutes of 1978, Section 1 (a) (1).

Chapter 161 of the Statutes of 1979, Section 71 (c) (1).

Chapter 161 of the Statutes of 1979, Section 71 (c) (2) (C).

Chapter 510 of the Statutes of 1980, Item 182.1.

SEC. 23. Notwithstanding any other provisions of law, on the operative date of this act, an amount of up to nine million one hundred thirty-six thousand dollars ($9,136,000) of the funds appropriated in category (a) of Item 610-101-001 of the Budget Act of 1981 for adult education and not transferred to the State School Fund, equal to an amount determined by the Director of Finance, in consultation with the Legislative Analyst, not properly planned for expenditure by school districts pursuant to instructions of the Superintendant of Public Instruction for the English-as-a-second-language program for the 1981–82 school year prior to the operative date of this act, shall revert to the unappropriated surplus of the General Fund.

SEC. 24. Notwithstanding any other provisions of law, on the

operative date of this act, twenty-five million dollars ($25,000,000) of the funds appropriated in category (b) of Item 518-101-001 of the Budget Act of 1981 shall revert to the unappropriated surplus of the General Fund; provided, that the Department of Social Services shall reduce advances to the federal government to support the program funded by the appropriation made in category (b) of Item 518-101-001 by the amount reverted by this section.

SEC. 25. Notwithstanding any other provisions of law, on the operative date of this act, there shall be transferred from the reserve balance of the Stephen P. Teale Data Center Revolving Fund to the unappropriated surplus of the General Fund an amount sufficient to repay the balance owed, including interest, on the General Fund loan provided in Item 197.1 of the Budget Act of 1980; provided, that on the operative date of this act the Department of Finance shall cause to be transferred to the Stephen P. Teale Data Center Revolving Fund, from the budgets of agencies which have contracted for service with the data center, the funds appropriated in the current fiscal year for those services.

SEC. 26. Section 2557 of the Education Code is amended to read:

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, 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, except for the 1981–82 fiscal year, the increase shall not exceed 7.2 percent. 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.

(c) Notwithstanding subdivision (b), the inflation allowance for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise prescribed by subdivision (b), as specified in subdivision (m) of Section 42238, except to the extent a greater allowance may be funded by funds provided by the Budget Act of 1982. The inflation allowance for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to this subdivision had not been made.

SEC. 27. Section 42238 of the Education Code is amended to read:

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, excluding any funds resulting from an adjustment pursuant to Section 42950, as it read prior to its amendment by Chapter 238

of the Statutes of 1979.

(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, 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).

(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 twenty-five dollars ($2,025).

(6) Unified districts with more than 1,500 units of average daily attendance, two thousand dollars ($2,000).

(d) For the 1981–82 fiscal year, each district with a revenue limit per unit of average daily attendance computed for the 1980–81 fiscal year pursuant to this section 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 nine hundred seventy-nine dollars ($1,979).

(2) Elementary districts with more than 100 units of average daily attendance, one thousand five hundred seventy-three dollars ($1,573).

(3) High school districts with less than 301 units of average daily attendance, two thousand two hundred nineteen dollars ($2,219).

(4) High school districts with more than 300 units of average daily attendance, one thousand nine hundred seventy-six dollars ($1,976).

(5) Unified districts with less than 1,50. units of average daily attendance, one thousand eight hundred twenty-two dollars ($1,822).

(6) Unified districts with more than 1,500 units of average daily attendance, one thousand seven hundred twenty-four dollars ($1,724).

For computation of revenue limits for the 1982–83 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.

(e) For the 1981–82 fiscal year, each district with a revenue limit per unit of average daily attendance computed for the 1980–81 fiscal year pursuant to this section 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 three hundred fourteen dollars ($2,314).

(2) Elementary districts with more than 100 units of average daily attendance, one thousand nine hundred eight dollars ($1,908).

(3) High school districts with less than 301 units of average daily attendance, two thousand five hundred fifty-four dollars ($2,554).

(4) High school districts with more than 300 units of average daily attendance, two thousand three hundred eleven dollars ($2,311).

(5) Unified districts with less than 1,501 units of average daily attendance, two thousand one hundred fifty-seven dollars ($2,157).

(6) Unified districts with more than 1,500 units of average daily attendance, two thousand fifty-nine dollars ($2,059).

For the computation of revenue limits for the 1982–83 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 this section for the preceding fiscal year and one hundred dollars ($100).

(f) The maximum inflation adjustment shall be one hundred fifty dollars ($150) plus the amount provided by category (a) of Item 352.2 of the Budget Act of 1980 for the 1980–81 fiscal year; one hundred thirty-eight dollars ($138) 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).

(g) 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 for the 1980–81 fiscal year 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) excluding any adjustment

pursuant to paragraph (3) of subdivision (b) of Section 42237, 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 (f) 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 (f).

(4) The amount computed pursuant to this subdivision 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. This amount shall be known as the school district revenue limit per unit of average daily attendance for the 1980–81 fiscal year.

(h) For the 1981–82 fiscal year and each fiscal year thereafter, utilizing the district revenue limit per unit of average daily attendance for the preceding fiscal year computed pursuant to this section, 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 amounts specified in subdivision (e), determine the difference between the prior fiscal year amount specified in subdivision (e) and the district's prior fiscal year revenue limit per unit of average daily attendance. Multiply that difference by 65 and divide that product by the difference between the prior fiscal year amounts specified in subdivisions (d) and (e) for those types of districts. This result added to the minimum inflation adjustment specified in subdivision (f) shall be the inflation adjustment.

(2) For districts with a revenue limit per unit of average daily attendance in the preceding fiscal year which was less than the amounts specified in subdivision (d), the maximum inflation allowance shall not exceed 15 percent of the district's preceding fiscal year revenue limit per average daily attendance.

(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 amounts specified in subdivision (e), the inflation adjustment shall be the minimum inflation adjustment specified in subdivision (f).

(4) The amount computed pursuant to this subdivision shall be added to the revenue limit per unit of average daily attendance computed pursuant to this section. 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.

(i) The county superintendent of schools shall determine the district's total revenue limit for the current year by adding the amount obtained by multiplying the revenue limit determined pursuant to subdivision (g) or (h) by the sum of the following:

(1) The second principal apportionment regular average daily attendance for the current fiscal year.

(2) The product of 0.6 times the sum of the 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.

(3) For regional occupational centers and regional occupational programs and adult education programs and classes the fiscal year units of average daily attendance shall be used.

(j) The county superintendent of schools shall determine a minimum revenue limit guarantee as follows:

(1) Add the amount calculated for the district pursuant to Section 42239 in the prior fiscal year to the district's total revenue limit for the prior fiscal year determined pursuant to subdivision (i), as adjusted pursuant to Section 42241. For the purposes of this subdivision only, the amount determined pursuant to subdivision (i) for the prior fiscal year shall be adjusted proportionately for any change in average daily attendance due to district reorganization, transfers of responsibility for maintaining a junior high program for 7th and 8th grade pupils, changes in state laws regarding attendance reporting, or changes in interdistrict attendance agreements.

(2) For districts which received total revenue limits calculated pursuant to subdivision (h) of this section as it read in the 1980–81 fiscal year, add to the sum determined in paragraph (1), for the 1981–82 fiscal year, the difference between the amounts calculated pursuant to subdivisions (g) and (h) of this section as they read in the 1980–81 fiscal year, exclusive of any adjustments made pursuant to Section 42245 for any fiscal year prior to the 1980–81 fiscal year. For any district which received a total revenue limit pursuant to subdivision (d) of Section 42237 in the 1979–80 fiscal year, subtract the product of the district's reduction factor computed pursuant to Section 2 of Chapter 292, Statutes of 1978, as recalculated pursuant to paragraph (1) of subdivision (a) of Section 42237 and any adjustment greater than zero made pursuant to Section 42245 in the 1978–79 fiscal year, and for any district which reduced its adult education program in the 1980–81 fiscal year, subtract a pro rata portion of the amount determined pursuant to paragraph (4) of

subdivision (c) of Section 42237 for the 1979–80 fiscal year. In no event shall the result for this paragraph be less than zero.

For the 1982–83 fiscal year and each fiscal year thereafter, add to the sum determined in paragraph (1) any amount received pursuant to this subdivision for the prior fiscal year.

(k) In no event for the 1981–82 and 1982–83 fiscal year, other than reductions made pursuant to Section 41971 or Section 42245, shall the sum of the district's total revenue limit determined pursuant to subdivision (i) and the amount calculated pursuant to Section 42239 be less than the following:

(1) For a district which had a revenue limit per unit of average daily attendance in the prior fiscal year computed pursuant to either subdivision (g) or (h), adjusted pursuant to Section 42241, which was less than three thousand dollars ($3,000), 1.02 times the sum of the amounts determined in paragraphs (1) and (2) of subdivision (j).

(2) For a district which had a revenue limit per unit of average daily attendance in the prior fiscal year computed pursuant to either subdivision (g) or (h), adjusted pursuant to Section 42241, which was greater than or equal to three thousand dollars ($3,000), the sum of the amounts determined in paragraphs (1) and (2) of subdivision (j).

(*l*) 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.

(6) The amount of motor vehicle license fees distributed pursuant to Section 11003.4 of the Revenue and Taxation Code.

(m) Notwithstanding subdivision (h), the inflation adjustment for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise prescribed by subdivision (h) except to the extent a greater adjustment may be funded by funds provided by the Budget Act of 1982. The inflation adjustment for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to this subdivision had not been made.

SEC. 28. Section 49536 of the Education Code is amended to read:

49536. Funds allocated pursuant to subdivision (a) of Section 41350 to child nutrition entities for school and child care and development program meals pursuant to this article shall be disbursed on the basis of five cents ($0.05) for each breakfast and five cents ($0.05) for each lunch served.

The Department of Education shall, prior to July 1 of each year, prescribe an adjustment in the state meal contribution rates established pursuant to this section for the forthcoming fiscal year. Such adjustments shall reflect the changes in the cost of operating a school breakfast and lunch program and shall be made commencing on July 1 of each year. Such adjustment shall be the average of the separate indices of the "Food Away From Home Index" for Los Angeles and San Francisco as prepared by the United States Bureau of Labor Statistics.

In giving effect to the cost-of-living provisions of this section, the Department of Education shall use the same month for computation of the percentage change in the cost of living after July 1, 1975. The same month shall be used annually thereafter. The product of any percentage increase or decrease in the average index and the per meal reimbursement disbursement rate shall be adjusted by the amount of any cost-of-living change currently in effect pursuant to the provisions of this section. Notwithstanding any other provision of this section or any other provision of law, the cost-of-living adjustment for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise provided by this section except to the extent a greater adjustment may be funded by funds provided therefor by the Budget Act of 1982. The cost-of-living adjustment for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to the preceding sentence had not been made.

SEC. 29. Section 56723 of the Education Code is amended to read:

56723. For fiscal year 1980-81 the county superintendent shall multiply the unit rates computed pursuant to Section 56722 by 1.09. For fiscal year 1981–82, the unit rates shall be increased by 5 percent. Commencing with fiscal year 1982–83 and each fiscal year thereafter, the unit rates shall be increased by the statewide average percentage inflation adjustment computed for revenue limits of unified school districts with greater than 1,500 units of average daily attendance.

However, the annual adjustment for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise provided herein, as specified in subdivision (m) of Section 42238, except to the extent a greater adjustment may be funded by funds provided therefor by the Budget Act of 1982. The annual adjustment for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to the preceding sentence had not been made.

SEC. 30. Section 56782 of the Education Code is amended to read:

56782. Commencing with the 1982–83 fiscal year and in each fiscal year thereafter, the amounts per unduplicated pupil provided pursuant to Section 56781 shall be increased annually by the statewide average percentage inflation adjustment computed for revenue limits of unified school districts with greater than 1,500 units of average daily attendance.

However, the annual adjustment for the 1982–83 fiscal year shall

be reduced by one-fourth of the amount otherwise provided herein, as specified in subdivision (m) of Section 42238, except to the extent a greater adjustment may be funded by funds provided therefor by the Budget Act of 1982. The annual adjustment for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to the preceding sentence had not been made.

SEC. 31. Section 60246 of the Education Code is amended to read:

60246. The State Controller shall during each fiscal year, commencing with the 1978–79 fiscal year, transfer from the General Fund of the state to the State Instructional Materials Fund, an amount of thirteen dollars and thirty cents ($13.30) per pupil in the average daily attendance in the public and nonpublic elementary schools during the preceding fiscal year, as certified by the Superintendent of Public Instruction, except that this amount shall be adjusted annually in conformance with the Consumer Price Index, all items, of the Bureau of Labor Statistics of the United States Department of Labor, measured for the calendar year next preceding the fiscal year to which it applies. However, the annual adjustment for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise provided herein, except to the extent a greater adjustment may be funded by funds provided therefor by the Budget Act of 1982. The annual adjustment for each year following the 1982–83 fiscal year shall be computed as if any reduction made pursuant to the preceding sentence had not been made. For purposes of this section, average daily attendance in the nonpublic schools shall be the enrollment reported pursuant to Section 33190.

SEC. 32. Section 84623 is added to the Education Code, to read:

84623. The factor of 0.05 prescribed by subdivisions (a) and (b) of Section 84608 shall be reduced to 0.0375 for the 1982–83 fiscal year, except to the extent funds for a greater adjustment are provided for by the Budget Act of 1982.

SEC. 33. Section 32812 of the Financial Code is amended to read:

32812. The Controller shall transfer into the fund from the General Fund all moneys required to meet the loan requests of the corporation, provided, however, that the total amount of money transferred to this fund from the General Fund shall not exceed two million five hundred thousand dollars ($2,500,00). The Controller shall transfer no money into the fund pursuant to this section prior to July 1, 1982.

SEC. 34. Section 16113 of the Government Code is amended to read:

16113. (a) Each county auditor shall file a claim with the Controller on or before the last day of August of each year for reimbursement to local governmental agencies for the tax loss attributable to property on the unsecured roll by reason of the reduced assessment ratio of commercial passenger fishing vessels provided for in subdivision (c) of Section 227 of the Revenue and Taxation Code.

(b) Each county auditor shall file a claim with the Controller on or before October 31 of each fiscal year for reimbursement to local governmental agencies for the tax loss attributable to property on the secured roll by reason of the reduced assessment ratio of commercial passenger fishing vessels provided for in subdivision (c) of Section 227 of the Revenue and Taxation Code.

(c) For the 1980–81 fiscal year, and fiscal years thereafter, the amount the state shall reimburse local governmental jurisdictions for revenue loss by reason of the exemption for business inventories provided for in Section 219 of the Revenue and Taxation Code, and for livestock as provided for in Section 5523 of that code, shall be computed as follows:

(1) For the 1980–81 fiscal year, the sum of the reimbursements for all local governmental jurisdictions within a county shall equal twice the amount of money that would have been allocated for the 1979–80 fiscal year to the jurisdictions if the inventory exemption reimbursement had been predicated on the jurisdictions' share of the proceeds from a countywide property tax rate of four dollars ($4) per one hundred dollars ($100) of assessed valuation including the amount these jurisdictions would have received if that amount had not been subtracted pursuant to the provisions of Section 16117, plus 170 percent of the livestock exemption reimbursement for the 1979–80 fiscal year, with the resulting total sum to be increased by a percentage equal to the State Reimbursement for Inventory Tax Factor.

(2) For the 1981–82 fiscal year the sum of the reimbursements for all local governmental jurisdictions within a county shall be equal to the reimbursement computed for the prior fiscal year, multiplied by 1.0292.

(3) For the 1982–83 fiscal year and each fiscal year thereafter, the sum of the reimbursements for all local governmental jurisdictions within a county shall be equal to the reimbursement computed for the prior fiscal year, multiplied by the lesser of the change in cost of living for the calendar year in which the fiscal year begins or the change in California per capita personal income for the calendar year preceding the beginning of the fiscal year for which reimbursement is to be determined, the product multiplied by the change in population of the local jurisdiction for the calendar year preceding the beginning of the fiscal year for which reimbursement is to be determined.

"Change in California per capita personal income," "change in cost of living," and "change in population" shall have the meaning provided in Division 9 (commencing with Section 7900) of Title 1.

(d) With respect to the 1980–81 fiscal year and each fiscal year thereafter, each county auditor shall file a claim with the Controller on or before October 31 of each fiscal year for reimbursement to local jurisdictions for the amount computed pursuant to subdivision (c).

Proceeds received from the Controller pursuant to these claims shall be apportioned by the auditor to local governmental

jurisdictions as property tax revenues pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code.

(e) For purposes of this section, "State Reimbursement for Inventory Tax Factor" means:

(1) For cities, counties, and special districts: the percentage change in cost of living (as determined pursuant to Section 2212 of the Revenue and Taxation Code) plus the percentage change in the population of the city, county, or special district (as determined pursuant to Section 2227 or 2228 of the Revenue and Taxation Code). The percentage change in the population of a redevelopment agency shall be the percentage change in the population of the city or county in which the redevelopment agency is located.

(2) For school districts, county superintendents of schools and community college districts: the percentage change in the cost of living (as determined pursuant to Section 2212 of the Revenue and Taxation Code) plus the percentage change in the ADA of the school district or community college district.

(f) The cost-of-living adjustment provided by this section for the 1982–83 fiscal year shall be reduced by one-fourth of the amount otherwise provided herein, except to the extent a greater adjustment may be funded by funds provided therefor by the Budget Act of 1982.

SEC. 35. Section 16475 of the Government Code is amended to read:

16475. As of December 31 and June 30 all interest earned and other increment derived from investments made pursuant to this article shall, on order of the Controller, be deposited in the Surplus Money Investment Fund. The Controller, after deducting expenses incurred under this article by the Treasurer in investing in securities or time bank or savings and loan association deposits and in collecting bonds and bond coupons, shall apportion, as of December 31st and June 30th of each year, to the following funds in the Treasury, all interest earned or increment derived from the investments authorized by this article for the six calendar months ending with those dates:

(a) The General Fund.

(b) Each fund into which are deposited or which contains moneys collected from any tax now or hereafter imposed by this state upon the manufacture, sale, distribution, or use of motor vehicle fuel, for use in motor vehicles upon the public streets and highways.

(c) Each fund into which are deposited or which contains moneys collected from motor vehicle and other vehicle registration license fees or from any other tax or license fee now or hereafter imposed by the state upon vehicles, motor vehicles or the operation thereof, except those taxes and license fees which, by the provisions of Section 7 of Article XIX of the Constitution are exempted from the provisions of Section 2 of Article XIX.

(d) Each fund into which are deposited or which contains moneys collected under the provisions of any law of this state relating to the

protection, conservation, propagation, or preservation of fish, game, mollusks, or crustaceans, and fines imposed by any court for the violation of any of those laws.

(e) Each fund into which are deposited or which contains moneys available for construction, repair, replacement, maintenance or operation of public works of the state, including, but not limited to, the facilities of the State Water Resources Development System, as defined in Section 12931 of the Water Code, toll facilities financed, built, or acquired pursuant to the California Toll Bridge Authority Act, or moneys available for the payment of principal or interest on bonds issued to provide for the construction of those facilities.

(f) Every other fund in respect to which the Board of Control on the advice of the Attorney General determines that the operation of the California Constitution or the United States Constitution prohibits the expenditure of interest received under this article and allocated on the basis of amounts in that fund for General Fund purposes.

(g) For each fund not included within subdivisions (a) to (f), inclusive, the apportionment shall be made to the General Fund.

The apportionments shall be made by the Controller in the following manner:

(1) All money not apportioned to the funds referred to in subdivisions (b), (c), (d), (e), (f), and (g) shall be apportioned to the General Fund.

(2) There shall be apportioned to each of the funds referred to in subdivisions (b), (c), (d), (e), and (f), and to the General Fund with respect to the funds referred to in subdivision (g), an amount directly proportionate to the respective amounts transferred from those funds to the Surplus Money Investment Fund and the length of time the amounts remained therein.

SEC. 36. Section 7314 of the Labor Code is amended to read:

7314. (a) The division may fix and collect fees for the inspection of elevators as it deems necessary to cover the actual costs of having the inspection performed by a division safety engineer, including administrative costs. An additional fee may, in the discretion of the division, be charged for necessary subsequent inspections to determine if applicable safety orders have been complied with.

(b) The division may charge a fee of not more than fifteen dollars ($15) to cover the cost of processing a permit.

(c) The division may fix and collect fees for field consultations regarding elevators as it deems necessary to cover the actual costs of the time spent in the consultation by a division safety engineer, including administrative expenses.

(d) Whenever a person owning or having the custody, management, or operation of an elevator fails to pay the fees required under this chapter within 60 days after notification, he or she shall pay in addition to the fees required under this chapter, a penalty fee equal to 100 percent of the fee.

(e) Any fees required pursuant to this section shall be embodied

in regulations which shall be adopted as emergency regulations. These emergency regulations shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 37. Section 7721 of the Labor Code is amended to read:

7721. (a) The division may fix and collect fees for the shop, field, and resale inspection of tanks and boilers and for consultations, surveys, audits, and other activities required or related to national standards concerning the design or construction of boilers or pressure vessels or for evaluating fabricator's plant facilities when these services are requested of the division by entities desiring these services. The division may fix and collect the fees for the inspection of pressure vessels as it deems necessary to cover the actual costs of having the inspection performed by a division safety engineer, including administrative costs. An additional fee may, in the discretion of the division, be charged for necessary subsequent inspections to determine if applicable safety orders have been complied with.

(b) The division may charge a fee of not more than fifteen dollars ($15) to cover the cost of processing a permit.

(c) The division may fix and collect fees for field consultations regarding pressure vessels as it deems necessary to cover the actual costs of the time spent in the consultation by a division safety engineer, including administrative expenses.

(d) Whenever a person owning or having the custody, management, or operation of a pressure vessel fails to pay the fees required under this chapter within 60 days after notification, he or she shall pay, in addition to the fees required under this chapter, a penalty fee equal to 100 percent of the fee.

(e) Any fees required pursuant to this section shall be embodied in regulations which shall be adopted as emergency regulations. These emergency regulations shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 38. Section 7727 of the Labor Code is repealed.

SEC. 39. Section 6471 of the Revenue and Taxation Code, as amended by Chapter 5 of the 1981–82 First Extraordinary Session, is amended to read:

6471. (a) Except as provided in subdivision (b), upon written notification by the board, any person whose estimated measure of tax liability under this part averages seventeen thousand dollars ($17,000) or more per month, as determined by the board, shall, without regard to the measure of tax in any one month, prepay not

less than 90 percent of the amount of state and local tax liability for each of the first two monthly periods of each quarterly period. Persons engaged in their present business during all of the corresponding quarterly period of the preceding year, or persons who are successors to a business which was in operation during all of that quarterly period, may satisfy the above prepayment requirement by payment of an amount equal to one-third of the measure of tax liability reported on the return or returns filed for that quarterly period of the preceding year multiplied by the state and local tax rate in effect during the month for which the prepayment is made. Prepayment shall be made during the quarterly period designated by the board and during each succeeding quarterly period until further notified in writing by the board.

(b) Notwithstanding subdivision (a), upon written notification by the board, any person whose estimated measure of tax liability under this part averages two hundred thousand dollars ($200,000) or more per month, as determined by the board, shall, without regard to the measure of tax in any one month, make the following prepayments:

(1) In the first, third, and fourth calendar quarters, the person shall prepay not less than 90 percent of the amount of state and local tax liability for each of the first two monthly periods of each quarterly period.

(2) In the second calendar quarter, the person shall prepay a first prepayment of 90 percent of the amount of state and local tax liability for the first monthly period of each quarterly period and a second prepayment of either:

(i) 90 percent of the amount of state and local tax liability for the second monthly period of the quarterly period plus 90 percent of the amount of state and local tax liability for the first 15 days of the third monthly period of the quarterly period; or

(ii) 90 percent of the amount of state and local tax liability for the second monthly period of the quarterly period plus 50 percent of 90 percent of the amount of the liability for the second monthly period of the quarterly period.

Persons engaged in their present business during all of the corresponding quarterly period of the preceding year, or persons who are successors to a business which was in operation during all of that quarterly period, may satisfy the above prepayment requirements for the first, third, and fourth calendar quarters by payment of an amount equal to one-third of the measure of tax liability reported on the return or returns filed for that quarterly period of the preceding year multiplied by the state and local tax rate in effect during the month for which the prepayment is made.

The persons may satisfy their prepayment requirements for the second calendar quarter by making a first prepayment of an amount equal to one-third of the measure of tax liability reported, and a second prepayment of an amount equal to one-half of the measure of tax liability reported, on the return or returns filed for that

quarterly period of the preceding year multiplied by the state and local tax rate in effect during the month for which the prepayment is made.

Prepayments shall be made during the quarterly periods designated by the board and during each succeeding quarterly periods until further notified in writing by the board.

SEC. 40. Section 6474 of the Revenue and Taxation Code, as amended by Chapter 5 of the 1981–82 First Extraordinary Session, is amended to read:

6474. In determining whether a person's estimated measure of tax liability averages seventeen thousand dollars ($17,000) or more per month for purposes of subdivision (a) of Section 6471, or two hundred thousand dollars ($200,000) or more per month for purposes of subdivision (b) of Section 6471, the board may consider tax returns filed pursuant to this part as well as any information in the board's possession or which may come into its possession.

SEC. 41. Section 4075 of the Welfare and Institutions Code is amended to read:

4075. The department shall establish and maintain an equitable system of payment for the special needs of mentally disordered persons in private residential care facilities for the mentally disabled as follows:

(a) The rates of payment shall be based on the functional ability and programmatic needs of clients.

(b) The department shall establish eligibility criteria for private residential care facilities, including, but not limited to, training and educational requirements for facility operators and staff and ability to meet specified special needs of clients.

(c) The department shall adopt regulations implementing the provisions of this section by July 1, 1980.

(d) By July 1, 1980, and each year thereafter, the department shall establish rates. Such rates shall annually be proposed to the Legislature by March 1 and shall be operative on July 1 of each year, subject to the appropriation of sufficient funds for such purpose in the Budget Act. In establishing rates to be paid, the department shall include, but not be limited to, each of the cost elements in this section as follows:

(1) Rates established for all facilities shall include an adequate amount to care for "basic living needs" of a mentally disordered person. "Basic living needs" are defined to include housing (shelter, utilities, and furnishings), food, and personal care. These amounts shall be adjusted annually to reflect cost-of-living changes. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982. A redetermination of basic living costs shall be undertaken every three years by the State Department of Mental Health using the best available estimating methods.

(2) To the extent applicable, rates established for facilities shall

include a reasonable amount for "unallocated services." Such costs shall be determined using generally accepted accounting principles. "Unallocated services" means the indirect costs of managing a facility and includes costs of managerial personnel, facility operation, maintenance and repair, employee benefits, taxes, interest, insurance, depreciation, and general and administrative support. If a facility serves other persons in addition to mentally disordered persons, unallocated services expenses shall be reimbursed under the provision of this section, only for the proportion of the costs associated with the care of mentally disordered persons.

(3) Rates established for facilities shall include an amount to reimburse facilities for the depreciation of "mandated capital improvements and equipment" as established in the state's uniform accounting manual. For purposes of this section, "mandated capital improvements and equipment" are only those remodeling and equipment costs incurred by a facility because an agency of government has required such remodeling or equipment as a condition for the use of the facility as a provider of care to mentally disordered persons.

(4) Rates established for all facilities shall include as a "factor" an amount to reflect differences in the cost of living for different geographic areas in the state.

(5) Rates established for facilities shall include an amount for supervision where the functional ability or programmatic needs of residents require augmented supervisory staff.

(6) Under no circumstances shall the rate of payment to any provider of care under this chapter exceed the average amount charged to private clients residing in the same facility, nor shall the monthly rate of payment to any such facility exceed the average monthly cost of services for all persons with mental disabilities who reside in state hospitals.

(7) Rates of payment for private residential care facilities shall be established in such ways as to assure the maximum utilization of all federal and other sources of funding, to which mentally disordered persons are legally entitled, prior to the commitment of state funds for such purposes.

SEC. 42. Section 4681 of the Welfare and Institutions Code is amended to read:

4681. By July 1, 1977, and each year thereafter, the department shall establish rates, which shall be reviewed by the state council. Such rates shall annually be proposed to the Legislature by March 1 and shall be operative on July 1 of each year, subject to the appropriation of sufficient funds for such purpose in the Budget Act. In establishing rates to be paid for out-of-home care, the department shall include each of the cost elements in this section as follows:

(a) Rates established for all facilities shall include an adequate amount to care for "basic living needs" of a person with developmental disabilities. "Basic living needs" are defined to include housing (shelter, utilities, and furnishings), food, and

personal care. The amount required for basic living needs shall be calculated each year as the average cost of an additional normal child, between the age of 12–17, living at home. The amount for basic living needs shall be adjusted depending on the size of the out-of-home facility. These amounts shall be adjusted annually to reflect cost-of-living changes. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982. A redetermination of basic living costs shall be undertaken every three years by the State Department of Developmental Services, using the best available estimating methods.

(b) Rates established for all facilities that provide direct supervision for persons with developmental disabilities shall include an amount for "direct supervision." The cost of "direct supervision" shall reflect the ability of the persons in the facility to function with minimal, moderate, or intensive supervision. Minimal supervision means that a developmentally disabled person needs the assistance of other persons with certain daily activities. Moderate supervision means that a developmentally disabled person needs the assistance of other persons with daily activities most of the time. Intensive supervision means that all the personal and physical needs of a developmentally disabled person are provided by other persons. The individual program plan developed pursuant to Section 4646 shall determine the amount of "direct supervision" required for each individual. The cost of "direct supervision" is calculated as the wage costs of care-giving staff depending on the needs of the person with developmental disabilities. These rates shall be adjusted annually to reflect wage changes and shall comply with all federal regulations for hospitals and residential-care establishments under provisions of the Fair Labor Standards Act.

(c) Rates established for all facilities that provide "special services" for persons with developmental disabilities shall include an amount to pay for such "special services" for each person receiving special services. "Special services" include medical and dental care and therapeutic, educational, training, or other services required in the individual program plan of each person. Facilities shall be paid for providing special services for each individual to the extent that such services are specified in the person's individual program plan and the facility is designated provider of such special services. Rates of payment for special services shall be the same as prevailing rates paid for similar services in the area.

(d) To the extent applicable, rates established for facilities shall include a reasonable amount for "unallocated services." Such costs shall be determined using generally accepted accounting principles. "Unallocated services" means the indirect costs of managing a facility and includes costs of managerial personnel, facility operation, maintenance and repair, employee benefits, taxes, interest, insurance, depreciation, and general and administrative support. If

a facility serves other persons in addition to developmentally disabled persons, unallocated services expenses shall be reimbursed under the provision of this section, only for the proportion of the costs associated with the care of developmentally disabled persons.

(e) Rates established for facilities shall include an amount to reimburse facilities for the depreciation of "mandated capital improvements and equipment" as established in the state's uniform accounting manual. For purposes of this section, "mandated capital improvements and equipment" are only those remodeling and equipment costs incurred by a facility because an agency of government has required such remodeling or equipment as a condition for the use of the facility as a provider of out-of-home care to persons with developmental disabilities.

(f) When applicable, rates established for proprietary facilities shall include a reasonable "proprietary fee."

(g) Rates established for all facilities shall include as a "factor" an amount to reflect differences in the cost of living for different geographic areas in the state.

(h) Rates established for developmentally disabled persons who are also mentally disordered may be fixed at a higher rate. The State Department of Mental Health shall establish criteria upon which higher rates may be fixed pursuant to this subdivision. The higher rate for developmentally disabled persons who are also mentally disordered may be paid when requested by the director of the regional center and approved by the Director of the Department of Developmental Services.

SEC. 43. Section 11453 of the Welfare and Institutions Code is amended to read:

11453. The amounts set forth in Section 11452 and subdivision (a) of Section 11450 shall be adjusted annually by the department to reflect any increases or decreases in the cost of living occurring after December 1980, so that the first such adjustment becomes effective July 1, 1982, and subsequent adjustments shall take effect each July 1 thereafter. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982. The cost of living adjustment shall be calculated by the Commission on State Finance based on the changes in the California Necessities Index, which as used in this section means the weighted average changes for food, clothing, fuel, utilities, rent, and transportation for low income consumers. The computation of annual adjustments in the California Necessities Index shall be made in accordance with the following steps:

(a) The base period expenditure amounts for each expenditure category within the California Necessities Index used to compute the annual grant adjustment are:

Food	$1,832
Clothing (Apparel and Upkeep)	298

Fuel and other utilities	264
Rent, residential	2,303
Transportation	1,026
Total	$5,723

(b) Based on the appropriate components of the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, the percentage change shall be determined for the twelve-month period ending with the December preceding the year for which the cost-of-living adjustment will take effect, for each expenditure category specified in subdivision (a) within the following geographical areas: Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego, and, to the extent statistically valid information is available from the Bureau of Labor Statistics, additional geographical areas within the state which include not less than 80 percent of recipients of aid under this chapter.

(c) Calculate a weighted percentage change for each of the expenditure categories specified in subdivision (a) using the applicable weighting factors for each area used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(d) Calculate a category adjustment factor for each expenditure category in subdivision (a) by (1) adding 100 to the applicable weighted percentage change as determined in subdivision (b) and (2) dividing the sum by 100.

(e) Determine the expenditure amounts for the current year by multiplying each expenditure amount determined for the prior year by the applicable category adjustment factor determined in subdivision (d).

(f) Determine the overall adjustment factor by dividing (1) the sum of the expenditure amounts as determined in subdivision (d) for the current year by (2) the sum of the expenditure amounts as determined in subdivision (d) for the prior year.

The overall adjustment factor determined by the preceding computation steps shall be multiplied by the schedules established pursuant to Section 11452 and subdivision (a) of Section 11450 as are in effect during the month of June preceding the fiscal year in which the adjustments are to occur and the product rounded to the nearest dollar. The resultant amounts shall constitute the new schedules which shall be filed with the Secretary of State.

SEC. 44. Section 12201 of the Welfare and Institutions Code is amended to read:

12201. The payment schedules to go into effect July 1, 1982, and on July 1 of each year thereafter, shall be the amounts set forth in Section 12200, as adjusted to reflect any increases or decreases in the cost of living occurring after December 1, 1980. The cost-of-living adjustment shall be based on the changes in the California

Necessities Index, which as used in this section shall be the weighted average of changes for food, clothing, fuel, utilities, rent, and transportation for low-income consumers. The computation of annual adjustments in the California Necessities Index shall be made in accordance with the following steps:

(a) The base period expenditure amounts for each expenditure category within the California Necessity Index used to compute the annual grant adjustment are:

Food	$1,832
Clothing (apparel and upkeep)	298
Fuel and other utilities	264
Rent, residential	2,303
Transportation	1,026
Total	$5,723

(b) Based on the appropriate components of the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, the percentage change shall be determined for the twelve-month period ending with the December preceding the year for which the cost-of-living adjustment will take effect, for each expenditure category specified in subdivision (a) within the following geographical areas: Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego, and, to the extent statistically valid information is available from the Bureau of Labor Statistics, additional geographical areas within the state which include not less than 80 percent of recipients of aid under this chapter.

(c) Calculate a weighted percentage change for each of the expenditure categories specified in subdivision (a) using the applicable weighting factors for each area used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(d) Calculate a category adjustment factor for each expenditure category in subdivision (a) by (1) adding 100 to the applicable weighted percentage change as determined in subdivision (b) and (2) dividing the sum by 100.

(e) Determine the expenditure amounts for the current year by multiplying each expenditure amount determined for the prior year by the applicable category adjustment factor determined in subdivision (d).

(f) Determine the overall adjustment factor by dividing (1) the sum of the expenditure amounts as determined in subdivision (d) for the current year by (2) the sum of the expenditure amounts as determined in subdivision (d) for the prior year.

The overall adjustment factor determined by the preceding computational steps shall be multiplied by the payment schedules established pursuant to Section 12200 as are in effect during the

month of June preceding the fiscal year in which the adjustments are to occur, and the product rounded to the nearest dollar. The resultant amounts shall constitute the new schedules for the categories given under subdivisions (a), (b), (c), (d), (e), (f), and (g) of Section 12200, and shall be filed with the Secretary of State. The amount as set forth in subdivision (h) of Section 12200 shall be adjusted annually pursuant to this section in the event that the secretary agrees to administer payment under that subdivision. The payment schedule for subdivision (i) of Section 12200 shall be computed as specified, based on the new payment schedules for subdivisions (a), (b), (c), and (d) of Section 12200.

The department shall adjust any amounts of aid under this chapter to insure that the minimum level required by the Social Security Act in order to maintain eligibility for funds under Title XIX of that act is met.

Notwithstanding any other provision of this section or any other provision of law, no cost-of-living adjustment shall be made for any program for which a cost-of-living adjustment is computed pursuant to this section for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 45. Section 12201.5 of the Welfare and Institutions Code is amended to read:

12201.5. Notwithstanding the provisions of Section 12201, the amount applicable under that section to a disabled minor residing in a nonmedical out-of-home facility with a nonrelative guardian shall be the amount specified in subdivision (g) of that section, as adjusted for cost-of-living pursuant to that section. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 46. Section 12303.5 of the Welfare and Institutions Code is amended to read:

12303.5. Except as provided in Section 12304, no one individual recipient shall receive services under this article, the total cost of which exceeds five hundred eighty-one dollars ($581) in any one month. The five hundred eighty-one dollars ($581) maximum specified under this section shall be adjusted annually to reflect cost-of-living changes occurring subsequent to January 1, 1981, as determined under Section 12201. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 47. Section 12303.7 of the Welfare and Institutions Code is amended to read:

12303.7. Any aged, or disabled applicant or recipient who is eligible for assistance under this article, whose disabilities prevent the use of cooking facilities at home, shall be given the option to receive an allowance of forty-seven dollars ($47) per month for an

individual and ninety-four dollars ($94) per month for a married couple in lieu of the appropriate in-home food preparation and consumption services. The allowance under this section shall be in addition to any amount that the applicant or recipient is entitled to under this chapter. This allowance shall not have the effect of exceeding the total cost maximum of Sections 12303.5 and 12304. Nothing in this section shall be construed to limit the applicant's or recipient's right to receive the allowance under this section and all other homemaker and chore services.

The State Department of Social Services shall adjust the amount of the allowance under this section on July 1, 1982, and each year thereafter to reflect cost-of-living changes subsequent to January 1, 1981, as provided under Section 12201. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 48. 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 eight hundred thirty-eight dollars ($838) per month, plus adjustments reflecting cost-of-living changes subsequent to January 1, 1981, as determined under Section 12201. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982. 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 eight hundred thirty-eight dollars ($838) 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) 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.

(6) Ambulation.

(7) Paramedical services.

(8) 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.

SEC. 49. Section 13920 of the Welfare and Institutions Code is amended to read:

13920. For a person living in a nonmedical out-of-home care facility the department may establish varying allowances for room, board and care, provided that the minimum allowance shall not be less than three hundred ninety-four dollars ($394) per month and the amount so established shall be subject to increases in accordance with the cost-of-living increase formula set forth in Section 12201. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

The room, board and care allowance established pursuant to this section does not include the personal and incidental needs established pursuant to Section 13921.

SEC. 50. Section 13921 of the Welfare and Institutions Code is amended to read:

13921. The department shall establish a range of amounts for the personal and incidental needs of recipients in out-of-home care under this chapter provided that the minimum amount for personal and incidental needs shall not be less than fifty-eight dollars ($58) per month and that the range of amounts so established shall be subject to increases in accordance with the cost-of-living increase formula set forth in Section 12201. However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 51. Section 14080.5 is added to the Welfare and Institutions Code, to read:

14080.5. Notwithstanding any other provision of this article, no increase in the reimbursement levels for physician and dental

services under Medi-Cal shall be made for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 52. Section 14105.8 is added to the Welfare and Institutions Code, to read:

14105.8. Notwithstanding the provisions of Section 14105.7, no increase in allowable drug product prices or rates of payment for services shall be made pursuant to that section for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 53. Section 14106 of the Welfare and Institutions Code is amended to read:

14106. (a) Payment for Medi-Cal fee-for-service inpatient hospital services and inpatient intensive rehabilitation hospital services shall be based on the lesser of reasonable costs, as determined by the director in accordance with applicable federal law, or the hospital's customary charges for such services.

(b) If a Medi-Cal provider negotiates a rate of payment for inpatient, outpatient, or ancillary services with a prepaid health plan under contract with the department pursuant to Chapter 8 (commencing with Section 14200) of this part which is lower than or equal to the lesser of reasonable costs, customary charges, or the schedule of maximum allowances, the rate shall not affect the director's determination of reasonable costs, customary charges, or schedule of maximum allowances.

Notwithstanding the provisions of subdivision (a), there shall be no increase in a payment schedule established pursuant to this section for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 54. Section 16702 of the Welfare and Institutions Code is amended to read:

16702. The net county costs of health services specified in each county health services plan and budget shall be financed in each county, the City of Berkeley, and each existing local health district with assistance from the County Health Services Fund in accordance with the following:

(a) For each county, an annual grant of three dollars ($3) per capita based upon population estimates of the Department of Finance as of January 1 of the previous fiscal year; and

(b) Fifty percent of the amount derived by subtracting paragraph (2) from paragraph (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) (1) The amount of assistance from the County Health Services Fund for the County of Alameda, as determined in

subdivision (b), shall include an amount equal to 25 percent of the net city costs for health services of the City of Berkeley 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 of assistance from the County Health Services Fund for the City of Berkeley shall be an amount equal to 25 percent of the net city costs for health services of the City of Berkeley 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;

(3) The amount of assistance from the County Health Services Fund for the San Joaquin Local Health District shall be that amount set forth in the Budget Act of 1981 for that purpose for the 1981–82 fiscal year.

(d) The amount of funds transferred at the request of the county pursuant to Section 1157.5 of the Health and Safety Code.

(e) On July 1, 1980, the amounts specified in subdivisions (a), (b), (c), and (d) shall be adjusted to reflect any increases or decreases in the cost of living. On July 1, 1981, the amounts specified in subdivisions (a), (b), (c), and (d) shall be adjusted to reflect the increases, if any, in the appropriations provided for in the Budget Act for the 1981–82 fiscal year and shall be adjusted to reflect the funds transferred pursuant to Section 12 of Assembly Bill 1540 of the 1981–82 Regular Session. On July 1, 1982, and each July 1 thereafter, the amounts specified in subdivisions (a), (b), (c), and (d), as adjusted pursuant to this subdivision for the 1981–82 fiscal year, shall be adjusted to reflect any increases or decreases in the cost of living occurring during the 1981 calendar year and each year thereafter. The average of the separate indices of the cost of living for Los Angeles and San Francisco as published by the United States Bureau of Labor Statistics shall be used as the basis for determining the changes in the cost of living. The State 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), (b), (c), and (d) as previously adjusted pursuant to this subdivision.

However, no cost-of-living adjustment shall be provided for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds may be provided therefor by the Budget Act of 1982.

SEC. 55. Section 8 of Chapter 4 of the 1981–82 First Extraordinary Session is repealed.

SEC. 56. Notwithstanding any other provision of law, no funds appropriated by the state for any program or to any state or local agency or department shall be used to provide any cost-of-living or inflation allowance or adjustment for the period from July 1, 1982, to September 30, 1982, inclusive, except to the extent funds are

provided for such allowance or adjustment in the Budget Act of 1982.

SEC. 57. It is the intent of the Legislature that all cost-of-living and inflation adjustments for the 1982–83 fiscal year subject to the control of the Legislature shall be reviewed and determined through the regular budget process by which the Budget Act of 1982 will be enacted.

SEC. 58. Notwithstanding any other provisions of law, the Controller shall not pay the state employer contributions for employees whose compensation is payable from the General Fund to the Public Employees' Retirement System for the months of April through June, inclusive, of 1982.

The funds appropriated from the General Fund for transfer to the Public Employees' Retirement Fund for the months of April through June, inclusive, of 1982 shall revert to the unappropriated surplus of the General Fund.

The Board of Administration of the Public Employees' Retirement System shall transfer an amount equal to the amount which would otherwise be paid into the Public Employees' Retirement Fund but for the provisions of this section and Section 59 from the reserve against deficiencies to the unallocated portion of the Public Employees' Retirement Fund.

SEC. 59. Notwithstanding any other provisions of law, no school district, county office of education, or community college district shall pay the employer contributions to the Public Employees' Retirement System for the months of April through June, inclusive, of 1982.

SEC. 60. (a) Notwithstanding any other provision of law, the Superintendent of Public Instruction shall make the computations prescribed by this section.

(b) The superintendent shall compute the amount to be apportioned to each school district, and the amount to be allocated to each county office of education, for the second principal apportionment according to law.

(c) The superintendent shall reduce each apportionment and allocation computed pursuant to subdivision (b) by the amount for each school district and county office of education which is not paid for that district or office to the Public Employees' Retirement System pursuant to Section 59. The apportionments and allocations shall be made as reduced pursuant to this subdivision.

(d) The superintendent shall compute the sum of the reductions made pursuant to subdivision (c) and shall certify that sum to the Controller.

(e) The amount certified pursuant to subdivision (d) shall not be transferred by the Controller from the General Fund to Section A of the State School Fund pursuant to Item 610-101-001 of the Budget Act of 1981 but shall instead be reverted to the unappropriated surplus of the General Fund.

SEC. 61. (a) Notwithstanding any other provisions of law, the Chancellor of the California Community Colleges shall make the

computations prescribed by this section.

(b) The chancellor shall compute the amount to be apportioned to each community college district for the second principal apportionment according to law.

(c) The chancellor shall reduce each apportionment computed pursuant to subdivision (b) by the amount for each community college district which is not paid for that district to the Public Employees' Retirement System pursuant to Section 59. The apportionments shall be made as reduced pursuant to this subdivision.

(d) The chancellor shall compute the sum of the reductions made pursuant to subdivision (c) and shall certify that sum to the Controller.

(e) The amount certified pursuant to subdivision (d) shall not be transferred by the Controller from the General Fund to Section B of the State School Fund pursuant to Item 687-101-001 of the Budget Act of 1981 but shall instead be reverted to the unappropriated surplus of the General Fund.

SEC. 62. Any regulations required to be adopted to implement the provisions of this act shall be adopted as emergency regulations. These emergency regulations shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 63. Notwithstanding any other provision of law, the Controller shall not transfer any funds into the State School Building-Lease Purchase Fund prior to July 1, 1982. Notwithstanding the provisions of Section 16310 of the Government Code or any other provisions of law, the two hundred million dollars ($200,000,000), which under existing provisions of law could be transferred to the State School Building Lease-Purchase Fund prior to July 1, 1982, but for the provisions of this section, shall be considered a loan to the General Fund without interest which shall be repaid during the 1982–83 fiscal year.

SEC. 64. Notwithstanding any other provisions of law, on the operative date of this act, one hundred twenty-eight million one hundred fifty thousand dollars ($128,150,00) shall be transferred from the funds specified in this section to the General Fund, upon order of the Director of Finance. The transfer shall be from the following funds in the amounts indicated.

Capital Outlay Fund for Public Higher Education	31,321,000
Energy and Resources Fund	21,400,000
Parks and Recreation Fund	11,128,000
Special Account for Capital Outlay	50,834,000
Off-Highway Vehicle Fund	8,500,000
Employment Development Contingent Fund	4,967,000

SEC. 65. If any provision of this act or the application thereof to any person or circumstances is temporarily stayed or held invalid, the temporary stay or invalidity shall not affect other provisions or applications of the act which can be given effect without the temporarily stayed or invalid provision or application, and to this end the provisions of this act are severable.

SEC. 66. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 67. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act relates to the 1981–82 fiscal year, and, in order to achieve its intended results, it is necessary that this act take effect immediately.

CHAPTER 116

An act to add and repeal Title 1.5 (commencing with Section 11500) of Part 4 of the Penal Code, relating to criminal justice, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 15, 1982. Filed with Secretary of State March 16, 1982.]

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

SECTION 1. Title 1.5 (commencing with Section 11500) is added to Part 4 of the Penal Code, to read:

TITLE 1.5. STATEWIDE PROGRAMS OF EDUCATION, TRAINING, AND RESEARCH FOR LOCAL PUBLIC PROSECUTORS AND PUBLIC DEFENDERS

11500. The purpose of this title is to improve the administration of criminal justice by providing funding for statewide programs of education, training, and research for local public prosecutors and public defenders.

11501. (a) There is hereby established in the Office of Criminal Justice Planning, a program of financial assistance to provide for statewide programs of education, training, and research for local

public prosecutors and public defenders. All funds made available to the Office of Criminal Justice Planning for the purposes of this chapter shall be administered and distributed by the executive director of the office in consultation with the California Council on Criminal Justice.

(b) The executive director of the Office of Criminal Justice Planning is authorized to allocate and award funds to public agencies or private nonprofit organizations for purposes of establishing statewide programs of education, training, and research for public prosecutors and public defenders, which programs meet criteria established pursuant to Section 11502.

(c) Annually, commencing January 1, 1982, the executive director shall submit a report to the Legislature describing the operation and accomplishments of the statewide programs authorized by this title.

11502. (a) Criteria for selection of education, training, and research programs for local public prosecutors and public defenders shall be developed in consultation with an advisory group entitled the Prosecutors and Public Defenders Education and Training Advisory Committee which is hereby created.

(b) The Prosecutors and Public Defenders Education and Training Advisory Committee shall be composed of six local public prosecutors and six local public defender representatives, all of whom are appointed by the executive director of the Office of Criminal Justice Planning, who shall provide staff services to the advisory committee. In appointing the members of the committee, the executive director shall invite the Attorney General, the State Public Defender, the Speaker of the Assembly, and the Senate President pro Tempore to participate as ex officio members of the committee.

(c) The Office of Criminal Justice Planning, in consultation with the advisory committee and the California Council on Criminal Justice, shall develop specific guidelines including criteria for selection of organizations to provide education, training, and research services.

(d) In determining the equitable allocation of funds between prosecution and defense functions, the Office of Criminal Justice Planning and the advisory committee shall give consideration to the amount of local government expenditures on a statewide basis for the support of those functions.

(e) Administration of the overall program and the preparation of the annual report to the Legislature shall be performed by the Office of Criminal Justice Planning. The office may, out of any appropriation for this program, expend an amount not to exceed 7.5 percent for any fiscal year for such purposes.

(f) No funds appropriated pursuant to this title shall be used to support a legislative advocate.

(g) To the extent necessary to meet the requirements of the State Bar of California relating to certification of training for legal specialists, the executive director shall insure that, where

appropriate, all programs funded under this title are open to all members of the State Bar of California. The program guidelines established pursuant to subdivision (c) shall require that training costs shall be reimbursed by means of course attendance charges to be paid by all trainees who are not employed on a substantially full-time basis as prosecuting attorneys or criminal defense attorneys provided at public expense to qualified indigent defendants.

SEC. 2. The sum of four hundred ninety-five thousand dollars ($495,000) is hereby appropriated each fiscal year from the Corrections Training Fund for the 1981–82 fiscal year, and from the Assessment Fund for each fiscal year thereafter to the Office of Criminal Justice Planning for statewide programs of education, training, and research for local public prosecutors and public defenders pursuant to Title 1.5 (commencing with Section 11500) of Part 4 of the Penal Code, provided however, that the appropriation made from the Assessment Fund by this section shall not diminish the funds which would otherwise be transferred from the Assessment Fund to the Indemnity Fund and to the Peace Officers Training Fund.

SEC. 3. This act shall remain operative only until January 1, 1986, and on such date is repealed.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are that statewide training programs for local prosecutors and public defenders are necessary to cope with the increase in criminal prosecutions and it is therefore necessary that this act go into immediate effect.

CHAPTER 117

An act to add Sections 100.4 and 100.45 to the Streets and Highways Code, relating to state highways.

[Approved by Governor March 16, 1982. Filed with Secretary of State March 16, 1982.]

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

SECTION 1. Section 100.4 is added to the Streets and Highways Code, to read:

100.4. Notwithstanding Section 100.2, the department may construct a freeway, without an agreement with a county or city, on the route determined by the commission, if all of the following conditions have been met:

(a) The freeway is included within the California freeway and expressway system and a route has been adopted.

(b) Construction has commenced along the adopted route, but has not been completed so that there is an existing gap between the constructed portions of the freeway.

(c) In addition to the adopted route, there is at least one feasible alternative route as determined by the department.

(d) A draft environmental impact report has been prepared on the unconstructed portion of the freeway.

(e) A county transportation commission is in existence prior to January 1, 1982.

(f) An agreement with one or more counties and cities pursuant to Section 100.2 is not possible because an impasse, as evidenced by the lack of freeway agreements by all affected jurisdictions, has existed for 10 or more years after the route was adopted.

(g) Under the conditions set forth in subdivisions (a) to (f), inclusive, the commission shall hold public hearings as it may deem necessary, review the draft environmental impact report or statement, and consider the recommendation and records of the county transportation commission and other documents as it may deem advisable. The commission shall take into consideration all the traditional factors of route selection by the state, including the question of least adverse economic and physical impact on the communities involved, but any previous selection by the commission or its predecessor shall not be considered binding.

(h) The environmental impact report or statement shall examine the impacts of alternative route alignments on the communities involved. The definition and scope of these communities shall reflect the sense of community of residents within and immediately adjacent to the adopted route and alternate route location.

(i) The department shall prepare the draft environmental impact report or statement within one year of the enactment of this section. The commission may hold public hearings on the draft environmental impact report or statement as it deems necessary, with any hearing to be concluded within six months of the availability of the draft environmental impact report or statement. The department shall prepare the final environmental impact report or statement within 12 months of the completion of the public review period of the draft environmental impact report or statement. The commission shall select the route within six months of the completion of the environmental impact report or statement.

(j) If the route selected by the commission differs from a prior route adopted by the commission or a prior recommendation by the county transportation commission, the commission shall set forth, as a part of its decision statement, the reasons for the route selected.

SEC. 2. Section 100.45 is added to the Streets and Highways Code, to read:

100.45. When the department constructs a freeway on the route selected pursuant to Section 100.4, the department shall meet and confer with affected counties and cities with respect to the design of the portion of the freeway to be constructed within the jurisdiction

of the affected county or city.

CHAPTER 118

An act to amend Section 25374 of the Government Code, relating to county government.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 25374 of the Government Code is amended to read:

25374. (a) Notwithstanding any other provision of law, the board of supervisors in a county containing a population of 4,000,000 or more may, without advertising for bids, lease any real property owned by the county to any nonprofit corporation or nonprofit association for a term not to exceed 40 years for the purpose of constructing, operating and maintaining buildings, structures and facilities on the property for a medical, dental or postgraduate medical school or a school for undergraduate or postgraduate training in other fields of medical and allied health care. Any instrument by which the property is leased shall require the lessee named in the lease to construct on the leased premises a building or buildings to be used for the public purpose of providing medical or dental instruction or instruction in other fields of medical and allied health care to qualified students during the term of the lease and shall provide that title to the buildings shall vest in the county or city and county at the expiration of the lease term, and shall contain other terms and conditions as the board of supervisors may deem to be in the best interests of the county or city and county.

(b) Notwithstanding any other provision of law, the board of supervisors in a county containing a population of 4,000,000 or more may, without advertising for bids, lease real property, or portions thereof, owned at the time of the lease by the county and used for the purpose of conducting medical research and education to any medical school, nonprofit corporation, or nonprofit association for the purpose of conducting medical research and education. Any instrument by which the property is leased shall require the lessee named in the lease to maintain the leased premises and assume responsibility for capital improvements during the term of the lease and shall provide that title to any capital improvements shall vest in the county at the expiration of the lease term, and shall contain other terms and conditions as the board of supervisors may deem to be in the best interest of the county.

CHAPTER 119

An act to add Section 311 to the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977), relating to the Monterey Peninsula Water Management District.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 311 is added to the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977), to read:

Sec. 311. The district may, by using any water or water supplies furnished to the district or used by the district, construct, maintain, and operate one or more plants for the generation of hydroelectric power from such water and transmission lines for the conveyance thereof. The plant or plants so constructed shall be operated in a manner consistent with the district's storage, transmission, and distribution of water. Construction of such plant or plants and transmission lines may be financed by the issuance of general obligation bonds or revenue bonds or any other method of financing district works as provided in this law.

The hydroelectric plant or plants and transmission lines constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity. The power generated may be used by the district for its own purposes, or for the production or transmission of water, but shall not be offered for sale directly by the district to customers other than a public utility or public agency for any use other than the production or transmission of water.

CHAPTER 120

An act to amend Section 30208 of the Streets and Highways Code, relating to state bridges and highways, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982]

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

SECTION 1. Section 30208 of the Streets and Highways Code is amended to read:

30208. (a) The commission shall determine the form, conditions,

and denominations of all bonds, the dates which the bonds to be sold shall bear, and the interest rate thereon which shall not exceed 10 percent per annum. The rate of interest need not be uniform for all bonds of the same authorized issue. Principal and interest of the bonds shall be payable at such places as are fixed and determined by the commission. The bonds may contain provisions for registration as to principal only and as to both principal and interest. The bonds shall be issued in coupon form with interest payable at such times as are determined by the commission, and shall mature at such times and in such amounts as the commission prescribes.

(b) Notwithstanding subdivision (a), the interest rate on bonds whose proceeds are used exclusively for the costs of construction of the new Dumbarton Bridge shall not exceed 12 percent per annum. Costs of construction shall include all costs and expenses incidental to the acquisition, construction, and financing of the bridge, the costs of issuance and sale of the bonds, and legal, financial, consulting, and engineering fees, and the expenses of printing the bonds and the resolution authorizing issuance of the bonds. This subdivision shall only apply to bonds not exceeding an aggregate amount of fifty million dollars ($50,000,000).

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 the necessity are:

The new Dumbarton Bridge is under construction, and it will be necessary to supplement available construction funds in the very near future. Due to the unsettled condition of the present bond market, it may not be possible to market bonds within the existing 10 percent per annum statutory limitation on the rate of interest. It is thus necessary that this act take effect immediately.

CHAPTER 121

An act to amend Section 1373 of the Health and Safety Code, and to amend Sections 10176, 10177 and 11512.8 of the Insurance Code, relating to insurance.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 1373 of the Health and Safety Code is amended to read:

1373. (a) A plan contract may not provide an exception for other coverage where such other coverage is entitlement to Medi-Cal benefits under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200) of Part 3 of Division 9

of the Welfare and Institutions Code.

Each plan contract shall be interpreted not to provide an exception for such Medi-Cal benefits.

A plan contract may not provide that the benefits payable thereunder are subject to reduction if the individual insured has entitlement to such Medi-Cal benefits.

(b) A plan contract which provides coverage, whether by specific benefit or by the effect of general wording, for sterilization operations or procedures shall not impose any disclaimer, restriction on, or limitation of, coverage relative to the covered individual's reason for sterilization.

As used in this section, "sterilization operations or procedures" shall have the same meaning as that specified in Section 10120 of the Insurance Code.

(c) Every plan contract which provides coverage to family members or dependents of the subscriber or enrollee shall grant immediate accident and sickness coverage, from and after the moment of birth, to each newborn infant, and to each minor adopted child from and after the moment the child is placed in the custody of the adoptive parents for adoption, of any subscriber or enrollee covered. No such plan may be entered into or amended if it contains any disclaimer, waiver, or other limitation of coverage relative to the coverage or insurability of newborn infants of a subscriber or enrollee covered from and after the moment of birth or of minor adopted children from and after the moment the child is placed in the custody of the adoptive parents for adoption.

(d) Every plan contract which provides that coverage of a dependent child of a subscriber shall terminate upon attainment of the limiting age for dependent children specified in the plan, shall also provide in substance that attainment of such limiting age shall not operate to terminate the coverage of such child while the child is and continues to be both (a) incapable of self-sustaining employment by reason of mental retardation or physical handicap and (b) chiefly dependent upon the subscriber for support and maintenance, provided proof of such incapacity and dependency is furnished to the plan by the member within 31 days of the request for such information by the plan or group plan contract holder and subsequently as may be required by the plan or group plan contract holder, but not more frequently than annually after the two-year period following the child's attainment of the limiting age.

(e) A plan contract which provides coverage, whether by specific benefit or by the effect of general wording, for both an employee and one or more covered persons dependent upon such employee and provides for an extension of such coverage for any period following a termination of employment of the employee shall also provide that such extension of coverage shall apply to dependents upon the same terms and conditions precedent as applied to the covered employee, for the same period of time, subject to payment of premiums, if any, as required by the terms of the policy and subject to any applicable

collective-bargaining agreement.

(f) A group contract shall not discriminate against handicapped persons or against groups containing handicapped persons. Nothing in this subdivision shall preclude reasonable provisions in a plan contract against liability for services or reimbursement of the handicap condition or conditions relating thereto, as may be allowed by rules of the commissioner.

(g) Every group contract shall set forth the terms and conditions under which subscribers and enrollees may remain in the plan in the event the group ceases to exist, the group contract is terminated or an individual subscriber leaves the group, or the enrollees' eligibility status changes.

(h) A health care service plan or specialized health care service plan may provide for coverage of, or for payment for, professional mental health services, or vision care services, or for the exclusion of such services. No plan shall prohibit the member from selecting any psychologist who is licensed pursuant to the Psychology Licensing Law or, any optometrist who is the holder of a certificate issued pursuant to Chapter 7 (commencing with Section 3000) of Division 2 of the Business and Professions Code or, upon referral by a physician and surgeon licensed pursuant to the Medical Practice Act, (1) any marriage, family, and child counselor who is the holder of a license under Section 17805 of the Business and Professions Code, or (2) any licensed clinical social worker who is the holder of a license under Section 9040 of the Business and Professions Code, or (3) any registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, at such time as the State Board of Registered Nurses produces and maintains a list of those psychiatric-mental health nurses who possess a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, to perform the particular services covered under the terms of the plan, such certificate holder being expressly authorized by law to perform such services. Nothing in this section shall be construed to allow any certificate holder or licensee enumerated in this section to perform professional mental health services beyond his or her field or fields of competence as established by his or her education, training and experience. For the purposes of this section, "marriage, family and child counselor" shall mean a licensed marriage, family and child counselor who has received specific instruction in assessment, diagnosis, prognosis, and counseling, and psychotherapeutic treatment of premarital, marriage, family and child relationship dysfunctions which is equivalent to the instruction required for licensure on January 1, 1981. Nothing in this section shall be construed to allow a member to select and obtain mental health or psychological or vision care services from a certificate or license

holder who is not directly affiliated with or under contract to the health care service plan or specialized health care service plan to which the member belongs. All health care service plans and individual practice associations which offer mental health benefits shall make reasonable efforts to make available to their members the services of licensed psychologists. However, a failure of a plan or association to comply with the requirements of the preceding sentence shall not constitute a misdemeanor.

As used in this subdivision, "individual practice association" means an entity as defined in subsection (5) of Section 1307 of the federal Public Health Service Act (subs. (5), Sec. 300e-1, 42 U.S.C.).

(i) If the plan utilizes arbitration to settle disputes, the plan contracts shall set forth the type of disputes subject to arbitration, the process to be utilized, and how it is to be initiated.

(j) A plan contract which provides benefits that accrue after a certain time of confinement in a health care facility shall specify what constitutes a day of confinement or the number of consecutive hours of confinement which are requisite to the commencement of benefits.

SEC. 2. Section 10176 of the Insurance Code is amended to read:

10176. In disability insurance the policy may provide for payment of medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, or optometric expenses upon a reimbursement basis, or for the exclusion of any such services, and provision may be made therein for payment of all or a portion of the amount of charge for such services without requiring that the insured first pay such expenses. No such policy shall prohibit the insured from selecting any psychologist or other person who is the holder of a certificate or license under Section 1000, 1634, 2135, 2553, 2630, 2948, or 3055 of the Business and Professions Code, to perform the particular services covered under the terms of the policy, such certificate holder or licensee being expressly authorized by law to perform such services.

Nor shall any such policy prohibit the insured, upon referral by a physician and surgeon licensed under Section 2135 of the Business and Professions Code, from selecting any licensed clinical social worker who is the holder of a license issued under Section 9040 of the Business and Professions Code or any occupational therapist as specified in Section 2570 of the Business and Professions Code, or any marriage, family, and child counselor who is the holder of a license under Section 17805 of the Business and Professions Code, to perform the particular services covered under the terms of the policy, or from selecting any speech pathologist or audiologist licensed under Section 2530 of the Business and Professions Code or any registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, at such time as the State Board of Registered Nurses

produces and maintains a list of those psychiatric-mental health nurses who possess a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, to perform services deemed necessary by the referring physician, such certificate holder, licensee or otherwise regulated person, being expressly authorized by law to perform such services.

Nothing in this section shall be construed to allow any certificate holder or licensee enumerated in this section to perform professional mental health services beyond his or her field or fields of competence as established by his or her education, training and experience. For the purposes of this section, "marriage, family and child counselor" shall mean a licensed marriage, family and child counselor who has received specific instruction in assessment, diagnosis, prognosis, and counseling, and psychotherapeutic treatment of premarital, marriage, family and child relationship dysfunctions which is equivalent to the instruction required for licensure on January 1, 1981.

SEC. 3. Section 10177 of the Insurance Code is amended to read:

10177. A self-insured employee welfare benefit plan may provide for payment of professional mental health expenses upon a reimbursement basis, or for the exclusion of such services, and provision may be made therein for payment of all or a portion of the amount of charge for such services without requiring that the employee first pay such expenses. No such plan shall prohibit the employee from selecting any psychologist who is the holder of a certificate issued under Section 2948 of the Business and Professions Code or, upon referral by a physician and surgeon licensed under Section 2135 of the Business and Professions Code, any licensed clinical social worker who is the holder of a license issued under Section 9040 of the Business and Professions Code or any marriage, family, and child counselor who is the holder of a certificate or license under Section 17805 of the Business and Professions Code, or any registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, at such time as the State Board of Registered Nurses produces and maintains a list of those psychiatric-mental health nurses who possess a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, to perform the particular services covered under the terms of the plan, such certificate or license holder being expressly authorized by law to perform such services.

Nothing in this section shall be construed to allow any certificate holder or licensee enumerated in this section to perform professional services beyond his or her field or fields of competence as established by his or her education, training, and experience. For the purposes of this section, "marriage, family and child counselor" shall mean a

licensed marriage, family and child counselor who has received specific instruction in assessment, diagnosis, prognosis, and counseling, and psychotherapeutic treatment of premarital, marriage, family and child relationship dysfunctions which is equivalent to the instruction required for licensure on January 1, 1981.

SEC. 4. Section 11512.8 of the Insurance Code is amended to read:

11512.8. A hospital service contract may provide for payment of professional mental health expenses upon a reimbursement basis, or for the exclusion of such services, and provision may be made therein for payment of all or a portion of the amount of charge for such services without requiring that the employee first pay such expenses. No such contract shall prohibit the subscriber from selecting any psychologist who is the holder of a certificate issued under Section 2948 of the Business and Professions Code or, upon referral by a physician and surgeon licensed under Section 2135 of the Business and Professions Code, any licensed clinical social worker who is the holder of a license issued under Section 9040 of the Business and Professions Code or any marriage, family, and child counselor who is the holder of a license under Section 17805 of the Business and Professions Code, or any registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, at such time as the State Board of Registered Nurses produces and maintains a list of those psychiatric-mental health nurses who possess a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, to perform the particular services covered under the terms of the contract, such certificate or license holder being expressly authorized by law to perform such services.

Nothing in this section shall be construed to allow any certificate holder or licensee enumerated in this section to perform professional mental health services beyond his or her field or fields of competence as established by his or her education, training and experience. For the purposes of this section, "marriage, family and child counselor" shall mean a licensed marriage, family and child counselor who has received specific instruction in assessment, diagnosis, prognosis, and counseling, and psychotherapeutic treatment of premarital, marriage, family and child relationship dysfunctions which is equivalent to the instruction required for licensure on January 1, 1981.

CHAPTER 122

An act to add Section 10001.6 to the Water Code, relating to water resources.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982]

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

SECTION 1. Section 10001.6 is added to the Water Code, to read:

10001.6. (a) The Georgetown Divide Public Utility District has the right to pursue, without any right of assignment to other parties, the district's preliminary permit number 4287 which was issued by the Federal Energy Regulatory Commission and the right to pursue a license from that commission for development of the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge.

(b) For the purposes of this section, the "date when the federal application process is completed" shall be defined relative to the district's preliminary Federal Energy Regulatory Commission permit number 4287, any subsequent application for license, and any subsequent license for development of the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, as that date when the first of the following occur:

(1) The date when the Georgetown Divide Public Utility District's preliminary permit number 4287 expires if it expires before the district makes an application for license to the Federal Energy Regulatory Commission.

(2) The date when a final determination is made, either by the Federal Energy Regulatory Commission or by the court, upon rejection of the application for a Federal Energy Regulatory Commission license.

(3) The date when a final determination is made, either by the Federal Energy Regulatory Commission or by the court, upon issuance or denial of a Federal Energy Regulatory Commission license.

(4) Three years after the expiration date of preliminary permit number 4287.

(5) The date when the Georgetown Divide Public Utility District permanently and irrevocably withdraws its Federal Energy Regulatory Commission preliminary permit number 4287.

(c) Until the date when the federal application process is completed, no water rights application shall be accepted for filing, and no permit to appropriate water shall be issued, except from or to the Georgetown Divide Public Utility District, by the board for the purposes of any project which would directly divert water or divert water by storage for any beneficial use from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls

Bridge, except that this limitation on the filing or issuance of water rights does not apply to water rights applications or to the issuance of permits to appropriate water solely for consumptive use by residents of El Dorado County.

Nothing in this subdivision shall affect the exercise of riparian rights.

(d) For 10 years after the date when the federal application process is completed, no water rights application shall be accepted for filing, and no permit to appropriate water shall be issued, by the board for the purposes of any project which would directly divert water or divert water by storage for any beneficial use from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, except that this limitation on the filing or issuance of water rights does not apply to water rights applications or to the issuance of permits to appropriate water solely for consumptive use by residents of El Dorado County.

Nothing in this subdivision shall affect the exercise of riparian rights.

(e) Until 20 years after the date when the federal application process is completed, the statutory requirements of Part 2 (commencing with Section 1200) of Division 2 relating to diligence do not apply to applications from the Georgetown Divide Public Utility District for water rights from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, and those applications shall remain valid and shall retain and have the status and priority accorded to water rights applications by law other than this section until that date. After that date, all such requirements relating to diligence, as are now or hereafter provided, shall apply to the applications. No time requirement for acting on water rights applications, imposed on the board by any provision of law, shall apply to applications from the Georgetown Divide Public Utility District for water rights from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge until the diligence requirements identified in this subdivision become applicable to the applications.

(f) From 10 years after the date when the federal application process is completed, no water rights application shall be accepted for filing, and no permit to appropriate water shall be issued, except from or to the Georgetown Divide Public Utility District, by the board for the purposes of any project which would directly divert water or divert water by storage for any beneficial use from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, except that this limitation on the filing or issuance of water rights does not apply to water rights applications or to the issuance of permits to appropriate water solely for consumptive use by residents of El Dorado County.

Nothing in this subdivision shall affect the exercise of riparian rights.

This subdivision shall cease to be operative 20 years after the date

when the federal application process is completed.

(g) Any applicant for water rights whose project on the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge would reduce river flows below the flows necessary to continue instream recreational beneficial uses on that portion of the river shall evaluate alternatives which would not reduce the flows below those necessary to continue instream recreational beneficial uses.

(h) Any person who after the effective date of this section receives a permit or license to appropriate water at any point on the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge and who is also an applicant receiving a Federal Energy Regulatory Commission power license for a project on the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge shall replace in-kind at the time of loss any instream navigation, fishery, and swimming uses which are lost as a result of the project. The in-kind replacement may include, but is not limited to, improvement in flow reliability which would offset adverse changes in flows. The requirements of this subdivision shall be applicable to the applicants and their assignees and successors. The board shall, in accordance with the provisions of Division 2 (commencing with Section 1000), include terms and conditions in any water rights permit or license issued on any application to implement the requirements of this subdivision.

This subdivision shall not be operative or cease to be operative, as the case may be, if the Georgetown Divide Public Utility District permanently and irrevocably withdraws its Federal Energy Regulatory Commission preliminary permit number 4287 not later than 10 days after the operative date of this section.

(i) The Georgetown Divide Public Utility District shall not transfer any Federal Energy Regulatory Commission License received for any project on the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, except that the district may transfer the license to a nongovernmental entity which is not a water purveyor or a power utility solely for the purpose of financing if the license is returned to the Georgetown Divide Public Utility District immediately after the financing purpose is accomplished.

The Georgetown Divide Public Utility District shall not transfer any water rights permit or license received for any project which would directly divert water or divert water by storage for any beneficial use from the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge, except that the district may transfer the permit or license to a nongovernmental entity which is not a water purveyor or a power utility solely for the purpose of financing if the permit or license is returned to the Georgetown Divide Public Utility District immediately after the financing purpose is accomplished.

(j) This section shall become operative on January 1, 1983, or on

the date that the board issues a water rights permit or permits for the South Fork American River Project which is acceptable to the applicant, or on the date that the Federal Energy Regulatory Commission issues a license for project number 2761, also known as the South Fork American River Project, which is acceptable to the applicant, or on the date when challenges or appeals to that issuance have been dismissed or the issuance has been sustained, whichever date occurs last.

SEC. 2. The Legislature hereby finds and declares that the provisions of this act are applicable only to projects located on the South Fork of the American River between Chili Bar Reservoir and Salmon Falls Bridge and shall in no way be construed to vest any authority in any public agency or to otherwise affect the powers and duties of any public agency except as expressly provided in the provisions of this act.

CHAPTER 123

An act to add Section 7552.5 to the Public Resources Code, relating to swamp and overflowed lands.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 7552.5 is added to the Public Resources Code, to read:

7552.5. Where lands above the ordinary high-water mark, granted to the state by the Arkansas Swamp Lands Act, Act of September 28, 1850, have been conveyed into private ownership by the State of California pursuant to an act authorizing the sale and conveyance of swamp and overflowed lands, such swamp and overflowed lands, by definition, are taken free of the common law public trust for commerce, navigation, and fisheries. Where a private owner, deriving title by virtue of such a conveyance of swamp and overflowed lands, dredges or has dredged such lands pursuant to then existing law, and such dredging results or has resulted in the navigable waters of the state flowing over such lands, such acts shall not operate to create or impose the common law public trust for commerce, navigation, and fisheries with respect to such lands. Such acts shall operate to create a navigational easement, in favor of the public, upon the waters which flow over the affected real property. The navigational easement so created may be extinguished only upon the lawful removal of the navigable waters from the real property.

CHAPTER 124

An act to amend Sections 2070 and 2080 of the Insurance Code, relating to insurance.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 2070 of the Insurance Code is amended to read:

2070. All fire policies on subject matter in California shall be on the standard form, and, except as provided by this article shall not contain additions thereto. No part of the standard form shall be omitted therefrom except that any policy providing coverage against the peril of fire only, or in combination with coverage against other perils, need not comply with the provisions of the standard form of fire insurance policy or Section 2080; provided, that coverage with respect to the peril of fire, when viewed in its entirety, is substantially equivalent to or more favorable to the insured than that contained in such standard form fire insurance policy.

SEC. 2. Section 2080 of the Insurance Code is amended to read:

2080. Except as otherwise provided in this article, clauses imposing specified duties and obligations upon the insured and limiting the liability of the insurer may be attached to the standard form. Such clauses shall be in the rider or riders attached to the standard form of policy and shall be in type as provided in Section 2073.

CHAPTER 125

An act to amend Section 4213 of, and to add Section 4213.2 to, the Civil Code, to amend Section 69503 of the Government Code, and to amend Section 10067 of, and to add Sections 10067.1, 10068, and 10068.1 to, the Health and Safety Code, relating to records, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 18, 1982. Filed with Secretary of State March 19, 1982.]

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

SECTION 1. Section 4213 of the Civil Code is amended to read:

4213. (a) When an unmarried man and an unmarried woman, not minors, have been living together as husband and wife they may without a license, be married by any person authorized to solemnize a marriage under Sections 4205, 4205.1, and 4205.5, without the

necessity of first obtaining health certificates. Except as provided in Section 4213.1, an authorization for the performance of a marriage pursuant to this section shall be issued by the county clerk, the clerk of the court, or a judge in private chambers, upon the personal appearance of the parties to be married and their payment of the fees required by Sections 26840.1 and 26840.8 of the Government Code and any fee imposed pursuant to the authorization of Section 26840.3 of the Government Code. The authorization shall be presented to the person performing the ceremony. Upon performance of the ceremony, the certificate of marriage shall be filled out by the parties to the marriage and authenticated by the person performing the ceremony. The certificate shall be filed by the person performing the ceremony with the office of the county clerk in the county in which the authorization was issued within four days after the performance of the ceremony. Except as provided in Section 4213.2, the county clerk shall maintain the certificate as a permanent record which shall not be open to public inspection except upon order of the superior court issued upon a showing of good cause.

Upon performance of the ceremony, the person performing the ceremony shall give a copy of the confidential marriage certificate to the parties who were married. The person performing the ceremony shall also provide the parties who were married with an application for a certified copy of the confidential marriage certificate which shall be filled out by the parties and sent by the person performing the marriage to the county clerk.

The form of the authorization and of the certificate of marriage, which shall be incorporated in one document, shall be prescribed by the State Registrar of Vital Statistics. The form shall be designed in a manner such that the parties to be married must declare or affirm that they meet all of the requirements of this section.

The county clerk shall quarterly file copies of all confidential marriage certificates filed with him or her after January 1, 1982, with the State Registrar of Vital Statistics. The registrar may destroy the copies so filed after they have been recorded and indexed. Notwithstanding any other provision of law, the records shall not be open to public inspection except upon order of the superior court issued upon a showing of good cause. The registrar may respond to an inquiry as to the existence of a marriage performed pursuant to this section, but shall not disclose the date of such a marriage.

(b) In addition to those persons enumerated in subdivision (a), an authorization for the performance of a marriage pursuant to this section may also be issued by any other person authorized by law to administer oaths, upon the personal appearance of the parties. The county clerk shall provide an authorization form for the performance of a marriage upon the request of any person so authorized and his or her payment of the fees specified in Sections 26840.1 and 26840.8 of the Government Code. The parties shall reimburse the person authorizing the marriage for the amount of the fees.

SEC. 2. Section 4213.2 is added to the Civil Code, to read:

4213.2. The county clerk shall keep all original certificates of confidential marriages for one year from the date of filing. After one year, the clerk may microfilm the certificates and dispose of the original certificates. The county clerk shall promptly seal and store at least one original negative of each microphotographic film made in a manner and place as reasonable to assure its preservation indefinitely against loss, theft, defacement, or destruction. The microphotograph shall be made in a manner and on paper that complies with the minimum standards of quality approved by the National Bureau of Standards. Every reproduction shall be deemed and considered an original. A certified copy of any reproduction shall be deemed and considered a certified copy of the original.

SEC. 3. Section 69503 of the Government Code is amended to read:

69503. (a) Notwithstanding any other provision of law relating to the destruction of court records, after complying with the requirements of subdivisions (c) and (d), the county clerk may cause to be destroyed any documents, records, instruments, books, depositions, transcripts, or other papers filed in any action or proceeding in the superior court or otherwise filed in his office pursuant to law, if the action or proceeding in which the papers were filed is not pending or on appeal in any court and any of the following events have occurred:

(1) The dismissal of the entire action has been entered.

(2) A period of three years has elapsed since a deposition or a transcript of a preliminary hearing or coroner's inquest was filed.

(3) A period of five years has elapsed since the papers in a domestic relations action or proceeding were filed.

(4) A period of five years has elapsed since the papers in any other action or proceeding were filed.

(b) Notwithstanding any other provision of law relating to the destruction of court records, after complying with the requirements of subdivision (c), the county clerk may cause to be destroyed any will delivered to him or her pursuant to Section 320 of the Probate Code, if a period of eight years has elapsed since the delivery of the will.

(c) The county clerk shall maintain for the use of the public a microphotographic film print or copy of each will, document, record, instrument, book, deposition, transcript, or other paper so destroyed prepared pursuant to the procedure specified in Sections 1531 and 1551 of the Evidence Code. The county clerk shall promptly seal and store at least one original negative of each microphotographic film print or copy in a manner and place that reasonably assures its preservation indefinitely against loss, theft, defacement, or destruction.

(d) The county clerk shall not destroy any transcript of a preliminary hearing without the written consent of the district attorney.

(e) The county clerk may microfilm only the documents listed below, which microfilm shall be permanently retained. Documents not listed may be destroyed pursuant to subdivision (a) or (b), except for criminal, probate, and adoption records which shall be microfilmed prior to their destruction.

(1) Domestic relations:

(i) Petitions for dissolution, legal separation, or nullity.

(ii) Interlocutory judgments of dissolution.

(iii) Final judgments of dissolution, legal separation, or nullity.

(iv) Any orders or modifications signed by a judge which amend the interlocutory or final judgment.

(v) Financial declarations.

(vi) Petitions to establish paternity and orders establishing paternity.

(vii) Confessions of judgment.

(viii) Reciprocal support documents.

(ix) Minute orders.

(2) Civil:

(i) All civil complaints, cross complaints, petitions, responses, orders signed by a judge, judgments, offer to compromise, order to compromise, and bank deposit and withdrawal records.

(ii) Dismissal orders.

(iii) Satisfactions of judgment.

(iv) Confessions of judgment.

(v) Requests for default.

(vi) Minute orders.

(vii) Stipulated judgments.

SEC. 4. Section 10067 of the Health and Safety Code is amended to read:

10067. The county recorder and the local registrar of births and deaths, with the approval and under the supervision of the State Registrar and with the approval of the board of supervisors of any county or city and county by ordinance, may authorize the transfer of special county records of deaths and marriages and local registrar's records of deaths for events which occurred subsequent to July 1, 1905 to a private nonprofit agency or public agency which shall preserve the records for local public use. The receiving agency shall protect and preserve the records to assure access for any person who has a need or interest in reviewing the records, and shall prohibit the photocopying or sale of copies of the records, but may convert the records to microform format.

If the office of the local registrar or the county recorder does not have copies of such records, that office is hereby authorized to accept them from the county recorder or local registrar.

SEC. 5. Section 10067.1 is added to the Health and Safety Code, to read:

10067.1. If a public agency or private nonprofit agency that receives copies of records pursuant to this section is unable to assure the continued preservation and protection of such records for public

use, the records shall be returned to the contributing local registrar or county recorder.

SEC. 6. Section 10068 is added to the Health and Safety Code, to read:

10068. Any record of death and marriage transferred to a public agency or private nonprofit agency pursuant to Section 10067 is exempt from the provisions of Sections 10035 and 10403.

SEC. 7. Section 10068.1 is added to the Health and Safety Code, to read:

10068.1. Special county records of birth, death, and marriage and the local registrar's records of birth, death, and marriage shall be subject to the provisions of Sections 26205.5 and 26205.7 of the Government Code.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the orderly administration and preservation of records at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 126

An act to amend Section 3964 of, and to amend Sections 64534, 64718, and 64721, as added by Assembly Bill 960 of the 1981–82 Regular Session, of, the Food and Agricultural Code, relating to agriculture, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 23, 1982. Filed with Secretary of State March 23, 1982.]

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

SECTION 1. Section 3964 of the Food and Agricultural Code is amended to read:

3964. The directors shall also select a secretary, a manager, and a treasurer from among persons who are not members of the board. One person may be the secretary, the manager, and the treasurer. The secretary, manager, and treasurer are state officers.

SEC. 2. Section 64534 of the Food and Agricultural Code, as proposed to be added by Assembly Bill 960 of the 1981–82 Regular Session, is amended to read:

64534. Except with respect to a violation of Section 64718, any violation of any provision of this chapter is a misdemeanor.

SEC. 3. Section 64718 of the Food and Agricultural Code, as proposed to be added by Assembly Bill 960 of the 1981–82 Regular Session, is amended to read:

64718. The first handler in this state of beef received from a point of origin outside of this state shall submit a list of all out-of-state beef processors from whom beef has been received every quarter pursuant to regulations promulgated by the director. A handler violating this provision is subject to a civil penalty, in an action brought by the director in the appropriate court in the county where the violation occurs, of fifty dollars ($50) for each violation.

A violation of this section shall not result in any criminal penalty.

SEC. 4. Section 64721 of the Food and Agricultural Code, as proposed to be added by Assembly Bill 960 of the 1981–82 Regular Session, is amended to read:

64721. Out-of-state beef processors are primarily liable for the payment of assessments provided for in this article, and any first handler that pays the assessment for and on behalf of any out-of-state beef processor may deduct the assessment amount from any money which is owed by the first handler to the out-of-state beef processor on contracts entered into on or after February 1, 1982.

These deductions are hereby declared to be trust funds held by the first handler and shall be remitted to the director in a timely manner.

SEC. 5. It is the intent of the Legislature that Sections 2, 3, and 4 of this bill shall not become operative unless Assembly Bill 960 of the 1981–82 Regular Session becomes law.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The current depressed conditions of the beef cattle industry, caused in part by consumer misconceptions regarding the role of red meat and animal fats in a basic diet, are threatening the economic stability of the industry. In order to correct this situation through a program of research, education, and promotion, and also in order to enable the boards of directors of district agricultural associations to function more efficiently during the 1982 fair season, it is necessary that this act take effect immediately.

CHAPTER 127

An act relating to dispatching systems, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 23, 1982. Filed with Secretary of State March 23, 1982.]

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

SECTION 1. (a) The Department of Fish and Game shall evaluate alternative ways to provide a 24-hour radio dispatching system for the department. Those alternatives shall include, but need not be limited to, a department-only system, a joint system with other state, federal, or local agencies, and a system whereby off-hour dispatching is done by other state, local, or federal agencies. The department shall report its findings and recommendations to the Legislature on or before December 31, 1982.

(b) The sum of forty thousand dollars ($40,000) is hereby appropriated from the Fish and Game Preservation Fund to the Department of Fish and Game for expenditure during the 1982 calendar year for the purposes of this section.

SEC. 2. (a) The Department of Parks and Recreation shall evaluate alternative ways to provide a 24-hour radio dispatching system for the department. Those alternatives shall include, but need not be limited to, a department-only system, a joint system with other state, federal, or local agencies, and a system whereby off-hour dispatching is done by other state, local, or federal agencies. The department shall report its findings and recommendations to the Legislature on or before December 31, 1982.

(b) It is the intent of the Legislature that the department use existing budgeted funds to carry out the requirements in this section.

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

In order to prevent the injury or death of game wardens due to the lack of an adequate dispatching service to assist these officers, it is essential that an adequate dispatching service be developed at the earliest possible time, and it is necessary, therefore, that this act take effect immediately.

CHAPTER 128

An act to add Chapter 3.5 (commencing with Section 5670) to Division 5 of the Public Resources Code, relating to parks and recreation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982]

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

SECTION 1. Chapter 3.5 (commencing with Section 5670) is added to Division 5 of the Public Resources Code, to read:

CHAPTER 3.5. PRESLEY URBAN FISHING PROGRAM

Article 1. General Provisions

5670. This chapter shall be known, and may be cited, as the Presley Urban Fishing Program Act.

5671. The Legislature hereby finds and declares as follows:

(a) There is a great, measurable demand for the provision of increased fishing opportunities in the major metropolitan areas of California.

(b) There is a high concentration of urban social and economic problems in California's major metropolitan areas which can be partially alleviated by the increased recreational activities and supplemental food sources afforded by fishing opportunities.

(c) In view of the foreging, the Legislature declares that an active, cooperative, and funded urban fishing program should be implemented without delay.

Article 2. Administration

5675. The program established by this chapter shall be administered jointly by the Department of Parks and Recreation and the Department of Fish and Game and shall be funded by moneys appropriated from the Resources Account in the Energy and Resources Fund to the Department of Parks and Recreation for local assistance grants for urban fishing projects pursuant to category (b) of Item 379-101-190 of the Budget Act of 1981 and pursuant to provisions of any budget acts enacted subsequent thereto that appropriate funds for the program.

5676. The Department of Parks and Recreation shall have principal responsibility for the review and approval of proposals for rehabilitating urban lakes in accordance with the eligibility requirements, evaluative criteria, and procedures specified in this chapter and for the administration of grants made pursuant to this chapter. The Department of Fish and Game shall be responsible for determining the rehabilitative potential of lakes proposed for funding and shall serve primarily in a technical and advisory capacity. The final decision to provide funding for each project shall be based on the cooperative deliberation and mutual determination of both departments.

5677. To be eligible for funding pursuant to this chapter, a project shall satisfy all of the following conditions:

(a) The lake is situated in an urbanized area of a standard metropolitan statistical area.

(b) The lake is close to, and accessible by residents of, an area comprised of economically disadvantaged persons.

(c) The lake is served by public transportation and is readily accessible by a large proportion of the residents of the entire metropolitan area.

(d) There is significant and demonstrated public support and interest in the community for rehabilitating the lake for sportfishing purposes.

(e) The lake currently has, or when rehabilitated will have, a water surface area of not less than three acres.

(f) The lake is located in a public park or recreation area operated and currently staffed by the applicant.

(g) The lake is held in fee by the applicant or is leased by the applicant for a term of not less than 25 years.

(h) The applicant has prepared, and submitted as part of the grant proposal, a plan for rehabilitating the lake that includes evidence of the potential for the lake, when rehabilitated, to support and sustain a fish population through natural reproduction; techniques, procedures, and costs projected for the rehabilitation and future maintenance and operation of the lake; and an assessment of the benefits to be derived from implementing the proposal. The plan shall be suitable for forming the basis of the agreement specified in Section 5680 if the proposal is approved.

5678. With respect to any project proposal that has satisfied all the conditions of Section 5677, the departments shall use all of the following criteria to evaluate the relative desirability and establish a ranking of all proposals:

(a) An assessment of the needs to be satisfied by an urban fishing program at the lake, based on the total population, income levels, age groups, special populations, availability of other recreational facilities in the area, and such other factors or characteristics of the area as the Department of Parks and Recreation deems necessary for a full evaluation of the proposal. Priority shall be assigned to proposals that will serve a higher proportion of economically disadvantaged persons and special populations relative to those to be served under other proposals.

(b) The willingness and ability of the applicant to commence work immediately upon receiving a grant.

(c) The lake, when rehabilitated, will have relatively lower maintenance and operation costs.

(d) The applicant's project completion rate with respect to local assistance grants made pursuant to other programs administered by the Department of Parks and Recreation and the applicant's general stewardship record with respect to its parks and recreation facilities.

(e) The existence of opportunities for alternative and multiple-use recreational activities at the lake and surrounding parkland or open-space areas.

(f) Funding the proposal will further a broad geographical spread of urban fishing programs among metropolitan areas.

5679. Grants may be made to a city, county, or district that provides park, recreation, or open-space facilities and services and will operate and maintain the lake. Grants may be expended only for the rehabilitation and enhancement of lakes, consisting of improvements such as dredging, water aeration, shoreline

stabilization and reconditioning, basin reconditioning, fish stocking, and installation of rock shelters, seal coats, and rip-rap.

5680. Disbursement of a grant for an approved proposal shall be contingent on the recipient's completion of both of the following conditions:

(a) The grant recipient shall enter into an agreement with the Department of Parks and Recreation specifying the terms and conditions under which it shall rehabilitate, develop, maintain, and operate the urban fishing lake. The minimum term for the agreement shall be 25 years.

(b) The legal counsel of the grant recipient shall certify to the satisfaction of both departments that the recipient has met, or will meet prior to expenditure of any grant funds, all federal, state, and local environmental, public health, relocation, affirmative action, and clearinghouse requirements and other applicable laws and regulations.

5681. Consistent with the provisions of this chapter, the Department of Parks and Recreation shall specify the procedures to be followed in applying for grants, establish the terms and conditions under which grants shall be made, and administer the disbursement of all grant funds.

5682. Grant funds shall be encumbered by the recipient within two years of disbursement. Any grant funds not encumbered within this period shall revert to the Resources Account in the Energy and Resources Fund.

5683. The grant recipient or any instrumentality of the recipient shall not charge any fee for fishing at any lake the rehabilitation of which is financed, in whole or part, pursuant to this chapter. This prohibition does not extend to any fee charged by the recipient for any facility or service that is unrelated to fishing at a lake.

5684. This chapter is not intended, nor shall it be construed, to authorize either the Department of Parks and Recreation or the Department of Fish and Game to establish any additional personnel positions or create any new administrative section in connection with the program established by this chapter.

5685. In order to facilitate the earliest possible start of the urban fishing program and to gain familiarity with the types of lakes that are most suitable for rehabilitation for sportfishing purposes, the Department of Parks and Recreation shall make grants, on a demonstration basis during the 1981–82 fiscal year only, for the rehabilitation of lakes that satisfy the requirements and criteria set forth in this chapter and are representative of lakes of different size, physical characteristics, and degree of degradation found in major metropolitan areas of the state.

5686. No grant shall be made under this chapter on or after the date on which the Energy and Resources Fund is abolished, unless a later enacted statute which is chaptered before that date changes the requirements of this section.

SEC. 2. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the urban fishing program may be operative for the entire 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 129

An act to amend Sections 1803.2, 1804.3, and 2982 of, and to repeal and add Section 1805.1 to, the Civil Code, and to amend Section 25 of Chapter 1075 of the Statutes of 1978, relating to financial transactions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 1803.2 of the Civil Code, as amended by Section 1 of Chapter 107 of the Statutes of 1981, is amended to read:

1803.2. Except as provided in Section 1808.3, every retail installment contract shall be contained in a single document which shall contain:

(a) The entire agreement of the parties with respect to the cost and terms of payment for the goods and services, including any promissory notes or any other evidences of indebtedness between the parties relating to the transaction.

(b) Either at the top of the contract or directly above the space reserved for the signature of the buyer, the words "Security Agreement" or "Lien Contract," as the case may be, shall appear in at least 10-point bold type where a security interest in the goods is retained or a lien on other goods or realty is obtained by the seller as security for the goods or services purchased. Either at the top of the contract or directly above the space reserved for the signature of the buyer, the words "Retail Installment Contract" shall appear in at least 10-point bold type where a security interest or lien is not obtained by the seller as security for the goods or services purchased. As used in this subdivision, the terms "security interest" and "lien" refer to a contractual interest in property and not to a mechanic's lien or other interest in property arising by operation of law.

(c) Where the contract includes a finance charge which is determined on the precomputed basis and provides that the unearned portion of the finance charge to be refunded upon full prepayment of the contract is to be determined by a method other than actuarial, a notice as set forth in paragraph (1), (2) or (3) in at least 10-point bold type if the contract is printed.

(1) "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank space. (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 to obtain a partial refund of the finance charge, if any, provided for herein. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(2) "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. Because of the way the amount of this refund will be figured, the time when you prepay could increase the ultimate cost of credit under this agreement. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(3) "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this agreement. (3) You can prepay the full amount due under this agreement at any time and under certain conditions obtain a partial refund of the finance charge. Because the refund will be figured by the Rule of 78's, the time when you prepay may affect the ultimate cost of credit under this agreement. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(d) Where the contract includes a finance charge which is determined on the precomputed basis and provides for the actuarial method for computing the unearned portion of the finance charge upon prepayment in full, a notice as set forth in paragraph (1), (2), or (3) in at least 10-point bold type if the contract is printed.

(1) "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank space. (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 to obtain a partial refund of the finance charge, if any, provided for herein. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(2) "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(3) "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this agreement. (3) You can prepay the full amount due under this agreement at any time and under certain conditions obtain a partial refund of the finance charge. Because the refund will be figured by the Rule of 78's, the time when you prepay may affect the ultimate cost of credit under this agreement. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(e) Where the contract includes a finance charge which is determined on the simple-interest basis, a notice as set forth in either paragraph (1) or (2) in at least 10-point bold type if the contract is printed.

(1) "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this agreement. (3) You can prepay the full amount due under this agreement at any time. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(2) "Notice to 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) You can prepay the full amount due under this agreement at any time. (4) If you desire to pay off in advance the full amount due, the amount which is outstanding will be furnished upon request."

(f) This section shall remain in effect only until October 1, 1982, and as of such date is repealed.

SEC. 2. Section 1803.2 of the Civil Code, as amended by Section 2 of Chapter 107 of the Statutes of 1981, is amended to read:

1803.2. Except as provided in Section 1808.3, every retail installment contract shall be contained in a single document which shall contain:

(a) The entire agreement of the parties with respect to the cost and terms of payment for the goods and services, including any promissory notes or any other evidences of indebtedness between the parties relating to the transaction.

(b) (1) At the top of the contract the words "Security Agreement" shall appear in at least 12-point bold type where a security interest in the goods is retained or a security interest on other goods or realty is obtained by the seller as security for the goods or services purchased.

(2) At the top of the contract the words "Retail Installment Contract" shall appear in at least 12-point bold type where a security interest is not retained or obtained by the seller as security for the goods or services purchased.

(3) Any contract for goods or services which provides for a security interest in real property shall also provide the following notices, written in the same language, e.g., Spanish, as used in the

contract: (A) "WARNING TO BUYER: IF YOU SIGN THIS CONTRACT, YOU WILL BE PUTTING UP YOUR HOME AS SECURITY. THIS MEANS THAT YOUR HOME COULD BE SOLD WITHOUT YOUR PERMISSION AND WITHOUT ANY COURT ACTION IF YOU MISS ANY PAYMENT AS REQUIRED BY THIS CONTRACT." This notice shall be printed in at least 14-point boldface type, shall be set apart from the rest of the contract by a border, and shall appear directly below the title of the contract. (B) "STOP—BEFORE YOU SIGN, READ THE WARNING AT THE TOP OF THIS CONTRACT!" This notice shall be printed in at least 14-point boldface type and shall appear directly above the space reserved for the signature of the buyer. A security interest created in any contract described in this paragraph which does not provide the notices as required by this paragraph shall be void and unenforceable.

As used in this subdivision, the term "security interest" refers to a contractual interest in property and not to a mechanic's lien or other interest in property arising by operation of law.

(c) Where the contract includes a finance charge which is determined on the precomputed basis and provides that the unearned portion of the finance charge to be refunded upon full prepayment of the contract is to be determined by a method other than actuarial, a notice in at least 10-point bold type if the contract is printed reading as follows: "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. Because of the way the amount of this refund will be figured, the time when you prepay could increase the ultimate cost of credit under this agreement. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(d) Where the contract includes a finance charge which is determined on the precomputed basis and provides for the actuarial method for computing the unearned portion of the finance charge upon prepayment in full, a notice in at least 10-point bold type if the contract is printed reading as follows: "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished upon request."

(e) Where the contract includes a finance charge which is determined on the simple-interest basis, a notice in at least 10-point bold type if the contract is printed reading as follows: "Notice to 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) You can prepay the full amount due under this agreement at any time. (4) If you desire to pay off in advance the full amount due, the amount which is outstanding will be furnished upon request."

(f) This section shall become operative October 1, 1982.

SEC. 3. Section 1804.3 of the Civil Code, as amended by Section 3 of Chapter 107 of the Statutes of 1981, is amended to read:

1804.3. (a) No contract other than one for services shall provide for a security interest in any goods theretofore fully paid for or which have not been sold by the seller.

(b) Any contract for goods which provides for a security interest in real property where the primary goods sold are not to be attached to the real property shall be a violation of this chapter and subject to the penalties set forth in Article 12.2 (commencing with Section 1812.6).

(c) Any contract for goods or services, entered into on or after April 1, 1980, which provides for a security interest in real property shall also provide the following notices, written in the same language, e.g., Spanish, as used in the contract:

(1) Either

(A) "WARNING TO BUYER

IF YOU SIGN THIS CONTRACT, YOU WILL BE PUTTING UP YOUR HOME AS SECURITY. THIS MEANS THAT YOUR HOME COULD BE SOLD WITHOUT YOUR PERMISSION AND WITHOUT ANY COURT ACTION IF YOU MISS ANY PAYMENT AS REQUIRED BY THIS CONTRACT." or

(B) "WARNING TO BUYER: IF YOU SIGN THIS CONTRACT, YOU WILL BE PUTTING UP YOUR HOME AS SECURITY. THIS MEANS THAT YOUR HOME COULD BE SOLD WITHOUT YOUR PERMISSION AND WITHOUT ANY COURT ACTION IF YOU MISS ANY PAYMENT AS REQUIRED BY THIS CONTRACT."

One of the above notices shall be printed in at least 14-point boldface type, shall be set apart from the rest of the contract by a border, and shall appear either directly above or directly below the title of the contract.

(2) "STOP—BEFORE YOU SIGN, READ THE WARNING AT THE TOP OF THIS CONTRACT!"

This notice shall be printed in at least 14-point boldface type and shall appear directly above the space reserved for the signature of the buyer.

(d) A security interest created in any contract described in subdivision (c) which does not provide the notices as required by this section shall be void and unenforceable.

(e) This section shall remain in effect only until October 1, 1982, and as of such date is repealed.

SEC. 4. Section 1804.3 of the Civil Code, as amended by Section 4 of Chapter 107 of the Statutes of 1981, is amended to read:

1804.3. (a) No contract other than one for services shall provide for a security interest in any goods theretofore fully paid for or which have not been sold by the seller.

(b) Any contract for goods which provides for a security interest in real property where the primary goods sold are not to be attached to the real property shall be a violation of this chapter and subject to the penalties set forth in Article 12.2 (commencing with Section 1812.6).

(c) This section shall become operative October 1, 1982.

SEC. 5. Section 1805.1 of the Civil Code, as amended by Section 1 of Chapter 1146 of the Statutes of 1981, is repealed.

SEC. 6. Section 1805.1 of the Civil Code, as amended by Section 1.5 of Chapter 1146 of the Statutes of 1981, is repealed.

SEC. 7. Section 1805.1 of the Civil Code, as amended by Section 2.5 of Chapter 1146 of the Statutes of 1981, is repealed.

SEC. 8. Section 1805.1 is added to the Civil Code, to read:

1805.1. (a) The dollar amount of the finance charge shown pursuant to item (j) of Section 1803.3 shall not exceed the greater of:

(1) (A) With respect to a retail installment contract for the sale of household furniture, furnishings, or appliances by a seller whose gross sales during the immediately preceding 12-month period have not exceeded ten million dollars ($10,000,000), eleven-twelfths of 1 percent on so much of the unpaid balance as does not exceed three thousand dollars ($3,000) plus an amount which does not exceed two-thirds of 1 percent of that portion of the unpaid balance which exceeds three thousand dollars ($3,000), 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

(B) With respect to all other retail installment contracts, eleven-twelfths of 1 percent on so much of the unpaid balance as does not exceed one thousand dollars ($1,000) plus an amount which shall not exceed two-thirds of 1 percent of that portion of the unpaid balance which exceeds one thousand dollars ($1,000), 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

(2) If the finance charge is determined by the precomputed basis, twelve dollars ($12) but if the due date of the last installment of the contract is eight months or less after its effective date, ten dollars ($10); or

(3) If the finance charge, or a portion thereof, is determined by the simple-interest basis:

(A) Ten dollars ($10) if the unpaid balance does not exceed five hundred dollars ($500), (B) twenty-five dollars ($25) if the unpaid balance exceeds five hundred dollars ($500), but does not exceed one thousand dollars ($1,000), (C) fifty dollars ($50) if the unpaid balance exceeds one thousand dollars ($1,000), but does not exceed two thousand dollars ($2,000), or (D) seventy-five dollars ($75) if the

unpaid balance exceeds two thousand dollars ($2,000).

(b) The holder of the contract shall not charge, collect or receive a finance charge which exceeds the dollar amount shown pursuant to item (j) of Section 1803.3, except to the extent caused by (1) the holder's receipt of one or more payments under a contract which provides for determination of the finance charge or a portion thereof on the 365-day basis at a time or times other than as originally scheduled, whether or not the parties enter into an agreement pursuant to Section 1807.1, (2) the use of estimations in the providing of the disclosures required by this chapter to the extent permitted by Regulation Z, or (3) as permitted by Section 1805.8.

(c) If the finance charge or a portion thereof is determined by the simple-interest basis and the amount of the unpaid balance exceeds five thousand dollars ($5,000), the holder of the contract may, in lieu of its right to a minimum finance charge under item (3) of subdivision (a), charge, receive or collect on the date of the contract an administrative finance charge not to exceed seventy-five dollars ($75) provided that the sum of any such administrative finance charge and the portion of the finance charge determined by the simple-interest basis shall not exceed the maximum total finance charge permitted by item (1) of subdivision (a). Any administrative finance charge which is charged, received or collected by a holder shall be deemed a finance charge earned on the date of the contract.

This section shall remain in effect only until October 1, 1982, and as of that date is repealed.

SEC. 9. Section 1805.1 is added to the Civil Code, to read:

1805.1. (a) The dollar amount of the finance charge shown pursuant to item (b) of Section 1803.3 shall not exceed the greater of:

(1) (A) With respect to a retail installment contract for the sale of household furniture, furnishings, or appliances by a seller whose gross sales during the immediately preceding 12-month period have not exceeded ten million dollars ($10,000,000), eleven-twelfths of 1 percent on so much of the unpaid balance as does not exceed three thousand dollars ($3,000) plus an amount which does not exceed two-thirds of 1 percent of that portion of the unpaid balance which exceeds three thousand dollars ($3,000), 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

(B) With respect to all other retail installment contracts, eleven-twelfths of 1 percent on so much of the unpaid balance as does not exceed one thousand dollars ($1,000) plus an amount which shall not exceed two-thirds of 1 percent of that portion of the unpaid balance which exceeds one thousand dollars ($1,000), 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

(2) If the finance charge is determined by the precomputed basis,

twelve dollars ($12) but if the due date of the last installment of the contract is eight months or less after its effective date, ten dollars ($10); or

(3) If the finance charge, or a portion thereof, is determined by the simple-interest basis:

(A) Ten dollars ($10) if the unpaid balance does not exceed five hundred dollars ($500), (B) twenty-five dollars ($25) if the unpaid balance exceeds five hundred dollars ($500), but does not exceed one thousand dollars ($1,000), (C) fifty dollars ($50) if the unpaid balance exceeds one thousand dollars ($1,000), but does not exceed two thousand dollars ($2,000), or (D) seventy-five dollars ($75) if the unpaid balance exceeds two thousand dollars ($2,000).

(b) The holder of the contract shall not charge, collect or receive a finance charge which exceeds the dollar amount shown pursuant to item (b) of Section 1803.3, except to the extent (1) caused by the holder's receipt of one or more payments under a contract which provides for determination of the finance charge or a portion thereof on the 365-day basis at a time or times other than as originally scheduled, whether or not the parties enter into an agreement pursuant to Section 1807.1, (2) permitted by paragraph (2), (3), or (4) of subdivision (c) of Section 226.17 of Regulation Z, or (3) permitted by Section 1805.8.

(c) If the finance charge or a portion thereof is determined by the simple-interest basis and the amount of the unpaid balance exceeds five thousand dollars ($5,000), the holder of the contract may, in lieu of its right to a minimum finance charge under item (3) of subdivision (a), charge, receive or collect on the date of the contract an administrative finance charge not to exceed seventy-five dollars ($75) provided that the sum of any such administrative finance charge and the portion of the finance charge determined by the simple-interest basis shall not exceed the maximum total finance charge permitted by item (1) of subdivision (a). Any administrative finance charge which is charged, received or collected by a holder shall be deemed a finance charge earned on the date of the contract.

This section shall remain in effect only until October 1, 1982, and as of that date is repealed.

SEC. 10. Section 1805.1 is added to the Civil Code, to read:

1805.1. (a) The dollar amount of the finance charge shown pursuant to item (b) of Section 1803.3 shall not exceed the greater of:

(1) Five-sixths of 1 percent on so much of the unpaid balance as does not exceed one thousand dollars ($1,000) plus an amount which shall not exceed two-thirds of 1 percent of that portion of the unpaid balance which exceeds one thousand dollars ($1,000), 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

(2) If the finance charge is determined by the precomputed basis, twelve dollars ($12) but if the due date of the last installment of the

contract is eight months or less after its effective date, ten dollars ($10); or

(3) If the finance charge, or a portion thereof, is determined by the simple-interest basis:

(A) Ten dollars ($10) if the unpaid balance does not exceed five hundred dollars ($500), (B) twenty-five dollars ($25) if the unpaid balance exceeds five hundred dollars ($500), but does not exceed one thousand dollars ($1,000), (C) fifty dollars ($50) if the unpaid balance exceeds one thousand dollars ($1,000), but does not exceed two thousand dollars ($2,000), or (D) seventy-five dollars ($75) if the unpaid balance exceeds two thousand dollars ($2,000).

(b) The holder of the contract shall not charge, collect or receive a finance charge which exceeds the dollar amount shown pursuant to item (b) of Section 1803.3, except to the extent (1) caused by the holder's receipt of one or more payments under a contract which provides for determination of the finance charge or a portion thereof on the 365-day basis at a time or times other than as originally scheduled, whether or not the parties enter into an agreement pursuant to Section 1807.1, (2) permitted by paragraph (2), (3), or (4) of subdivision (c) of Section 226.17 of Regulation Z, or (3) permitted by Section 1805.8.

(c) If the finance charge or a portion thereof is determined by the simple-interest basis and the amount of the unpaid balance exceeds five thousand dollars ($5,000), the holder of the contract may, in lieu of its right to a minimum finance charge under item (3) of subdivision (a), charge, receive, or collect on the date of the contract an administrative finance charge not to exceed seventy-five dollars ($75), provided that the sum of any such administrative finance charge and the portion of the finance charge determined by the simple-interest basis shall not exceed the maximum total finance charge permitted by item (1) of subdivision (a). Any administrative finance charge which is charged, received or collected by a holder shall be deemed a finance charge earned on the date of the contract.

This section shall become operative on October 1, 1982.

SEC. 11. Section 2982 of the Civil Code, as amended by Section 5 of Chapter 243 of the Statutes of 1981, 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 and of other items described in subdivision (e) of Section 2981 which are the subject of 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, but excluding any administrative finance charge shown in item 9.

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 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.

7. The amount, if any, charged by the seller for documentary preparation. If a seller 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.

8. The amount of the unpaid balance, which is the sum of items 3, 4, 5, 6, and 7.

9. The amount, if any, of an administrative finance charge.

10. The amount financed, which is the difference between items 8 and 9.

11. The finance charge (A) expressed as the annual percentage rate as defined in Regulation Z and (B) expressed in dollars.

12. The number, amount, and due dates or periods of payments scheduled to repay the indebtedness and the sum of such payments.

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) Where the contract includes a finance charge determined on the precomputed basis, an identification of the method of computing the unearned portion of the finance charge in the event of prepayment in full of the buyer's obligation and a statement of the amount or method of computation of any charge that may be

deducted from the amount of any such unearned finance charge in computing the amount that will be credited to the obligation or refunded to the buyer. Reference to the Rule of 78's, the sum of the digits, the sum of the periodic time balances or the actuarial method shall constitute a sufficient identification of the method of computing the unearned portion of the finance charge.

(B) Where the contract includes a finance charge which is determined on the simple-interest basis but provides for a minimum finance charge in the event of prepayment in full, a statement of that fact and the amount of the minimum finance charge or its method of calculation.

15. (A) Where the contract includes a finance charge which is determined on the precomputed basis and provides that the unearned portion of the finance charge to be refunded upon full prepayment of the contract is to be determined by a method other than actuarial, a notice as set forth in subparagraph (i), (ii) or (iii) in at least 8-point bold type if the contract is printed.

(i) "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."

(ii) "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. Because of the way the amount of this refund will be figured, the time when you prepay could increase the ultimate cost of credit under this agreement. (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."

(iii) "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) You can prepay the full amount due under this agreement at any time and under certain conditions obtain a partial refund of the finance charge. Because the refund will be figured by the Rule of 78's, the time when you prepay may affect the ultimate cost of credit under this agreement. (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."

(B) Where the contract includes a finance charge which is

determined on the precomputed basis and provides for the actuarial method for computing the unearned portion of the finance charge upon prepayment in full, a notice as set forth in subparagraph (i), (ii), or (iii) in at least 8-point bold type if the contract is printed.

(i) "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."

(ii) "Notice to 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) You can prepay the full amount due under this agreement at any time and obtain a partial refund of the finance charge if it is $1 or more. (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."

(iii) "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-copy of this agreement. (3) You can prepay the full amount due under this agreement at any time and under certain conditions obtain a partial refund of the finance charge. Because the refund will be figured by the Rule of 78's, the time when you prepay may affect the ultimate cost of credit under this agreement. (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."

(C) Where the contract includes a finance charge which is determined on the simple-interest basis, a notice as set forth in either subparagraph (i) or (ii) in at least 8-point bold type if the contract is printed.

(i) "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) You can prepay the full amount due under this agreement at any time. (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."

(ii) "Notice to 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) You can prepay the full amount due under this agreement at any time. (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."

16. 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.

Additional items may be included to explain the computations made in determining the amount to be paid by the buyer. If the finance charge or any portion thereof is calculated on the 365-day basis, the amount of the finance charge shown pursuant to item 13 shall be the amount which will be incurred by the buyer if all payments are received by the seller on their respective due dates.

(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) (1) The dollar amount of the finance charge shown pursuant to item 11 of subdivision (a) shall not exceed the greater of:

(A) (i) One and one-half percent on so much of the unpaid balance as does not exceed two hundred twenty-five dollars ($225), 1 ⅙ percent on so much of the unpaid balance in excess of two hundred twenty-five dollars ($225) as does not exceed nine hundred dollars ($900), ⅚ of 1 percent on so much of the unpaid balance in excess of nine hundred dollars ($900) as does not exceed one thousand six hundred fifty dollars ($1,650), and 13/24 of 1 percent on that portion of the unpaid balance which exceeds one thousand six hundred fifty dollars ($1,650), or

(ii) One percent of the entire unpaid balance; multiplied in either case 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

(B) If the finance charge is determined by the precomputed basis, twenty-five dollars ($25); or

(C) If the finance charge or a portion thereof is determined by the simple-interest basis:

(i) Twenty-five dollars ($25) if the unpaid balance does not exceed one thousand dollars ($1,000), (ii) fifty dollars ($50) if the unpaid balance exceeds one thousand dollars ($1,000) but does not exceed two thousand dollars ($2,000), or (iii) seventy-five dollars ($75) if the unpaid balance exceeds two thousand dollars ($2,000).

(2) The holder of the contract shall not charge, collect or receive

a finance charge which exceeds the dollar amount shown pursuant to item 11 of subdivision (a), except to the extent caused by (A) the holder's receipt of one or more payments under a contract which provides for determination of the finance charge or a portion thereof on the 365-day basis at a time or times other than as originally scheduled whether or not the parties enter into an agreement pursuant to Section 2982.3, (B) the use of estimations in the providing of the disclosures required by this chapter to the extent permitted by Regulation Z, or (C) as permitted by subdivisions (a) and (c) of Section 2982.8.

(3) If the finance charge or a portion thereof is determined by the simple-interest basis and the amount of the unpaid balance exceeds five thousand dollars ($5,000), the holder of the contract may, in lieu of its right to a minimum finance charge under subparagraph (C) of paragraph (1), charge, receive or collect on the date of the contract an administrative finance charge not to exceed seventy-five dollars ($75) provided that the sum of any such administrative finance charge and the portion of the finance charge determined by the simple-interest basis shall not exceed the maximum total finance charge permitted by subparagraph (A) of paragraph (1). Any administrative finance charge which is charged, received or collected by a holder shall be deemed a finance charge earned on the date of the contract.

(d) The contract may provide that for each installment in default for a period of not less than 10 days the buyer shall pay a delinquency charge 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. Payments timely received by the seller under a written extension or deferral agreement shall not be subject to any delinquency charge. The contract may provide for reasonable collection costs and fees in the event of delinquency.

(e) Notwithstanding any provision of a contract to the contrary, the buyer may pay at any time before maturity the entire indebtedness evidenced by the contract without penalty. In the event of prepayment in full:

(1) If the finance charge was determined on the precomputed basis, the amount required to prepay the contract shall be the outstanding contract balance as of that date, provided, however, that the buyer shall be entitled to a refund credit in the amount of the unearned portion of the finance charge, except as provided in paragraphs (3) and (4). The amount of the unearned portion of the finance charge shall be at least as great a proportion of the finance charge, or if the contract has been extended, deferred or refinanced, of the additional charge therefor, as the sum of the periodic monthly time balances payable more than 15 days after the date of prepayment bears to the sum of all the periodic monthly time balances under the schedule of installments in the contract or, if the contract has been extended, deferred or refinanced, as so extended,

deferred or refinanced. Where the amount of the refund credit is less than one dollar ($1), no refund credit need be made by the holder. Any refund credit in the amount of one dollar ($1) or more may be made in cash or credited to the outstanding obligations of the buyer under the contract.

(2) If the finance charge or a portion thereof was determined on the simple-interest basis, the amount required to prepay the contract shall be the outstanding contract balance as of that date, including any earned finance charges which are unpaid as of that date and, if applicable, the amount provided in paragraph (3), and provided further that in cases where a finance charge is determined on the 360-day basis, the payments theretofore received will be assumed to have been received on their respective due dates regardless of the actual dates on which such payments were received.

(3) Where the minimum finance charge provided by subparagraph (B) or subparagraph (C) of paragraph (1) of subdivision (c), if either is applicable, is greater than the earned finance charge as of the date of prepayment, the holder shall be additionally entitled to the difference.

(4) The provisions of this subdivision shall not impair the right of the seller or the seller's assignee to receive delinquency charges on delinquent installments and reasonable costs and fees as provided in subdivision (d) of this section or extension or deferral agreement charges as provided in Section 2982.3.

(5) Notwithstanding any provision of a contract to the contrary, whenever the indebtedness created by any contract is satisfied prior to its maturity through surrender of the motor vehicle, repossession of the motor vehicle, redemption of the motor vehicle after repossession, or any judgment, the outstanding obligation of the buyer shall be determined as provided in paragraph (1) or (2); provided further that the buyer's outstanding obligation shall be computed by the holder as of the date the holder recovers the value of the motor vehicle through disposition thereof or judgment is entered or, if the holder elects to keep the motor vehicle in satisfaction of the buyer's indebtedness, as of the date the holder takes possession of the motor vehicle.

(f) 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, if the finance charge is determined on the precomputed basis, as a deduction from the amount of the unpaid balance, and shall be included in the total of payments.

(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 disclosed in any manner, method, or 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) This section shall remain in effect only until October 1, 1982, and as of such date is repealed.

SEC. 12. Section 25 of Chapter 1075 of the Statutes of 1981 is amended to read:

SEC. 25. (a) It is the intent of the Legislature that Sections 21 to 24, inclusive, of this act shall become operative January 1, 1982, and that Sections 1 to 6, inclusive, and Sections 8 to 20, inclusive, of this act shall become operative on October 1, 1982.

(b) It is also the intent of the Legislature that compliance with Sections 1 to 6, inclusive, and Sections 8 to 20, inclusive, of this act be permissive between January 1, 1982, and October 1, 1982, and mandatory on and after October 1, 1982. In other words, anyone who complies with the provisions of Sections 1 to 6, inclusive, and Sections 8 to 20, inclusive, of this act between January 1, 1982, and October 1, 1982, shall be deemed to be in lawful compliance with the applicable provisions of the Unruh Act (Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code) and the Rees-Levering Motor Vehicle Sales and Finance Act (Chapter 2b (commencing with Section 2981) of Title 14 of Part 4 of Division 3 of the Civil Code).

SEC. 13. It is the intent of the Legislature that compliance with Sections 2 and 4 of this act be permissive between the effective date of this act and October 1, 1982, and mandatory on and after October 1, 1982. In other words, anyone who complies with the provisions of Sections 2 and 4 of this act between the effective date of this act and October 1, 1982, shall be deemed to be in lawful compliance with the applicable provisions of the Unruh Act (Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code).

SEC. 14. It is the intent of the Legislature that compliance with either Section 8 or Section 9 of this act be permissive between the effective date of this act and October 1, 1982. In other words, anyone who complies with the provisions of either Section 8 or Section 9 of this act between the effective date of this act and October 1, 1982, shall be deemed to be in lawful compliance with the applicable provisions of the Unruh Act (Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code).

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

Pursuant to the federal Truth in Lending Simplification and Reform Act of 1980, the Federal Reserve Board promulgated substantial amendments to Regulation Z in 1981 which, by their terms, were authorized for use as of April 1, 1981, and to become mandatory on April 1, 1982. In response to this federal action, the California Legislature enacted Chapter 1075 of the Statutes of 1981 which incorporated the federal changes into the Unruh Act

(Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code) and the Rees-Levering Act (Chapter 2b (commencing with Section 2981) of Title 14 of Part 4 of Division 3 of the Civil Code) where appropriate to bring about the necessary conformity between state and federal disclosure requirements. Since the enactment of Chapter 1075, Congress has acted to delay the mandatory operative date of the new federal law from April 1, 1982, to October 1, 1982, and is presently considering further changes to this body of law. In order to similarly delay the mandatory operative date of the corresponding changes to California law enacted last year to October 1, 1982, it is necessary that this act take effect immediately.

CHAPTER 130

An act to amend Section 20019.3 of the Government Code, relating to public employees.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 20019.3 of the Government Code is amended to read:

20019.3. "Local safety member" also includes all employees of a city who have by contract been included within this system, and whose principal duties consist of active protection, rescue, and rendition of aid or assistance to persons injured or imperiled in water areas at ocean beaches and the recovery from those water areas of submerged objects and bodies of persons drowned or believed to have drowned in those areas, or the immediate supervision thereof, including persons employed to perform the duties now performed under the titles of aquatics director, chief lifeguard, captain lifeguards, lieutenant lifeguards, beach lifeguard, but who performs additional duties, some of which (including the maintenance of peace and order and the apprehension of law violators) are customarily performed by police or peace officers, and whose other duties (such as resuscitation work involving the use of special equipment in cases having no connection with their principal duties) which in other areas are customarily performed by firemen, firefighters, and other and further duties which do not come directly within any of the above classifications but are essential to the safety and security of the public, excluding those whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise clearly do not fall within the scope of active lifeguarding or lifesaving service, even though such a person is

subject to occasional call, or is occasionally called upon, to perform duties within the scope of active lifeguarding or lifesaving service.

The provisions of this section do not apply to the employees of any contracting agency having a contract with the board made prior to September 18, 1959, unless and until the agency elects to subject itself and its employees to the provisions of this section by amendment to its contract with the board pursuant to Section 20461.5; except that an election is required only among the employees to whom the provisions of this section apply.

The amendments of this section, made in 1982 at the 1981–82 Regular Session of the Legislature do not constitute a substantive change in the law and shall not be construed to entitle any person to any right or benefit that he or she was not already entitled to prior to December 31, 1982.

CHAPTER 131

An act to amend Section 9254 of the Financial Code, relating to savings and loan associations, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 24, 1982 Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 9254 of the Financial Code is amended to read:

9254. Within 10 days after the meeting at which the investors determine to convert into a federal savings and loan association, the association shall file in the office of the commissioner a certificate verified by the affidavit of the president or vice president and the secretary or assistant secretary of such association. The certificate shall contain a copy of the minutes of the meeting. A like certificate shall be filed in the office of the Secretary of State.

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

Chapter 1027 of the Statutes of 1981 repealed Section 9252 of the Financial Code relating to conversion of domestic savings and loan associations. A reference to the repealed provisions of law, located in Section 9254 of the Financial Code, was not deleted at that time.

In order to prevent a misinterpretation of legislative intent and to clarify existing law relating to conversion of savings and loan associations, it is necessary that this act take effect immediately.

CHAPTER 132

An act to amend Sections 32517, 61932, 62076, and 62077 of, and to repeal and add Sections 38311, 38321, 38341, 38342, 38348.1, 38349, 38349.1, 38350, 38482, 38821, 61933, and 61935 to, the Food and Agricultural Code, and to repeal Sections 38311, 38321, 38341, 38342, 38348.1, 38349, 38349.1, 38350, 38482, 38821, 61933, and 61935 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, relating to milk and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 32517 of the Food and Agricultural Code is amended to read:

32517. "Sterilization," "sterilized," "aseptically processed and packaged," or similar terms as provided in the Grade A Pasteurized Milk Ordinance pursuant to 1978 recommendations of the United States Public Health Service when used to describe a dairy product or a product resembling a milk product means that the product has been subjected to sufficient heat processing, either before or after sealing in a hermetically sealed container, in accordance with the sterilization requirements of regulations established under the Federal Food, Drug, and Cosmetic Act (21 U.S.C., Sec. 301 et seq.) so as to produce a product that will maintain its commercial sterility under normal nonrefrigerated conditions as defined in the federal regulations.

SEC. 2. Section 38311 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 3. Section 38311 of the Food and Agricultural Code is repealed.

SEC. 4. Section 38311 is added to the Food and Agricultural Code, to read:

38311. Sterilized flavored milk is market milk, evaporated market milk, condensed market milk, or dried market milk, any combination of them, which contains harmless sweetening, chocolate, chocolate syrup, or other harmless syrup or flavoring, or combinations of such syrups or flavorings, and harmless edible stabilizer which does not exceed five-tenths of 1 percent or seasoning. It is homogenized, packed in hermetically sealed containers, and so processed by heat as to prevent spoilage.

SEC. 5. Section 38321 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 6. Section 38321 of the Food and Agricultural Code is repealed.

SEC. 7. Section 38321 is added to the Food and Agricultural Code,

to read:

38321. Sterilized flavored cream is market cream to which nonfat dry milk solids derived from market milk have been added, which contains harmless flavoring or syrup, or combinations of harmless flavorings or syrups, and harmless edible stabilizer which does not exceed five-tenths of 1 percent or seasoning and harmless stabilizing salts. It is homogenized, packed in hermetically sealed containers, and so processed by heat as to prevent spoilage.

SEC. 7.5. Section 38341 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 8. Section 38341 of the Food and Agricultural Code is repealed.

SEC. 9. Section 38341 is added to the Food and Agricultural Code, to read:

38341. Sterilized milk and sterilized cream is market milk or market cream which has been subjected to a temperature which is high enough to sterilize the product. An edible stabilizer not to exceed five-tenths of 1 percent may be added to sterilized milk or sterilized cream.

SEC. 10. Section 38342 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 11. Section 38342 of the Food and Agricultural Code is repealed.

SEC. 12. Section 38342 is added to the Food and Agricultural Code, to read:

38342. Sterilized milk or sterilized cream shall be made from market milk or market cream which meets all the requirements of this division for the respective class or grade of milk and cream which is used; except that such milk or cream need not be cooled if it has been demonstrated to the satisfaction of the director that such cooling is not required for the proper processing of the product.

SEC. 13. Section 38348.1 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 14. Section 38348.1 of the Food and Agricultural Code is repealed.

SEC. 15. Section 38348.1 is added to the Food and Agricultural Code, to read:

38348.1. Sterilized whipped cream or sterilized cream topping shall be made with market cream and may include one or more of the following ingredients: nonfat milk solids derived from market milk, 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.

SEC. 16. Section 38349 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 17. Section 38349 of the Food and Agricultural Code is repealed.

SEC. 18. Section 38349 is added to the Food and Agricultural Code, to read:

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 market 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.

SEC. 19. Section 38349.1 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 20. Section 38349.1 of the Food and Agricultural Code is repealed.

SEC. 21. Section 38349.1 is added to the Food and Agricultural Code, to read:

38349.1. Sterilized sour cream shall be made with market cream and may include one or more of the following optional ingredients: milk solids-not-fat derived from market milk, salt, or lactose. Harmless edible stabilizers and emulsifiers may be added to the extent required to accomplish the necessary physical effect.

SEC. 22. Section 38350 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 23. Section 38350 of the Food and Agricultural Code is repealed.

SEC. 24. Section 38350 is added to the Food and Agricultural Code, to read:

38350. Sterilized half-and-half is a product consisting of market milk, market cream, nonfat dry milk derived from market milk, and market skim milk to which edible stabilizers and stabilizing salts may be added. It shall contain not less than 10.5 percent milk fat and not more than six-tenths of 1 percent stabilizer. Sterilized half-and-half shall be conspicuously labeled with the full name of the product and shall also be labeled with the name and address of the distributor. Wherever the name of the product appears on the container the full name shall be used, and although the height, style and color of the lettering of the name need not be uniform at all places on the container, wherever the name appears on the container all of the letters of the name shall be there shown in the same height, style and color. All ingredients shall be listed on the label in their order of predominance. It shall be subjected to a temperature high enough to sterilize the product and be packaged in hermetically sealed containers.

SEC. 25. Section 38482 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 26. Section 38482 of the Food and Agricultural Code is repealed.

SEC. 27. Section 38482 is added to the Food and Agricultural Code, to read:

38482. Sterilized milk drink mix shall be packaged by the

manufacturer in sterile hermetically sealed containers.

SEC. 28. Section 38821 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 29. Section 38821 of the Food and Agricultural Code is repealed.

SEC. 30. Section 38821 is added to the Food and Agricultural Code, to read:

38821. Sterilized sour flavored half-and-half is a product consisting of market milk, market cream, and market skim milk to which edible stabilizers, stabilizing salts, and acidified flavoring may be added. It shall contain not less than 9.4 percent milk fat and not more than six-tenths of 1 percent stabilizer.

SEC. 31. Section 61932 of the Food and Agricultural Code is amended to read:

61932. Class 1 comprises:

(a) Any market milk, market skim milk, half-and-half, or concentrated milk that is supplied to consumers in the fluid state, with the exception of the following:

(1) (A) Any market milk products which are sterilized, as defined in Section 32517 and sold for use outside the state.

(B) Any market milk products which are ultrapasteurized and sold for use outside the 48 contiguous states in the United States.

This paragraph (paragraph (1) of subdivision (a) of Section 61932) shall be operative until July 1, 1983.

(1) Any market milk products which are sterilized, as defined in Section 32517, or ultrapasteurized, and sold for use outside the 48 contiguous states in the United States.

This paragraph (paragraph (1) of subdivision (a) of Section 61932) shall become operative on July 1, 1983.

(2) Any market half-and-half which is ultrapasteurized and packaged in hermetically sealed containers.

(3) Any market half-and-half which is packaged in presterilized containers under aseptic conditions to meet the marketing requirements for such products in states other than this state; provided, however, that nothing in this paragraph shall authorize the sale within this state of any milk product as a sterilized product unless such product meets the standards and requirements for sterilized products contained in Division 15 (commencing with Section 32501).

(4) Any market milk, market skim milk, or market cream which is used in the manufacture of yogurts which are directly sold for use in states other than this state.

(b) Any market milk, market skim milk, or market cream which is used in any other milk product, or products resembling milk products, in which the use of market milk or any components or derivatives of market milk is required by, or pursuant to, the provisions of this code, except any such product defined in Section 61933 as class 2.

(c) Any market milk, market skim milk, market cream, market milk fat, or market milk solids not fat which is used in the

standardizing or fortifying of any milk product which is defined in this section as class 1.

(d) Any market milk, market skim milk, or market cream which is used in any product not otherwise classified, which is required by any regulations adopted by the director pursuant to Article 2 (commencing with Section 36631), Chapter 1, Part 3 of Division 15 to be made from market milk or any components or derivatives of market milk.

(e) Any market milk, market skim milk, market cream, market milk fat, or market milk solids not fat used in any filled product or imitation milk product, when the product imitated or resembled, is defined in this section as class 1.

SEC. 32. Section 61933 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 33. Section 61933 of the Food and Agricultural Code is repealed.

SEC. 34. Section 61933 is added to the Food and Agricultural Code, to read:

61933. Class 2 comprises any market milk, market skim milk, or market cream used in the manufacture of market cream, homogenized market cream, sour cream, sour cream dressing, uncreamed, creamed, or partially creamed cottage cheese, and buttermilk. Class 2 also comprises any market milk, market skim milk, or market cream used in the manufacture of any product for which a definition and standard is prescribed in Division 15 (commencing with Section 32501), except any such product which is included in class 1, class 3, class 4a or class 4b.

SEC. 35. Section 61935 of the Food and Agricultural Code, as amended by Chapter 1145 of the Statutes of 1981, is repealed.

SEC. 36. Section 61935 of the Food and Agricultural Code is repealed.

SEC. 37. Section 61935 is added to the Food and Agricultural Code, to read:

61935. (a) Class 4a comprises all market milk, market skim milk, or market cream used in the manufacture of butter, dried milk, dried skim milk, nonfat dry milk solids, defatted milk solids, dried buttermilk, and all market milk, market skim milk, or market cream which is supplied to consumers as condensed milk, condensed skim milk, evaporated skim milk, evaporated cream or clotted cream, or evaporated milk, and any market milk products which are sterilized, as defined in Section 32517, or ultrapasteurized, and sold for use outside of the 48 contiguous states in the United States or any product for which no definition and standards are prescribed in Division 15 (commencing with Section 32501), except the products defined in paragraph (2) of subdivision (a) of Section 61932.

(b) Class 4b comprises all market milk, market skim milk, or market cream used in the manufacture of cheese other than cottage cheese.

SEC. 38. Section 62076 of the Food and Agricultural Code is

amended to read:

62076. In establishing prices to be paid by handlers to producers for class 2, class 3, class 4a, or class 4b market milk, the director shall take into consideration any relevant economic factors, including, but not limited to, the following:

(a) The relative market value of the various products yielded from such market milk.

(b) The market price of other milk which may be used for the same purposes that are set forth in such respective classes.

(c) The value of milk used for manufacturing purposes giving consideration to any relevant factors including, but not limited to, product prices, product yields, and manufacturing costs of class 4a or class 4b.

SEC. 39. Section 62077 of the Food and Agricultural Code is amended to read:

62077. A handler shall not pay any producer less than the applicable price established for the usage to which the market milk, purchased from him is applied pursuant to accounting procedures established by the director. If the market milk is not applied to any purpose set forth in Article 5 (commencing with Section 61931), then a handler shall not pay any producer less than the lower of the prices established under the applicable stabilization and marketing plan for class 4a and class 4b usage.

SEC. 40. This act shall become operative 120 days after the date of enactment.

SEC. 41. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the dairy laws of this state to conform to changes in federal law and practice, it is necessary that this act take effect immediately.

CHAPTER 133

An act to amend Sections 545, 34500, 34506, and 40000.21 of, and to add Sections 680, 2807.3, 2816, 12523, and 27906.5 to, the Vehicle Code, relating to vehicles.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 545 of the Vehicle Code is amended to read:

545. A "schoolbus" is any motor vehicle designed, used, or maintained for the transportation of any school pupil at or below the 12th-grade level to or from a public or private school or to or from public or private school activities, except the following:

(a) A motor vehicle of any type carrying only members of the household of the owner thereof.

(b) A motortruck transporting pupils who are seated only in the passenger compartment, and a passenger vehicle designed for and when actually carrying not more than 10 persons, including the driver, except any such vehicle or truck transporting two or more handicapped pupils confined to wheelchairs.

(c) A motor vehicle operated by a common carrier, or by and under the exclusive jurisdiction of a publicly owned or operated transit system, only during the time it is on a scheduled run and is available to the general public or on a run scheduled in response to a request from a handicapped pupil confined to a wheelchair, or from a parent of the handicapped pupil, for transportation to or from nonschool activities; provided, that the motor vehicle is designed for and actually carries not more than 16 persons and the driver, is available to eligible persons of the general public, and the school does not provide the requested transportation service.

(d) A school pupil activity bus as defined in Section 546.

(e) A motor vehicle operated by a carrier licensed by the Interstate Commerce Commission which is transporting pupils on a school activity entering or returning to the state from another state or country.

(f) A youth bus as defined in Section 680.

(g) Notwithstanding any other provisions of this section, the governing board of a district maintaining a community college may, by resolution, designate any motor vehicle operated by or for the district, a schoolbus within the meaning of this section, if it is primarily used for the transportation of community college students to or from a public community college or to or from public community college activities. The designation shall not be effective until written notification thereof has been filed with the Department of the California Highway Patrol.

SEC. 2. Section 680 is added to the Vehicle Code, to read:

680. A "youth bus" is any bus, other than a schoolbus, designed for and when actually carrying not more than 16 persons and the driver, used to transport children at or below the 12th-grade level from a public or private school to a nonschool-related youth activity within 25 miles of the school.

SEC. 3. Section 2807.3 is added to the Vehicle Code, to read:

2807.3. (a) The Department of the California Highway Patrol shall inspect and certify every youth bus at least once each school year to ascertain whether its condition complies with all provisions of law.

(b) No person shall drive any youth bus unless there is displayed therein a certificate issued by the Department of the California Highway Patrol stating that on a certain date, which shall be within 13 months of the date of operation, an authorized employee of the Department of the California Highway Patrol inspected the youth bus and found that on the date of inspection the youth bus complied

with the applicable provisions of state law. The Commissioner of the California Highway Patrol shall provide by rule or regulation for the issuance and display of distinctive inspection certificates.

(c) The Commissioner of the California Highway Patrol may determine the fee for the annual inspection of youth buses. The fee, established by regulation, shall be sufficient to cover the cost to the department for youth bus inspections and testing of drivers pursuant to Section 12523. The fee shall be paid by the applicant for a youth bus certificate at the time of inspection. All fees received shall be deposited in the Motor Vehicle Account in the State Transportation Fund.

SEC. 4. Section 2816 is added to the Vehicle Code, to read:

2816. It is unlawful to load or discharge children onto or from a youth bus upon a highway at any location where the children must cross the highway upon which the youth bus is stopped, unless traffic is controlled by a traffic officer or an official traffic control signal.

SEC. 5. Section 12523 is added to the Vehicle Code, to read:

12523. (a) No person shall operate a youth bus unless he has in his possession a valid driver's license of the appropriate class and a certificate issued by the department to permit the operation of a youth bus.

(b) Applicants for a certificate to drive a youth bus shall present evidence that they have successfully completed a driver training course administered by or at the direction of their employer consisting of a minimum of 10 hours of classroom instruction covering applicable laws and regulations and defensive driving practices and a minimum of 10 hours of behind-the-wheel training in a vehicle to be used as a youth bus. Applicants seeking to renew a certificate valid for driving a youth bus shall present evidence that they have received two hours of refresher training during each 12 months of driver certificate validity.

(c) The driver certificate shall be issued only to applicants qualified by examinations prescribed by the Department of Motor Vehicles and the Department of the California Highway Patrol. Such examinations shall be conducted by the Department of the California Highway Patrol. The Department of Motor Vehicles may deny, suspend, or revoke a certificate valid for driving a youth bus for the causes specified in regulations adopted by the Department of the California Highway Patrol for schoolbus drivers.

(d) An operator of a youth bus shall, at all times when operating a youth bus, do all of the following:

(1) Use seat belts.

(2) Refrain from smoking.

(3) Report any accidents to the California Highway Patrol.

SEC. 6. Section 27906.5 is added to the Vehicle Code, to read:

27906.5. Every youth bus, when operated for the transportation of school pupils, shall bear, upon the front and rear of the youth bus, a plainly visible sign containing the words "YOUTH BUS" in letters not less than eight inches in height. The letters on youth bus signs

shall be of proportionate width and the letters shall be in sharp contrast to the background.

SEC. 7. Section 34500 of the Vehicle Code is amended to read:

34500. The Department of the California Highway Patrol shall regulate the safe operation of the following vehicles:

(a) Motortrucks of three or more axles which are more than 6,000 pounds unladen weight.

(b) Truck tractors.

(c) Buses, schoolbuses, and youth buses.

(d) Trailers, semitrailers, pole or pipe dollies, auxiliary dollies, and logging dollies used in combination with motortrucks of three or more axles, truck tractors, buses, or schoolbuses.

(e) Any combination of a motortruck and any vehicle or vehicles set forth in subdivision (d) that exceeds 40 feet in length when coupled together.

(f) Any truck, or any combination of a truck and any other vehicle, transporting hazardous materials.

(g) Manufactured homes which, when moved upon the highway, are required to be moved under a permit as specified in Section 35780 or 35790.

(h) Any other motortruck not specified in subdivisions (a) through (g), inclusive, that is regulated by the Public Utilities Commission or the Interstate Commerce Commission, but only for matters relating to hours of service and log books of drivers.

SEC. 8. Section 34506 of the Vehicle Code is amended to read:

34506. It is a misdemeanor to fail to comply with any rule or regulation adopted by the Department of the California Highway Patrol pursuant to Sections 34501, 34501.5, and 34508 regarding:

(a) Hours of service of drivers.

(b) Hazardous material transportation.

(c) Schoolbus constructions, design, color, equipment, maintenance, or operation.

(d) Youth bus equipment, maintenance, or operation.

SEC. 9. Section 40000.21 of the Vehicle Code is amended to read:

40000.21. A violation of any of the following provisions shall constitute a misdemeanor, and not an infraction:

(a) Section 34506, subdivision (a), relating to the hours of service of drivers.

(b) Section 34506, subdivision (b), relating to the transportation of hazardous materials.

(c) Section 34506, subdivision (c), relating to schoolbuses.

(d) Section 34506, subdivision (d), relating to youth buses.

SEC. 10. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or

eliminates a crime or infraction.

CHAPTER 134

An act to add and repeal Part 3.5 (commencing with Section 1175) of Division 1 of the Health and Safety Code, and to add and repeal Section 14499.5 to the Welfare and Institutions Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 24, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. In furtherance of the declared intention of this Legislature to approve a pilot program for the delivery of publicly assisted medical care in Santa Barbara County, it is necessary to create a special authority within the County of Santa Barbara with designated powers and duties to implement the delivery of health care services financed in whole or in part by public funds with the ultimate objective of improving the quality of care and cost efficiency.

SEC. 2. Part 3.5 (commencing with Section 1175) is added to Division 1 of the Health and Safety Code, to read:

PART 3.5. SANTA BARBARA COUNTY SPECIAL HEALTH CARE AUTHORITY ACT

CHAPTER 1. GENERAL PROVISIONS

1175. This part shall be known and may be cited as the Santa Barbara County Special Health Care Authority Act.

1175.1. The Board of Supervisors of the County of Santa Barbara may, by ordinance or resolution, order the formation of the Santa Barbara County Special Health Care Authority under this part which shall include all of the incorporated and unincorporated areas of the county.

1175.2. Unless the context otherwise requires, the provisions of this chapter govern the construction of this part. As used in this part:

(a) "Authority" means the Santa Barbara County Special Health Care Authority.

(b) "Board" means the Santa Barbara County Special Health Care Authority Board.

(c) "County" means the County of Santa Barbara.

(d) "Health care system" means any system established to arrange for the provision of medical services.

(e) "Public agency" means the United States, the State of

California, any political subdivision, county, municipality, district, or agency of the State of California or of the United States and any department, bureau or commission of the State of California or of the United States.

(f) "Person" means any individual, firm, partnership, association, corporation, trust, business trust, or the receiver or trustee or conservator for any of the above, but does not include a public agency.

(g) "Professional advisory boards" means the boards appointed by the board of directors of the authority pursuant to its rules which shall consist of a representative cross-section of professional providers of health care services within the county.

(h) "Community advisory boards" means advisory boards to the authority's board appointed by the board of directors of the authority which shall consist of persons who represent community and consumer interests and who do not directly earn their income from the provision of medical health services.

(i) For the purposes of this part, the term "medical services" or "medical benefits" does not include dental care or dental benefits.

(j) For the purposes of this part, the term "health care" does not include dental care.

CHAPTER 2. BOARD OF DIRECTORS

1176. The governing body of the authority shall be vested in a board of directors which shall consist of 11 members appointed by the county's board of supervisors as follows:

(a) Three members shall be elected or appointed officers or employees of the county, at least one of whom shall be a member of the board of supervisors.

(b) Three members shall be county residents consisting of one who shall be a recipient of Medi-Cal, provided for under Sections 14000 and following, of the Welfare and Institutions Code, one of whom shall be a recipient of Medicare, provided for under Title XVIII of the federal Social Security Act, and one of whom shall be a representative of a community business which does not provide health care.

(c) Five members shall be representatives of providers of health care services in the county including: (1) two physicians, one of whom shall be appointed from a list established by the County Medical Society and the other from a list established by the hospitals within the county. One of the appointed physicians shall be a resident of and in practice in the fourth or fifth supervisorial district of the county; (2) two hospital administrators, one from hospitals located in either the first, second or third supervisorial districts of the county and the other from either the fourth or fifth supervisorial districts; and (3) one nonhospital or nonphysician health care provider.

1176.1. The board, at its first meeting, and annually thereafter at

the first meeting in January, shall elect a chairman who shall preside at all meetings, and a vice chairman who shall preside in his or her absence. In the event of their absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as chairperson pro tempore, who, while so acting, shall have all of the authority of the chairperson.

1176.2. The board shall establish rules for its proceedings. There shall be at least four meetings per year. Board members shall be entitled to one hundred dollars ($100) remuneration from authority funds, for each board meeting attended except that remuneration shall not exceed the sum of two hundred dollars ($200) per month, plus actual expenses incurred in attending board meetings at such rates as are payable to county officers and employees. The per diem rate of one hundred dollars ($100) may be increased by the board subject to approval by the board of supervisors.

1176.3. A majority of the members of the board shall constitute a quorum for the transaction of business, and all official acts of the board shall require the affirmative vote of a majority of the members of the board.

1176.4. The acts of the board shall be expressed by motion, resolution or ordinance.

1176.5. Except for initial staggered terms which may be established by the board, the term of office of each noncounty member shall be two years and, in addition, such time as necessary until the appointment and qualification of his or her successor. County officers or employees shall serve at the pleasure of the board of supervisors.

1176.6. Any vacancy on the board shall be filled for the unexpired term by the county's board of supervisors.

1176.7. Professional advisory and community advisory boards shall review and comment on proposed policies and actions of the board dealing with the arrangements for health care within the jurisdiction of the authority.

1176.8. The board may allow as a charge against the authority, reimbursement to members of professional and community advisory boards, of actually incurred expenses in attending meetings in such amounts as are allowed by the board of supervisors to county officers and employees.

CHAPTER 3. POWERS OF THE AUTHORITY

1177. The authority is hereby declared to be a body corporate and politic and as such shall have power:

(a) To have perpetual succession.

(b) To sue and be sued in the name of the authority in all actions and proceedings in all courts and tribunals of competent jurisdiction.

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

(d) To take by grant, purchase, gift, devise, or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal

property of every kind, within or without the boundaries of the authority, necessary or convenient to the full exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the boundaries of the authority necessary to the full or convenient exercise of its powers.

(e) To make and enter into contracts with any public agency or person for the purposes of this part. Members of the board shall be disqualified from voting on contracts in which they have a financial interest. Notwithstanding any other provision of law, such members shall not be disqualified from continuing to serve as a member of the board and such contract may not be avoided solely because of such member's financial interest.

(f) To appoint and employ an executive director and such other employees as may be necessary, including legal counsel, fix their compensation and define their powers and duties. The board shall prescribe the amounts and forms of fidelity bond of its officers and employees. The cost of these bonds shall be borne by the authority. The employees and each of them shall serve at the pleasure of the board. The authority may also contract for the services of an independent contractor.

(g) To incur indebtedness not exceeding revenue in any year.

(h) To purchase supplies, equipment, materials, property, or services.

(i) To establish policies relating to its purposes.

(j) To acquire or contract to acquire, rights-of-way, easements, privileges, or property of every kind within or without the boundaries of the authority, and construct, equip, maintain, and operate any and all works or improvements within or without the boundaries of the authority necessary, convenient, or proper to carry out any of the provisions, objects or purposes of this part, and to complete, extend, add to, repair, or otherwise improve any works or improvements acquired by it.

(k) To make contracts and enter into stipulations of any nature whatsoever upon such terms and conditions as the board finds is for the best interest of the authority for the full exercise of the powers granted in this division.

(*l*) To accept gifts, contributions, grants or loans from any public agency or person for the purposes of this division. The authority may do any and all things necessary in order to avail itself of the gifts, contributions, grants or loans, and cooperate under any federal or state legislation on the effective date of this part or enacted after that date.

(m) To manage its moneys and to provide depository and auditing services pursuant to either of the methods applicable to special districts as set forth in the Government Code.

(n) To negotiate with service providers rates, charges, fees and rents, and to establish classifications of health care systems operated by the authority. Members of the board who are county officers and employees may vote to approve arrangements and agreements

between the authority and the county as a service provider and such directors shall not thus be disqualified solely for the reason that they are employed by the county.

(o) To develop and implement health care delivery systems to promote quality care and cost efficiency and to provide appeal and grievance procedures available to both providers and consumers.

(p) To provide health care delivery systems for any or all of the following:

(1) For all persons who are eligible to receive medical benefits under the Medi-Cal Act, as set forth in Sections 14000 and following, of the Welfare and Institutions Code in the county through waiver, pilot project, or otherwise.

(2) For all persons in the county who are eligible to receive medical benefits under both Titles XVIII and XIX of the federal Social Security Act.

(q) To insure against any accident or destruction of its health care system or any part thereof. It may insure against loss of revenues from any cause whatsoever. The district may also provide insurance as provided in Part 6 (commencing with Section 989) of Division 3.6 of Title 1 of the Government Code.

(r) To exercise powers which are expressly granted and powers which are reasonably implied from such express powers and necessary to carry out the purposes of this division.

(s) To do any and all things necessary to carry out the purposes of this division.

1177.1. Notwithstanding any other provision of law, the state or any agency thereof may enter into contracts with the authority for the authority to obtain or arrange for health care under the authority's health care systems, for all persons who are eligible to receive medical benefits under the Medi-Cal Act, as set forth in Section 14000 et seq., of the Welfare and Institutions Code, in Santa Barbara County through waiver, pilot project, or otherwise.

1177.15. Notwithstanding any other provision of this part, the board of supervisors of the county may review major administrative decisions of the authority, excluding those involving personnel matters, upon appeal by the affected person and upon a majority vote of the board of supervisors. The board of supervisors may either approve, modify, reflect or repeal such decisions. The action of the board of supervisors shall be deemed to constitute a final administrative remedy. The board of supervisors and the authority shall mutually develop and agree on rules and regulations setting forth review procedures and guidelines to determine which decisions of the authority are major so as to confer appellate jurisdiction upon the board of supervisors. The board of supervisors shall adopt the mutually agreed upon rules and regulations by resolution or ordinance.

This section shall not be operative until adopted by resolution by the board of supervisors.

1177.17. Any licensed provider eligible to receive Medi-Cal

reimbursement under law shall be able to participate in this program as a provider.

1177.2. All claims for money or damages against the authority are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided therein, or by other statutes or regulations expressly applicable thereto.

1177.3. In the formation of the authority pursuant to this part, the provisions of Section 54773 et seq., of the Government Code are not applicable.

1177.4. The board of supervisors may by ordinance or resolution order the dissolution of the authority by declaring that there is no need for the authority to function in the county. The dissolution shall become effective 180 days after the date of adoption of the resoltuion or ordinance ordering such dissolution.

Upon and after the effective date of the dissolution of the authority, the authority shall be dissolved, disincorporated and extinguished; its existence shall be terminated and all of its corporate powers shall cease, except for winding up the affairs of the authority.

For the purpose of winding up the affairs of the dissolved authority, the County of Santa Barbara shall be the successor.

Upon the effective date of dissolution, control over all of the moneys or funds, including on hand and moneys due, but uncollected, and all property, real or personal, of the authority shall be vested in the County of Santa Barbara for the purpose of winding up the affairs of the authority.

The powers of the county in winding up the affairs of the authority and the distribution of assets of the authority, shall be in accordance with the provisions of Article 4 (commencing with Section 56500) of Chapter 9 of Part 4 of Division 1 of Title 6 of the Government Code. The liability of the county as successor shall be limited to the assets of the authority.

1177.5. If the board of supervisors does not, by ordinance or resolution, order the formation of the authority under this part prior to January 1, 1986, this part is repealed as of January 1, 1986, unless a later enacted statute, which is chaptered before that date, deletes or extends that date.

On or before January 15, 1986, the board of supervisors shall report to the Secretary of State as to whether it has established the authority.

SEC. 3. Section 14499.5 is added to the Welfare and Institutions Code, to read:

14499.5. (a) In carrying out the intent of this article, the director shall contract for the operation of one local pilot program. Special consideration shall be given to approving a program contracted through county government in Santa Barbara County.

(b) The establishment of a pilot program pursuant to this section shall be contingent upon the availability of state and federal funding. The program shall include the following components:

(1) Local authority for administration, fiscal management, and delivery of services, but not including eligibility determination.

(2) Physician case management.

(3) Cost containment through provider incentives and other means.

(4) Execution of a guarantee, acceptable to the Commissioner of Corporations, for payment of moneys owed to providers under the contract.

(c) The proposal for the pilot program shall include a plan and budget for delivery of services, administration and evaluation. During the first year of the pilot program, the amount of the state contract shall equal 95 percent of total projected Medi-Cal expenditures for delivery of services and for administration based on fee-for-service conditions in the program county. During the remaining years of the pilot program, projections of Medi-Cal expenditures in the program county shall equal 95 percent of total projected Medi-Cal expenditures for delivery of services based on the fee-for-service Medi-Cal experience in comparable counties or groups of counties. The projected total expenditure shall be determined annually according to an acceptable actuarial process. The data elements used by the department shall be shared with the proposed contractor.

(d) The director shall accept or reject the proposal within 30 days after the date of receipt. If a decision is made to reject the proposal, the director shall set forth the reasons for this decision in writing. Upon approval of the proposal, a contract shall be written within 60 days. After signature by the local contractor, the Department of Health Services, the Department of General Services, and the Department of Finance shall execute the contract within 60 days.

(e) The director shall seek the necessary state and federal waivers to enable operation of the program. If the federal waivers for delivery of services under this plan are not granted, the department is under no obligation to contract for implementation of the program.

(f) Notwithstanding any other provision of law, during the period that this contract is in effect, the contractor shall be exempt from the provisions of paragraph (2) of subdivision (a) of Section 1375.1, Section 1376, Section 1377, and, with the exception of subdivision (d), Section 1384, of the Health and Safety Code, relative to the services provided to Medi-Cal beneficiaries under the terms and provisions of the pilot program.

(g) For purposes of Section 1343 of the Health and Safety Code, the Santa Barbara County Special Health Care Authority shall be considered to be a county pilot program contracting with the State Department of Health Services pursuant to this article.

(h) Nothing in this section shall be construed to include dental services within the services provided in this pilot program.

(i) Any federal demonstration funding for this pilot program shall be made available to the county within 60 days upon notification of

the award without the state retaining any portion not previously specified in the grant application as submitted.

(j) An independent evaluation of the program shall be conducted and a report submitted to the Legislature and the director by June 30, 1987. The cost of the evaluation shall be borne by grants to be obtained jointly by the department and the local contractor. This evaluation and report shall include, but is not limited to, the following:

(1) An assessment of the cost of medical services as compared to the cost of the existing Medi-Cal fee-for-service delivery mode.

(2) An assessment of utilization levels of specialist and emergency services.

(3) An assessment of the quality of care.

(4) Recommendations for future policy on delivery of services.

(k) This section shall remain in effect only until June 30, 1987, and as of that date is repealed, unless a later enacted statute which is chaptered before June 30, 1987, deletes or extends that date.

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

To insure that the Medi-Cal pilot program provided for in this act receives the expeditious approval of all reviewing authorities and goes into operation in 1982, it is necessary that this act take effect immediately.

CHAPTER 135

An act to amend Sections 62707.1, 62708.5, 62712, 62714, and 62722 of the Food and Agricultural Code, relating to milk, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 25, 1982. Filed with Secretary of State March 25, 1982.]

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

SECTION 1. Section 62707.1 of the Food and Agricultural Code is amended to read:

62707.1. (a) The director, on July 1, 1978, shall issue new pool quota sufficient to bring all holders of production base and pool quota as of that date (excluding any production base and pool quota issued pursuant to subdivision (f) of Section 62707), to the equalization point both on the fat and the solids-not-fat components.

(b) Subsequent to July 1, 1978, all allocations of new class 1 usage determined under subdivision (e) of Section 62707, shall be made as follows:

(1) Forty percent to producers whose total production base and

pool quota are below the equalization point, to be allocated according to provisions adopted by the director in the applicable pooling plan.

(2) Forty percent to producers whose total production base and pool quota are equal to or above the equalization point, this allocation to each such producer to be in the same ratio to the total allocation under this subdivision as that producer's total holdings of quota bears to the total quota holdings of all equalized producers.

(3) The remaining 20 percent shall be utilized for new producer allocations under subdivision (f) of Section 62707, according to the provisions in the then applicable pooling plan.

The terms "total production and pool quota" and "total quota" shall for the purposes of this subdivision, include allocations of production base and pool quota issued pursuant to subdivision (f) of Section 62707.

SEC. 2. Section 62708.5 of the Food and Agricultural Code is amended to read:

62708.5. A producer-handler for the purposes of this chapter shall also include, as a separate and distinct category of producer-handlers, any producer and any handler who purchases or handles fluid milk or fluid cream produced by this producer if they meet the requirement that all of the ownership of the handler and all of the ownership of the producer is owned by the same person or persons and their ownership in the producer or handler is at least 95 percent identical for each person with their ownership in the handler or producer. This ownership shall not exceed 10 individual persons or owners of equitable interest in a partnership, corporation, or other legally constituted business association.

The ownership required by this section may be through a partnership, corporation or other legally constituted business association so long as the entities are owned by the same person or persons, and there is at least 95 percent identity of ownership for each person with their ownership in the handler or producer. For the purposes of this section a "person" or "persons" includes the spouse, or other persons of lineal consanguinity of the first or second degree or collateral consanguinity to the fourth degree as defined in the Probate Code, and their spouses, and includes an adopted child the same as a natural child and kindred of the half blood equally with those of the whole blood of the owner and ownerships by persons so related shall be considered single ownership by one person. For the purposes of this section, property pledged or hypothecated in any manner to others shall be considered "owned" so long as equitable ownership with management and control remain with the producer-handler.

Ownership as provided in this section shall have existed at the time of the base period selected by the producer under Section 62707 and at all other times thereafter.

Any such producer-distributor shall have the option within 90 days of the enactment of this section at the 1969 Regular Session:

(a) To join and operate wholly within such pool, or

(b) To have its entire original production base and pool quota determined during the base period it selected as a producer pursuant to Section 62707, established as a part of the pooling plan, and, nevertheless elect to operate entirely outside of the pool to the extent of provisions of this section.

Any producer-handler who qualifies under this section and elects to operate outside the pool, to the extent of the authority granted, shall have the right to make deductions as follows from its own class 1 sales, excluding sales to a handler, whether in bulk or packaged, before being required to account to the pool:

(1) If it has not sold production base and pool quota subsequent to February 9, 1977, it may deduct its original quota, and quota purchase prior to January 1, 1978, plus a daily deduction of 150 pounds milk fat and 375 pounds solids not fat.

(2) If it has sold production base and pool quota subsequent to February 9, 1977, it may only deduct its original pool quota, and quota purchased prior to January 1, 1978.

(3) The deductions from class 1 sales authorized pursuant to this section may be made irrespective of the fact that the average class 1 usage in the pool for that month may be less than 100 percent of the pool quota in that pool.

Any production subject to this section from the producer-handler selecting this option shall not have the right to participate in the quota pool, irrespective of the fact that the producer-handler did not sell all of the quota as class 1, and will participate in either the base pool or the overbase pool depending upon whether the total production base of the producer is sufficient to cover the milk delivered in excess of the class 1 usage exempted hereunder, otherwise the production in excess of the exempt producer-handler's own class 1 sales as herein defined shall be accounted for as overbase milk.

The fact that a producer-handler qualifies as to one of its milk production operations under this section does not prevent it from operating on an entirely separate nonqualifying basis (and therefore subject to pooling) at other milk production facilities, and with other nonqualifying persons at these other milk production facilities. A producer-handler can neither buy nor sell pool quota and transfer therewith the option granted under this division but this shall not prevent him or her from purchasing or selling pool quota or production base as otherwise provided in this chapter.

If at any time ownership as defined in this section ceases, the producer-handler shall no longer be eligible for the options in this section and shall account to the pool as a separate handler and shall be entitled to reentry into producer participation in the pool on the same basis as a producer-handler may under the last paragraph of Section 62708.

SEC. 3. Section 62712 of the Food and Agricultural Code is amended to read:

62712. (a) The director may require handlers, including cooperative associations acting as handlers, to make reports at such intervals and in such detail as he or she finds necessary for the operation of the pool. In conjunction with the pools authorized by this chapter, the director may require handlers to make payments into a settlement fund for fluid milk received and the director may provide for the disbursement of moneys from the settlement fund in the course of administering the pools. The director may employ a pool manager to operate each pool and may permit the pool manager to employ such other necessary personnel and incur such expenses incidental to the operation of the pool as the director finds are necessary.

Handlers who have a financial obligation to the pool resulting from the operation of the pooling plan shall pay such obligations to the pool manager each month as requested. All of these moneys shall be deposited in a bank or banks approved by the director, and shall be paid out by the pool manager to handlers who have pool credits resulting from the operation of the pooling plan. All financial operations of each pool shall be audited by the Department of Food and Agriculture at least once annually. The director may require handlers to make such deductions from amounts due to producers as he or she finds are necessary to establish a reserve fund to insure prompt payment to producers.

(b) The pool manager shall effectuate the purposes of Section 62711 by designating the percentage of each price class (i.e., classes 1, 2, 3, 4a and 4b) to be paid within each pool settlement classification (i.e., quota pool, production pool, and overproduction pool), and in so doing he or she shall allocate the highest usage available, first to the quota pool, next to the production pool, and last to the overproduction pool.

(c) All pool quotas initially determined pursuant to Section 62707, shall be recognized and shall not in any way be diminished.

SEC. 4. Section 62714 of the Food and Agricultural Code is amended to read:

62714. After the director has established pools, each distributor shall report to the director the total receipts from the producers that are shipping to the distributor and the class 1, class 2, class 3, class 4a, and class 4b usage of the distributor and any other information determined by the director as necessary to carry out the operation of the pool.

The director shall have access to, and may enter during business hours, the premises of any distributor, handler, or producer, or any place where the books, papers, records, or documents pertaining to any transaction which relates to the acquisition or disposition of milk are kept. The director may inspect and copy these books, papers, records, or documents in any place within the state.

SEC. 5. Section 62722 of the Food and Agricultural Code is amended to read:

62722. Pooling plans shall not apply to the production of goats

milk or producer-handlers who produce and sell less than 500 gallons of fluid milk used for class 1 purposes per day unless they specifically request entry into the pool at the time of the adoption of the initial pooling plan for that area. Producers of certified milk or guaranteed raw milk shall have the option, at the time of the adoption of the initial pooling plan under this chapter, to be subject to the plan, and accordingly to have a production base and pool quota established for the producer, or to be excluded from the plan.

(a) Any such producer of less than 500 gallons of fluid milk per day, or any such producer of certified milk, or any such producer of guaranteed raw milk, electing to be excluded from the plan, may at any later time be admitted to the pool, but with only the production base and pool quota to which he or she would have originally been entitled or his or her existing production and average daily class 1 usage during the 12 months preceding his or her entry into the pool, whichever is less.

(b) Any producer claiming exemptions from the provision of any pooling plan by reason of the provisions of Section 62708, 62708.1, or this section, who loses his or her exemption by failure to meet the requirements for exemptions set forth in those sections shall automatically be deemed to have applied for and become a part of a producer pool on September 1st following any year ended August 31st during which the director determines he or she is no longer entitled to exemption, and his or her admittance into such a pool shall be on the basis of the production base and pool quota calculations as set forth in those sections.

SEC. 6. Notwithstanding any other provision of Chapter 2 (commencing with Section 61801) of Part 3 of Division 21 of the Food and Agricultural Code, the director may, for the purpose of the March 1982 hearing held pursuant to Article 7 (commencing with Section 61991) and Article 8 (commencing with Section 62031) of that chapter, waive the provisions of Section 61903 and waive the 10 day notice requirement provided for under Section 61996.

This section shall remain in effect only until June 1, 1982, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 1, 1982, deletes or extends that date.

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

In order for the provisions of this bill to ensure that adequate amounts of class 1 milk are available at reasonable prices to consumers through the Spring of 1982, it is necessary that this bill take effect immediately.

CHAPTER 136

An act to amend Sections 245, 246, 417, 12021, 12025, and 12031 of, and to add Sections 1203.095, 12001.6, and 12021.1 to, the Penal Code, relating to probation for crimes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 25, 1982. Filed with Secretary of State March 26, 1982]

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

SECTION 1. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(3) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon, firearm, or instrument, and the weapon, firearm, or instrument is owned by such person, the court may, in its discretion, order that the weapon, firearm, or instrument be deemed a nuisance and shall be confiscated and destroyed in the manner provided by Section 12028.

(b) Every person who commits an assault with a deadly weapon or instrument or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.1. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and

imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding ten thousand dollars ($10,000) and imprisonment.

(3) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon, firearm, or instrument, and the weapon, firearm, or instrument is owned by such person, the court may, in its discretion, order that the weapon, firearm, or instrument be deemed a nuisance and shall be confiscated and destroyed in the manner provided by Section 12028.

(b) Every person who commits an assault with a deadly weapon or instrument or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.2. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(3) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon, firearm, or instrument, and the weapon, firearm, or instrument is owned by such person, the court may, in its discretion, order that the weapon, firearm, or instrument be deemed a nuisance and shall be confiscated and destroyed in the manner provided by Section 12028.

(b) Every person who commits an assault with a deadly weapon or instrument or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four,

or five years.

As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

(c) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

SEC. 1.3. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be

deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.4. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding ten thousand dollars ($10,000) and imprisonment.

(3) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon, firearm, or instrument, and the weapon, firearm, or instrument is owned by such person, the court may, in its discretion, order that the weapon, firearm, or instrument be deemed a nuisance and shall be confiscated and destroyed in the manner provided by Section 12028.

(b) Every person who commits an assault with a deadly weapon or instrument or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commmencing with Section 830) of Title 3 of Part 2.

(c) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

SEC. 1.5. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding ten thousand dollars ($10,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.6. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and destroyed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.7. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine

not exceeding ten thousand dollars ($10,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 2. Section 246 of the Penal Code is amended to read:

246. Any person who shall maliciously and willfully discharge a firearm at an inhabited dwelling house, occupied building, occupied motor vehicle, inhabited housecar, as defined in Section 362 of the Vehicle Code, or inhabited camper, as defined in Section 243 of the Vehicle Code, is guilty of a felony, and upon conviction shall be punished by imprisonment in the state prison for two, three or four years, or by imprisonment in the county jail for a term of not less than six months and not exceeding one year. As used in this section, "inhabited" means currently being used for dwelling purposes, whether occupied or not.

SEC. 3. Section 417 of the Penal Code is amended to read:

417. (a) (1) Every person who, except in self-defense, in the presence of any other person, draws or exhibits any deadly weapon whatsoever, other than a firearm, in a rude, angry or threatening manner, or who in any manner, unlawfully uses the same in any fight or quarrel is guilty of a misdemeanor.

(2) Every person who, except in self-defense, in the presence of any other person, draws or exhibits any firearm, whether loaded or unloaded, in a rude, angry, or threatening manner, or who in any manner, unlawfully uses the same in any fight or quarrel is guilty of a misdemeanor punishable by imprisonment in the county jail for a term of not less than three months and not to exceed six months, or by both imprisonment and a fine not exceeding five hundred dollars ($500).

(b) Every person who, in the immediate presence of a peace officer, draws or exhibits any firearm, whether loaded or unloaded, in a rude, angry or threatening manner, and who knows or reasonably should know that the victim is a peace officer engaged in the performance of his or her duties, and such peace officer is engaged in the performance of his or her duties is guilty of a felony punishable by imprisonment in the county jail for a term of not less than six months and not to exceed one year, or in the state prison.

As used in this section, "peace officers" refers to any person designated as a peace officer by Section 830.1, subdivisions (a) to (e), inclusive, of Section 830.2, and Section 830.5.

SEC. 4. Section 1203.095 is added to the Penal Code, to read:

1203.095. (a) Except as provided in subdivision (b), but notwithstanding any other provision of law, if any person convicted of a violation of paragraph (2) of subdivision (a) of Section 245, of a violation of subdivision (b) of Section 245 involving an assault with a firearm, of a violation of Section 246, or a violation of subdivision (b) of Section 417, is granted probation or the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned for at least six months, and if any person convicted of a violation of paragraph (2) of subdivision (a) of Section 417 is granted probation or the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned for at least three months.

(b) The provisions of subdivision (a) shall apply except in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the imprisonment required by subdivision (a), or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in subdivision (a), in which case the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

(c) This section 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.

SEC. 5. Section 12001.6 is added to the Penal Code, to read:

12001.6. As used in this chapter, an offense which involves the violent use of a firearm includes any of the following:

(a) A violation of paragraph (2) of subdivision (a) of Section 245.

(b) A violation of Section 246.

(c) Two or more violations of paragraph (2) of subdivision (a) of Section 417.

(d) A violation of subdivision (b) of Section 417.

SEC. 6. Section 12021 of the Penal Code is amended to read:

12021. (a) Any person who has been convicted of a felony under the laws of the United States, of the State of California, or any other state, government, or country, or of an offense enumerated in Section 12001.6, or who is addicted to the use of any narcotic drug, who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense, and shall be punishable by imprisonment in the state prison, or in a county jail not exceeding one year or by a fine not exceeding five hundred dollars ($500), or by both.

(b) Notwithstanding the provisions of subdivision (a), any person who has been convicted of a felony or of an offense enumerated in Section 12001.6, when such conviction results from certification by the juvenile court for prosecution as an adult in an adult court under the provisions of Section 707 of the Welfare and Institutions Code, who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense and shall be punishable by imprisonment in the state prison, or in a county jail not exceeding one year or by a fine not exceeding five hundred dollars ($500), or by both.

(c) Subdivision (a) shall not apply to a person who has been convicted of a felony under the laws of the United States unless:

(1) Conviction of a like offense under California law can only result in imposition of felony punishment; or

(2) The defendant was sentenced to a federal correctional facility for more than 30 days, or received a fine of more than one thousand dollars ($1,000), or received both such punishments.

SEC. 6.5. Section 12021 of the Penal Code is amended to read:

12021. (a) Any person who has been convicted of a felony under the laws of the United States, of the State of California, or any other state, government, or country, or of an offense enumerated in Section 12001.6, or who is addicted to the use of any narcotic drug, who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense, and shall be punishable by imprisonment in the state prison, or in a county jail not exceeding one year or by a fine not exceeding one thousand dollars ($1,000), or

by both.

(b) Notwithstanding the provisions of subdivision (a), any person who has been convicted of a felony or of an offense enumerated in Section 12001.6, when such conviction results from certification by the juvenile court for prosecution as an adult in an adult court under the provisions of Section 707 of the Welfare and Institutions Code, who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense and shall be punishable by imprisonment in the state prison, or in a county jail not exceeding one year or by a fine not exceeding one thousand dollars ($1,000), or by both.

(c) Subdivision (a) shall not apply to a person who has been convicted of a felony under the laws of the United States unless:

(1) Conviction of a like offense under California law can only result in imposition of felony punishment; or

(2) The defendant was sentenced to a federal correctional facility for more than 30 days, or received a fine of more than one thousand dollars ($1,000), or received both such punishments.

SEC. 7. Section 12021.1 is added to the Penal Code, to read:

12021.1. (a) Notwithstanding the provisions of subdivision (a) of Section 12021, any person who has been previously convicted of any of the offenses listed in subdivision (b) and who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense, and shall be punished by imprisonment in a county jail for at least six months and not exceeding one year, or by imprisonment in the state prison. If probation is granted, or if the imposition or execution of sentence is suspended, it shall be a condition of the probation or suspension that the defendant serve at least six months in a county jail.

(b) As used in this section, a violent offense includes any of the following:

(1) Murder or voluntary manslaughter.

(2) Mayhem.

(3) Rape.

(4) Sodomy by force, violence, duress, menace, or threat of great bodily harm.

(5) Oral copulation by force, violence, duress, menace, or threat of great bodily harm.

(6) Lewd acts on a child under the age of 14 years.

(7) Any felony punishable by death or imprisonment in the state prison for life.

(8) Any other felony in which the defendant inflicts great bodily injury on any person, other than an accomplice, which has been charged and proven, or any felony in which the defendant uses a firearm which use has been charged and proven.

(9) Attempted murder.

(10) Assault with intent to commit rape or robbery.

(11) Assault with a deadly weapon or instrument on a peace officer.

(12) Assault by a life prisoner on a noninmate.

(13) Assault with a deadly weapon by an inmate.

(14) Arson.

(15) Exploding a destructive device or any explosive with intent to injure.

(16) Exploding a destructive device or any explosive causing great bodily injury.

(17) Exploding a destructive device or any explosive with intent to murder.

(18) Robbery.

(19) Kidnapping.

(20) Taking of a hostage by an inmate of a state prison.

(21) Attempt to commit a felony punishable by death or imprisonment in the state prison for life.

(22) Any felony in which the defendant personally used a dangerous or deadly weapon.

(23) Escape from a state prison by use of force or violence.

(24) Assault with a deadly weapon or force likely to produce great bodily injury.

(25) Any attempt to commit a crime listed in this subdivision other than an assault.

(26) Any offense enumerated in Section 12001.6.

(c) Any person previously convicted of any of the offenses listed in subdivision (b) which conviction results from certification by the juvenile court for prosecution as an adult in adult court under the provisions of Section 707 of the Welfare and Institutions Code, who owns or has in his possession or under his custody or control any pistol, revolver, or other firearm capable of being concealed upon the person is guilty of a public offense, and shall be punished by imprisonment in a county jail for at least six months and not exceeding one year, or by imprisonment in the state prison. If probation is granted, or if the imposition or execution of sentence is suspended, it shall be a condition of the probation or suspension that the defendant serve at least six months in a county jail.

(d) The court shall apply the minimum sentence as specified in subdivisions (a) and (c) except in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the imprisonment required by subdivisions (a) and (c), or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in subdivisions (a) and (c), in which case the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

SEC. 8. Section 12025 of the Penal Code is amended to read:

12025. (a) Except as otherwise provided in this chapter, any person who carries concealed within any vehicle which is under his

or her control or direction any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a misdemeanor. Any person convicted under this subdivision who has previously been convicted of any felony, or of any crime made punishable by this chapter, is guilty of a felony, and if probation is granted, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for not less than three months.

(b) Any person who carries concealed upon his or her person any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a misdemeanor, except any person, having been convicted of a crime against the person, property or a narcotics or dangerous drug violation, who carries concealed upon his or her person any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a public offense and is punishable by imprisonment in a state prison, or by imprisonment in a county jail not to exceed six months, or by a fine not to exceed five hundred dollars ($500), or by both such fine and imprisonment. Any person convicted under this subdivision who has previously been convicted of any felony or of any crime made punishable by this chapter, is guilty of a felony, and if probation is granted, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for not less than three months.

(c) Firearms carried openly in belt holsters are not concealed within the meaning of this section, nor are knives which are carried openly in sheaths suspended from the waist of the wearer.

(d) Every person convicted under this section who has previously been convicted of a misdemeanor offense enumerated in Section 12001.6 shall be punished by imprisonment in the county jail for at least three months and not exceeding six months, or, if granted probation, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for at least three months.

(e) The court shall apply the three-month minimum sentence as specified in subdivisions (a), (b), and (d) except in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the minimum imprisonment required in subdivisions (a), (b), and (d) or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in subdivisions (a), (b), and (d), in which case, the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

SEC. 8.5. Section 12025 of the Penal Code is amended to read:

12025. (a) Except as otherwise provided in this chapter, any person who carries concealed within any vehicle which is under his or her control or direction any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a misdemeanor. Any person convicted under this subdivision who has previously been convicted of any felony, or of any crime made punishable by this chapter, is guilty of a felony, and if probation is granted, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for not less than three months.

(b) Any person who carries concealed upon his or her person any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a misdemeanor, except any person, having been convicted of a crime against the person, property or a narcotics or dangerous drug violation, who carries concealed upon his or her person any pistol, revolver, or other firearm capable of being concealed upon the person without having a license to carry such firearm as provided in this chapter is guilty of a public offense and is punishable by imprisonment in a state prison, or by imprisonment in a county jail not to exceed six months, or by fine not to exceed one thousand dollars ($1,000), or by both such fine and imprisonment. Any person convicted under this subdivision who has previously been convicted of any felony, or of any crime made punishable by this chapter, is guilty of a felony, and if probation is granted, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for not less than three months.

(c) Firearms carried openly in belt holsters are not concealed within the meaning of this section, nor are knives which are carried openly in sheaths suspended from the waist of the wearer.

(d) Every person convicted under this section who has previously been convicted of a misdemeanor offense enumerated in Section 12001.6 shall be punished by imprisonment in the county jail for at least three months and not exceeding six months, or, if granted probation, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned in the county jail for at least three months.

(e) The court shall apply the three-month minimum sentence as specified in subdivisions (a), (b), and (d) except in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the minimum imprisonment required in subdivisions (a), (b), and (d) or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in subdivisions (a), (b), and (d), in which case, the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such

a disposition.

SEC. 9. Section 12031 of the Penal Code is amended to read:

12031. (a) Except as provided in subdivision (b), (c), or (d), every person who carries a loaded firearm on his or her person or in a vehicle while in any public place or on any public street in an incorporated city or in any public place or on any public street in a prohibited area of unincorporated territory is guilty of a misdemeanor.

Every person convicted under this section who has previously been convicted of an offense enumerated in Section 12001.6, or of any crime made punishable under this chapter, shall serve a term of at least three months in the county jail, or, if granted probation, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned for a period of at least three months.

The court shall apply the three-month minimum sentence except in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the minimum imprisonment required in this subdivision or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in this subdivision, in which case, the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

(b) Subdivision (a) shall not apply to any of the following:

(1) Peace officers listed in Section 830.1 or 830.2, whether active or honorably retired, other duly appointed peace officers, full-time paid peace officers of other states and the federal government who are carrying out official duties while in California, or any person summoned by any such officers to assist in making arrests or preserving the peace while the person is actually engaged in assisting such officer.

The agency from which a peace officer is honorably retired may, upon initial retirement of the peace officer, or at any time subsequent thereto, deny or revoke, for good cause, the retired officer's privilege to carry a weapon as provided in this paragraph. A retired peace officer shall petition the issuing agency for renewal of his or her privilege to carry a loaded firearm in public every five years. Any peace officer who has been honorably retired shall be issued an identification certificate 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 and the date when the endorsement is to be reviewed again.

(2) Members of the military forces of this state or of the United States engaged in the performance of their duties.

(3) Persons who are using target ranges for the purpose of practice shooting with a firearm or who are members of shooting clubs while hunting on the premises of such clubs.

(4) The carrying of concealable weapons by persons who are

authorized to carry such weapons pursuant to Article 3 (commencing with Section 12050) of Chapter 1 of Title 2 of Part 4.

(5) Armored vehicle guards, as defined in Section 7521 of the Business and Professions Code, (A) if hired prior to January 1, 1977; or (B) if hired on or after such date, if they have received a Firearms Qualification Card from the Department of Consumer Affairs, in each case while acting within the course and scope of their employment.

(c) Subdivision (a) shall not apply to any of the following who have completed a regular course in firearms training approved by the Commission on Peace Officer Standards and Training:

(1) Patrol special police officers appointed by the police commission of any city, county, or city and county under the express terms of its charter who also under the express terms of the charter (i) are subject to suspension or dismissal after a hearing on charges duly filed with the commission after a fair and impartial trial, (ii) must be not less than 18 years of age nor more than 40 years of age, (iii) must possess physical qualifications prescribed by the commission, and (iv) are designated by the police commission as the owners of a certain beat or territory as may be fixed from time to time by the police commission.

(2) The carrying of weapons by animal control officers or zookeepers, regularly compensated as such by a governmental agency when acting in the course and scope of their employment and when designated by a local ordinance or, if the governmental agency is not authorized to act by ordinance, by a resolution, either individually or by class, to carry such weapons, or by persons who are authorized to carry such weapons pursuant to Section 607f of the Civil Code, while actually engaged in the performance of their duties pursuant to that section.

(3) Harbor policemen designated pursuant to Section 663.5 of the Harbors and Navigation Code.

(d) Subdivision (a) shall not apply to any of the following who have been issued a certificate pursuant to Section 12033. Such certificate shall not be required of any person who is a peace officer, who has completed all training required by law for the exercise of his or her power as a peace officer, and who is employed while not on duty as such peace officer.

(1) Guards or messengers of common carriers, banks, and other financial institutions while actually employed in and about the shipment, transportation, or delivery of any money, treasure, bullion, bonds, or other thing of value within this state.

(2) Guards of contract carriers operating armored vehicles pursuant to California Highway Patrol and Public Utilities Commission authority (i) if hired prior to January 1, 1977; or (ii) if hired on or after January 1, 1977, if they have completed a course in the carrying and use of firearms which meets the standards prescribed by the Department of Consumer Affairs.

(3) Private investigators, 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 or her person or in a vehicle while in any public place or on any public street in an incorporated city or prohibited area of an unincorporated territory. Refusal to allow a peace officer to inspect a firearm pursuant to the provisions of this section constitutes probable cause for arrest for violation of this section.

(f) As used in this section "prohibited area" means any place where it is unlawful to discharge a weapon.

(g) A firearm shall be deemed to be loaded for the purposes of this section when there is an unexpended cartridge or shell, consisting of a case which holds a charge of powder and a bullet or shot, in, or attached in any manner to, the firearm, including, but not limited to, in the firing chamber, magazine, or clip thereof attached to the firearm; except that a muzzle-loader firearm shall be deemed to be loaded when it is capped or primed and has a powder charge and ball or shot in the barrel or cylinder.

(h) Nothing in this section shall prevent any person engaged in any lawful business, including a nonprofit organization, or any officer, employee, or agent authorized by such person for lawful purposes connected with such business, from having a loaded firearm within such person's place of business, or any person in lawful possession of private property from having a loaded firearm on such property.

(i) Nothing in this section shall prevent any person from carrying a loaded firearm in an area within an incorporated city while engaged in hunting, during such time and in such area as the hunting is not prohibited by the city council.

(j) Nothing in this section is intended to preclude the carrying of any loaded firearm, under circumstances where it would otherwise be lawful, by a person who reasonably believes that the person or property of himself or herself or of another is in immediate, grave danger and that the carrying of such weapon is necessary for the preservation of such person or property. As used in this subdivision "immediate" means the brief interval before and after the local law enforcement agency, when reasonably possible, has been notified of the danger and before the arrival of its assistance.

(k) Nothing in this section is intended to preclude the carrying of a loaded firearm by any person while engaged in the act of making or attempting to make a lawful arrest.

(*l*) Nothing in this section shall prevent any person from having a loaded weapon, if it is otherwise lawful, at his place of residence, including any temporary residence or campsite.

SEC. 10. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 11. It is the intent of the Legislature that if this bill is chaptered and amends Section 245 of the Penal Code, and if Assembly Bill 685, Senate Bill 302, or Senate Bill 561, is chaptered and amends Section 245 of the Penal Code, and this bill is chaptered last, that on the effective date of this bill, the amendments to Section 245 proposed by this bill and any of the above bills which has already been chaptered and which also amends Section 245 be given effect.

Therefore, if on the effective date of this act, this bill amends Section 245, and, of the above bills:

(a) None has already been chaptered which also amends Section 245, then Section 245, as amended by Section 1 of this bill shall become operative, and Sections 1.1 to 1.7, inclusive, shall not become operative.

(b) Assembly Bill 685 is the only bill which already has been chaptered which also amends Section 245, then Section 245, as amended by Section 1 of this bill, shall become operative on the operative date of this bill and shall remain operative only until the effective date of Assembly Bill 685, at which time Section 245 shall be further amended in the form set forth in Section 1.1 of this bill, in which case Sections 1.2 to 1.7, inclusive, shall not become operative.

(c) Senate Bill 302 is the only bill which has already been chaptered which also amends Section 245, and Senate Bill 302 has already taken effect as an urgency statute, then Section 245 as amended by Senate Bill 302 shall remain in effect until the operative date of this bill, at which time Section 245 shall be further amended

in the form set forth in Section 1.2 of this act, in which case Sections 1, 1.1, and 1.3 to 1.7, inclusive, shall not become operative.

(d) Senate Bill 561 is the only bill which has already been chaptered which also amends Section 245, then Section 245, as amended by Section 1 of this bill shall become operative on the operative date of this bill and shall remain operative only until the effective date of Senate Bill 561, at which time Section 245 shall be further amended in the form set forth in Section 1.3 of this bill, in which case Sections 1.1, 1.2, and 1.4 to 1.7, inclusive, shall not become operative.

(e) Assembly Bill 685 and Senate Bill 302 are the only bills which have already been chaptered which also amend Section 245, and Senate Bill 302 has already taken effect as an urgency statute, then Section 245, as amended by Senate Bill 302 shall remain in effect only until the operative date of this bill, at which time Section 245 shall be further amended in the form set forth in Section 1.2 of this bill, which shall remain in effect until the effective date of Assembly Bill 685, at which time Section 245 shall be further amended in the form set forth in Section 1.4 of this act, in which case Sections 1, 1.1, 1.3, 1.5, 1.6, and 1.7 shall not become operative.

(f) Assembly Bill 685 and Senate Bill 561 are the only bills which have already been chaptered which also amend Section 245, then Section 245, as amended by Section 1 of this bill, shall become operative on the operative date of this bill and shall remain operative only until the effective date of Assembly Bill 685 and Senate Bill 561, at which time Section 245 shall be further amended in the form set forth in Section 1.5 of this bill, in which case Sections 1.1 to 1.4, inclusive, and 1.6 and 1.7 shall not become operative.

(g) Senate Bill 302 and Senate Bill 561 are the only bills which have already been chapterd which also amend Section 245, and Senate Bill 302 has already taken effect as an urgency statute, then Section 245, as amended by Senate Bill 302, shall remain in effect only until the operative date of this bill, at which time Section 245 shall be further amended in the form set forth in Section 1.2 of this bill, which shall remain in effect only until the effective date of Senate Bill 561, at which time Section 245 shall be further amended in the form set forth in Section 1.6 of this bill, and Sections 1, 1.1, 1.3, 1.4, 1.5, and 1.7 shall not become operative.

(h) Assembly Bill 685, Senate Bill 302, and Senate Bill 561 are all chaptered and all amend Section 245, and Senate Bill 302 has already taken effect as an urgency statute, then Section 245, as amended by Senate Bill 302, shall remain in effect only until the operative date of this bill, at which time Section 245 shall be further amended in the form set forth in Section 1.2 of this bill, which shall remain in effect only until the effective date of Assembly Bill 685 and Senate Bill 561, at which time Section 245 shall be further amended in the form set forth in Section 1.7 of this bill, in which case Sections 1, 1.1, and 1.3 to 1.6, inclusive, shall not become operative.

SEC. 12. It is the intent of the Legislature, if this bill and

Assembly Bill 685 are both chaptered and become effective on or before January 1, 1982, both bills amend Section 12021 of the Penal Code, and this bill is chaptered after Assembly Bill 685, that Section 12021 of the Penal Code, as amended by Section 6 of this act, shall remain operative until the effective date of Assembly Bill 685, and that on the effective date of Assembly Bill 685, Section 12021 of the Penal Code, as amended by Section 6 of this act, be further amended in the form set forth in Section 6.5 of this act to incorporate the changes in Section 12021 proposed by Assembly Bill 685. Therefore, if this bill and Assembly Bill 685 are both chaptered and become effective on or before January 1, 1983, and Assembly Bill 685 is chaptered before this bill and amends Section 12021, Section 6.5 of this act shall become operative on the effective date of Assembly Bill 685.

SEC. 13. It is the intent of the Legislature, if this bill and Assembly Bill 685 are both chaptered and become effective on or before January 1, 1983, both bills amend Section 12025 of the Penal Code, and this bill is chaptered after Assembly Bill 685, that Section 12025 of the Penal Code, as amended by Section 8 of this act, shall remain operative until the effective date of Assembly Bill 685, and that on the effective date of Assembly Bill 685, Section 12025 of the Penal Code, as amended by Section 8 of this act, be further amended in the form set forth in Section 8.5 of this act to incorporate the changes in Section 12025 proposed by Assembly Bill 685. Therefore, if this bill and Assembly Bill 685 are both chaptered and become effective on or before January 1, 1983, and Assembly Bill 685 is chaptered before this bill and amends Section 12025, Section 8.5 of this act shall become operative on the effective date of Assembly Bill 685.

SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to alter the increasing incidence of violence with firearms and to protect the people of the State of California from such violence it is necessary that this act take effect immediately.

SEC. 15. This act shall become operative 30 days after it goes into effect.

CHAPTER 137

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

[Approved by Governor March 26, 1982 Filed with Secretary of State March 26, 1982.]

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

SECTION 1. Notwithstanding Sections 41376 and 41378 of the Education Code, the governing board of the Moreno Valley Unified School District may, for the 1981–82 fiscal year, maintain classes in kindergarten and in grades 1, 2, and 3, without invoking the class size penalty provisions of Chapter 3 (commencing with Section 41300) of Part 24 of the Education Code, if:

(a) In kindergarten and grade 1, the average class size in the district does not exceed 32 for the school year, and the average number of pupils enrolled per class does not exceed 35.

(b) In grades 2 and 3, the average class size in the district does not exceed 33 for the school year, and the average number of pupils enrolled per class does not exceed 35.

SEC. 2. In computing apportionments and allowances from the State School Fund for the second principal apportionment for the Moreno Valley Unified School District, the Superintendent of Public Instruction shall compute the product obtained by multiplying the number of pupils which are in excess of the average class size of the district or the average number of pupils enrolled per class, or both, as prescribed by Section 1, by ninety-seven-hundredths. The superintendent shall decrease the average daily attendance reported under the provisions of Section 41601 of the Education Code by the resulting product.

Except as provided herein, the Superintendent of Public Instruction shall in no event decrease the average daily attendance of the district reported under the provisions of Section 41601 of the Education Code, as specified in Sections 41376 and 41378 of the Education Code.

SEC. 3. Sections 1 and 2 of this act shall remain in effect only until June 30, 1982, and as of that date is repealed, unless a later enacted statute which is chaptered before June 30, 1982, deletes or extends that date.

SEC. 4. The Legislature finds and declares that due to the special circumstances resulting from the shortage of capital outlay funds for the Moreno Valley Unified School District, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

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

In order that the Moreno Valley Unified School District may increase the size of classes in kindergarten and in grades 1 to 3, inclusive, pursuant to its collective bargaining agreement, without a loss of apportionments during the 1981–82 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 138

An act to amend Section 2034 of the Code of Civil Procedure, relating to contempt.

[Approved by Governor March 27, 1982. Filed with Secretary of State March 29, 1982.]

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

SECTION 1. Section 2034 of the Code of Civil Procedure is amended to read:

2034. (a) If a party or other deponent refuses or fails to answer any question propounded upon examination during the taking of a deposition, or refuses or fails to produce at a deposition any books, documents or other things under his control pursuant to a subpoena duces tecum, the examination shall be completed on other matters or adjourned, as the proponent of the question may prefer. The proponent, on notice to all persons affected thereby, may move the court in which the action is pending (if the deponent is a party or otherwise subject to the jurisdiction of such court), or if the court does not have jurisdiction over the deponent, to the superior court of the county in which the deposition is taken for an order compelling an answer or if good cause is shown, the production of the book, document, or other thing. The motion may also be made, without further notice, if the proponent notifies the refusing party or other deponent at the time of the refusal or failure that the proponent will apply to the court for an order pursuant to this subdivision of this section, at a specified time not less than 10 nor more than 30 days from the date of such refusal or failure, in which event the officer before whom the deposition is taken shall direct the refusing or failing party or other deponent to attend a session of said court at said time. Not less than five days prior to the hearing on any such motion, the proponent must lodge with the court the original transcript of the deposition. Upon the refusal or failure of a party to answer any interrogatory submitted under Section 2030, the proponent of the question may on like notice make like application for such an order. Upon the filing and service of either written objections to a request under Section 2033, or an answer deemed by the requesting party not to be in compliance with the requirements of Section 2033, the party serving the request may on like notice make like application for an order requiring answers or further answers to the request. If the motion is granted the court shall order that an answer or further answer be served within an appropriate time. Upon the refusal or failure of a party to identify documents, papers, books, accounts, letters, photographs, objects, or tangible things or to permit inspection or entry after having been served with a request under Section 2031, the party serving the request may on like notice and upon a showing of good cause make application for

an order to compel compliance with the request. If the court finds that the refusal or failure or objection was without substantial justification or that the answer does not comply with the requirements of Section 2033, the court may require the refusing or failing or objecting party or deponent and the party or attorney advising the refusal or failure or objection or any of them to pay to the examining party the amount of the reasonable expenses incurred in obtaining the order, including reasonable attorney's fees. If the motion is denied and if the court finds that the motion was made without substantial justification, the court may require the examining party or the attorney advising the motion or both of them to pay to the refusing or failing or objecting party or witness the amount of the reasonable expenses incurred in obtaining the order, including reasonable attorney's fees.

If the court orders that an answer or further answer to requests for admissions be made, and the answer or further answer is not filed and served within the period ordered by the court, each of the matters involved in the order shall be deemed admitted, subject only to relief pursuant to Section 473, as restricted by the provisions of Section 2033.

(b) (1) The court may punish as a contempt (i) the refusal of any person to obey a lawfully issued subpoena to attend a deposition or to be sworn as a witness, or (ii) the refusal of any person to attend a session of court (either personally or by his attorney) after having been directed to attend in the manner provided in subdivision (a), or (iii) the refusal of any person to obey any order made by the court under subdivision (a).

(2) If any party or person for whose immediate benefit the action or proceeding is prosecuted or defended, or an officer, director, superintendent, member, agent, employee, or managing agent of that party or person refuses to obey an order made under subdivision (a), or if any party or an officer or managing agent of a party refuses to obey an order made under Section 2019, 2031, or 2032, the court may make any orders in regard to the refusal which are just, including, but not limited to, any of the following:

(A) An order that the matters regarding which the questions were asked, or the character or description of the thing or land, or the contents of the paper, or the physical or mental or blood condition of the person sought to be examined, or any other designated facts shall be taken to be established for the purposes of the action in accordance with the claim of the party obtaining the order.

(B) An order refusing to allow the disobedient party to support or oppose designated claims or defenses, or prohibiting him from introducing in evidence designated documents or things or items of testimony, or from introducing evidence of the physical or mental or blood condition of the person sought to be examined.

(C) An order striking out pleadings or parts thereof, or staying further proceedings until the order is obeyed, or dismissing the

action or proceeding or any part thereof, or rendering a judgment by default against the disobedient party.

(D) An order requiring the disobedient party or the attorney advising such disobedience to pay to the party obtaining an order under this section the reasonable expenses incurred in obtaining the order, including reasonable attorney's fees.

(E) In lieu of any of the foregoing orders or in addition thereto, an order directing the arrest of any party or agent of a party for disobeying any of such orders except an order to submit to a physical or mental or blood examination.

(F) If a party fails to comply with an order under subdivision (a) of Section 2032 requiring him to produce another for examination, those orders listed in paragraph (A), (B), or (C), unless the party failing to comply shows that he is unable to produce the person for examination.

(c) If a party, after being served with a request under Section 2033 to admit the genuineness of any documents or the truth of any matters of fact, serves a sworn denial thereof and if the party requesting the admissions thereafter proves the genuineness of any document or the truth of any matter of fact, he may apply to the court in the same action for an order requiring the other party to pay him or her the reasonable expenses incurred in making the proof, including reasonable attorney's fees. If the court finds that there were no good reasons for the denial and that the admissions sought were of substantial importance, the order shall be made.

(d) If a party or a person for whose immediate benefit the action or proceeding is prosecuted or defended or anyone who at the time the deposition is set is an officer, director, or managing agent of any party or person willfully fails to appear before the officer who is to take his deposition, after the party or his attorney has been served with a proper notice in accordance with the provisions of paragraph (4) of subdivision (a) of Section 2019, or if a party or an officer or managing agent of a party willfully fails to serve answers to interrogatories submitted under Section 2030, after proper service of the interrogatories, the court on motion and notice may strike out all or any part of any pleading of that party, or dismiss the action or proceeding or any part thereof, or enter a judgment by default against that party, or impose other penalties of a lesser nature the court may deem just, and may order that party or his attorney to pay to the moving party the reasonable expenses in making the motion, including reasonable attorney's fees.

CHAPTER 139

An act to amend Sections 8823 and 9323 of the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 27, 1982. Filed with Secretary of State March 29, 1982.]

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

SECTION 1. Section 8823 of the Elections Code is amended to read:

8823. In each city and county a county central committee shall be elected by Assembly districts and shall consist of 10 members elected from Assembly District 16, 10 members elected from Assembly District 17, and four members elected from Assembly District 19.

SEC. 2. Section 9323 of the Elections Code is amended to read:

9323. In each city and county a county central committee shall be elected by Assembly districts and shall consist of 10 members elected from Assembly District 16, 10 members elected from Assembly District 17, and five members elected from Assembly District 19.

SEC. 3. The registrar of voters of a city and county shall, following the June 8, 1982, Direct Primary Election, deliver a certificate of election to each person elected to a county central committee in accordance with this act.

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

This act must take effect immediately in order to apply to the 1982 Direct Primary Election.

CHAPTER 140

An act to add and repeal Section 35756.5 to the Education Code, relating to the reorganization of school districts.

[Approved by Governor March 29, 1982. Filed with Secretary of State March 29, 1982.]

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

SECTION 1. Section 35756.5 is added to the Education Code, to read:

35756.5. In the case of the transfer of territory from one district to another, if the transfer is opposed by the governing boards of one or more of the districts affected with an average daily attendance of

900 or less, the territory in which the election is held shall include the entire territory of the districts opposing the transfer. Each district with an average daily attendance of 900 or less which is included in an election because of the objection of its governing board to the transfer shall bear the additional cost of holding the election in that portion of its territory not otherwise included in the election. When a majority of the votes cast in the school district opposing the transfer and a majority of the votes cast in the entire territory in which the election is held are in favor of the reorganization, the proposal carries.

This section shall remain in effect only until January 1, 1988, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends such date.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 141

An act to amend Sections 44971, 44972, and 67133 of, to amend and renumber the heading of Article 2 (commencing with Section 44971) of Chapter 9 of Division 17 of, to amend and renumber Sections 44974, 44975, 44976, and 44977 of, to add Sections 44974, 44979, 44980, 44981, 44982, 44983, 44984, 44985, 44986, and 44987 to, to add Article 2 (commencing with Section 45011) to Chapter 9 of Division 17 of, and to repeal and add Section 44973 of, the Food and Agricultural Code, relating to avocados, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 31, 1982. Filed with Secretary of State March 31, 1982.]

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

SECTION 1. The heading of Article 2 (commencing with Section 44971) of Chapter 9 of Division 17 of the Food and Agricultural Code is amended and renumbered to read:

Article 1. Container Certification and Fees

SEC. 1.5. Section 44971 of the Food and Agricultural Code is amended to read:

44971. (a) The handling and marketing of avocados is affected

with the public interest. The provisions of this chapter are enacted for the protection of the avocado industry and for the purposes of protecting the health, peace, safety, and general welfare of the people of this state.

(b) Avocados produced in this state which are being prepared for market shall be certified as complying with the maturity and quality provisions established by regulations of the director.

SEC. 2. Section 44972 of the Food and Agricultural Code is amended to read:

44972. If the director finds that avocados which are being prepared for market conform to the applicable standards, he shall so indicate by an official stamp placed on each flat, carton, or any other container by, or under the supervision of, the inspector, stating that the applicable standards have been complied with on the date of pack. Except as provided in this chapter or regulations of the director, it is unlawful for any person to ship to market or otherwise place into the channels of trade any container of avocados which does not bear the official stamp placed thereon pursuant to the provisions of this chapter and regulations promulgated pursuant to this chapter.

SEC. 3. Section 44973 is added to the Food and Agricultural Code, to read:

44973. It is unlawful for any person, including a grower, packer, handler, or retailer to pack, handle, or sell any lot of avocados which are not in compliance with maturity and quality standards established through regulations of the director.

SEC. 4. Section 44973 of the Food and Agricultural Code is repealed.

SEC. 5. Section 44974 of the Food and Agricultural Code is amended and renumbered to read:

44975. Each handler of avocados shall pay to the director an inspection and certification fee each month. The fee shall be based on the number of pounds certified as determined by the director. However, in no event shall the fee be greater than twelve cents ($0.12) per hundredweight of pounds prepared for market. The number of pounds certified shall be reported monthly to the director, and these reports shall include all information as provided for in Section 44982. The fee required by this section shall be paid no later than the 10th day of the month following the month for which the fee is payable. Any handler who fails to pay the fee within the time required shall pay the director a penalty of 10 percent of the amount determined to be due, and, in addition, 1½ percent interest per month on the unpaid balance. The director may adjust the fee from time to time and reduce it whenever he finds the cost of administering this article may be defrayed from revenue derived from lower fees.

Notwithstanding the above provisions, the director may establish hourly and mileage rates for inspection and certifying avocados belonging to any person located outside of the regular routes

traveled to provide inspection and certification at commercial packing facilities. These rates shall be based upon the cost of providing inspection and certification. Any such person has the option of being charged these rates or presenting their avocados for inspection and certification on the date and at a time and location specified by the director.

SEC. 6. Section 44974 is added to the Food and Agricultural Code, to read:

44974. (a) Any violation or threatened violation of any provision of this chapter or regulations of the director established pursuant to this chapter is unlawful and shall constitute grounds for injunctive relief and the imposition of civil penalties of not less than five hundred dollars ($500) and not exceeding two thousand five hundred dollars ($2,500) per violation. This action may be brought in a court of competent jurisdiction by the director or district attorney of a county in which a violation or threatened violation occurred. The California Avocado Commission and the Avocado Inspection Committee are also authorized to bring an action for injunctive relief on grounds provided for in this chapter. Prior to commencing this action, the commission shall allow the director the opportunity to bring an action for injunctive relief following the same procedure as provided for the committee in Section 45015. Notwithstanding the director's decision on whether or not to bring an action for injunctive relief, nothing in this section or in Section 45015 shall be construed as preventing the commission from bringing an action for injunctive relief.

(b) Each violation or threatened violation involving a lot of avocados shall be treated as a separate violation. Any number of defendants in any number of counties may be joined in one action even though the violations or threatened violations are not the same, and jurisdiction for the action may be established in any county in which any of the violations or threatened violations occur.

SEC. 7. Section 44975 of the Food and Agricultural Code is amended and renumbered to read:

44976. The moneys which are received by the director pursuant to this chapter shall be deposited in the Department of Food and Agriculture Fund and shall be used only for the administration and enforcement of this chapter, including, but not limited to, payments to the county agricultural commissioners.

SEC. 8. Section 44976 of the Food and Agricultural Code is amended and renumbered to read:

44977. The director may adopt such regulations as he determines are reasonably necessary to carry out the provisions of this chapter.

SEC. 9. Section 44977 of the Food and Agricultural Code is amended and renumbered to read:

44978. The director may enter into an agreement with any county agricultural commissioner for assistance in the enforcement of this chapter.

SEC. 10. Section 44979 is added to the Food and Agricultural

Code, to read:

44979. It is unlawful for any person to fail to comply with the provisions of this chapter and the regulations of the director adopted pursuant thereto.

SEC. 11. Section 44980 is added to the Food and Agricultural Code, to read:

44980. Every person who prepares avocados grown in this state for market shall report to the director, prior to this preparation, the date and time these avocados will be prepared for market. Avocados and their containers shall be made available for inspection and certification at the time of preparation for market.

SEC. 12. Section 44981 is added to the Food and Agricultural Code, to read:

44981. (a) Inspection to determine maturity of avocados may be performed prior to preparation for market, either at roadside by the orchard or enroute to or at the first point of packing. The results shall serve as a cause for placing all or any sizes of the avocados under a disposal order for testing after grading or packing when the oil content is less than required by this chapter.

(b) Any lot of avocados suspected as being in noncompliance with the provisions of this chapter shall be placed under a disposal order for control to a specified location in this state for disposition.

(c) Nothing in this section shall be construed as requiring inspection prior to preparation for market.

(d) For purposes of this section "roadside inspection" means an inspection conducted for quality and maturity standards at or near the place of production, or on the transporting vehicle while the product is in transit, or at a place where avocados are being stored.

SEC. 13. Section 44982 is added to the Food and Agricultural Code, to read:

44982. Each handler of avocados shall prepare and retain for two years up-to-date records of daily transactions. These records shall contain but not be limited to the amount of avocados received, shipped, packed, transported, dumped, and on hand at the end and beginning of each day. Amounts for each transaction shall be kept by variety in pounds, number of containers by container type, and size when the avocados have been segregated by size.

SEC. 14. Section 44983 is added to the Food and Agricultural Code, to read:

44983. It shall be unlawful for any person to falsify or cause to be falsified the record or information required to be kept pursuant to Section 44982.

SEC. 15. Section 44984 is added to the Food and Agricultural Code, to read:

44984. Any handler, packer, shipper, transporter, or grower of avocados who is required to keep records pursuant to Section 44982, shall allow the director or his or her authorized agent to examine or inspect these records during normal business hours and any other time when avocados are being packed or otherwise handled in a

manner subject to the provisions of this chapter.

All records maintained pursuant to Section 44982 and made available to the director, shall be confidential and shall not be disclosed except when required in an administrative or judicial proceeding.

SEC. 16. Section 44985 is added to the Food and Agricultural Code, to read:

44985. The director may authorize the issuance and use of, or revocation of, a certification stamp as provided for under this chapter.

SEC. 17. Section 44986 is added to the Food and Agricultural Code, to read:

44986. It shall be unlawful for any person to do any of the following:

(a) Use a certification stamp for certifying containers or lots of avocados for other than containers previously inspected by the director or his or her authorized agent and designated to be stamped.

(b) Use the stamp at any time or in any manner other than provided in this chapter or contrary to the directions of the director's authorized agent authorizing the use of the stamp.

(c) Refuse to surrender, each day after use, or upon demand, any certification stamp authorized to be used by the director's authorized agent.

(d) Counterfeit or alter or use any counterfeit or altered certification stamp.

SEC. 18. Section 44987 is added to the Food and Agricultural Code, to read:

44987. In lieu of the certification stamp required under this chapter, the director may authorize issuance of a permit to any person or firm engaged in preparing avocados for market on an intermittent basis, or any other person on an emergency basis. The permit shall have an assigned number, and the containers of avocados for which the permit is issued shall be printed or labeled with the words "avocado permit" immediately followed by the number designation. Except on an emergency basis, a permit shall not be issued for more than ten containers and not more than four permits may be issued to any person, firm, or family of the same household during the calendar year.

SEC. 19. Article 2 (commencing with Section 45011) is added to Chapter 9 of Division 17 of the Food and Agricultural Code, to read:

Article 2. Avocado Inspection Committee

45011. There is in the department the Avocado Inspection Committee, which consists of six members. The director shall appoint three members and one alternate member who shall be producers of avocados and three members and one alternate member who shall be representatives of handlers engaged in the packing of avocados from a list of nominees provided by the

California Avocado Commission. The director may appoint one additional member of the committee, who shall be a public member. The committee shall meet on the direction of the director or when requested by a majority of the committee.

45012. Upon the director's request, the committee shall submit to the director the name of a natural person, who shall be a citizen and resident of this state and not a producer, shipper, or processor nor financially interested in any producer, shipper, or processor, for appointment by the director as a public member of the committee. The director may appoint this nominee as the public member on the committee. If the nominee is unsatisfactory to the director, the committee shall continue to submit nominees until the director has made a selection. Any vacancy in the office of the public member of the committee shall be filled in the same manner as used in initially selecting the public member. The public member of the committee shall represent the interests of the general public in all matters coming before the committee and shall have the same voting and other rights and immunities as other members of the committee.

45013. The committee member's term of office shall be two years. Appointment of the first members shall be made so that the terms of office of three members shall expire at the end of one year and three at the end of two years. Thereafter, appointment shall be for full two-year terms. Each committee member shall be limited to four consecutive terms in office. Any vacancies which occur during an unexpired term shall be filled for the unexpired term following the same procedure used for initially nominating and appointing members.

45014. The committee shall be advisory to the director on all matters pertaining to this chapter, shall review all proposed regulations relating to this chapter, and shall make recommendations concerning the inspection and certification services under this chapter including, but not limited to, the annual budget and fees necessary to provide adequate inspection and certification services; inspection procedures; training and supervision of inspectors; and enforcement actions.

45015. (a) In adopting regulations pursuant to this chapter, the director shall accept the recommendations of the advisory committee whenever he or she finds them to be practicable and in the interests of the avocado industry and the public. The director shall provide the committee with a written statement of reasons within 15 working days, whenever he or she does not accept the committee recommendation.

(b) In the case of recommendations involving enforcement actions based on actual or alleged violations of this chapter, the committee by majority vote may bring an action for injunctive relief as provided for in Section 44974, retain private legal counsel for this purpose, and use fees provided for under this chapter to pay all reasonable fees and costs incurred in bringing the action. However, legal fees and costs incurred in each separate action which exceed

twenty thousand dollars ($20,000) shall not be paid unless concurred in by the director. Prior to commencing this action, the committee must review all available information, recommend specific enforcement action to the director, and allow the director the opportunity to respond as provided for in this section. Notwithstanding the director's response, nothing in this section shall be construed as preventing the committee from bringing an action for injunctive relief.

45016. Committee members shall be compensated for all reasonable expenses incurred in the performance of their duties, as determined by the committee and concurred in by the director.

SEC. 20. Section 67133 of the Food and Agricultural Code is amended to read:

67133. After the effective date of suspension of the operation of the provisions of this chapter and of the commission, the operations of the commission shall be wound up, and any asset of the commission shall be liquidated and the proceeds, along with any and all moneys remaining held by the commission, collected by assessment and not required to defray the expenses of winding up and terminating operations of the commission, shall be returned upon a pro rata basis to all persons from whom assessments were collected in the immediately preceding current marketing season; provided, further, however, that if the commission finds that the amounts so returnable are so small as to make impractical the computation and remitting of such pro rata refund to such persons, any such moneys remaining and any moneys remaining after payment of all expenses of winding up and terminating operations shall be withdrawn from the approved depository and paid into the State Treasury as unclaimed trust moneys.

SEC. 21. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 22. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution, and shall go into immediate effect. The facts constituting the necessity are:

To ensure that proper certification of avocados is accomplished during the 1981 harvesting season, it is necessary that this act take effect immediately.

CHAPTER 142

An act to amend Sections 245, 12022, 12022.5, and 12028 of, and to add Sections 417.6, 417.8, and 833.5 to, the Penal Code, relating to weapons.

[Approved by Governor March 31, 1982. Filed with Secretary of State March 31, 1982.]

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

SECTION 1. Section 245 of the Penal Code is amended to read:

245. (a) Every person who commits an assault upon the person of another with a deadly weapon or instrument or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that such victim is a peace officer or fireman engaged in the performance of his duties, when such peace officer or fireman is engaged in the performance of his duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.1. Section 245 of the Penal Code is amended to read:

245. (a) Every person who commits an assault upon the person of another with a deadly weapon or instrument or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.2. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or

fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.3. Section 245 of the Penal Code is amended to read:

245. (a) Every person who commits an assault upon the person of another with a deadly weapon or instrument or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and

the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and destroyed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.4. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding ten thousand dollars ($10,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(e) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.5. Section 245 of the Penal Code is amended to read:

245. (a) Every person who commits an assault upon the person of another with a deadly weapon or instrument or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in

a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and destroyed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.6. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of another with a firearm is punishable by imprisonment in the state

prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding five thousand dollars ($5,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and destroyed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 1.7. Section 245 of the Penal Code is amended to read:

245. (a) (1) Every person who commits an assault upon the person of another with a deadly weapon or instrument other than a firearm or by any means of force likely to produce great bodily injury is punishable by imprisonment in the state prison for two, three or four years, or in a county jail not exceeding one year, or by fine not exceeding ten thousand dollars ($10,000), or by both such fine and imprisonment.

(2) Every person who commits an assault upon the person of

another with a firearm is punishable by imprisonment in the state prison for two, three, or four years, or in a county jail for a term of not less than six months and not exceeding one year, or by both a fine not exceeding ten thousand dollars ($10,000) and imprisonment.

(b) Every person who commits an assault with a deadly weapon or instrument, other than a firearm, or by any means likely to produce great bodily injury upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when such peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for three, four, or five years.

(c) Every person who commits an assault with a firearm upon the person of a peace officer or fireman, and who knows or reasonably should know that the victim is a peace officer or fireman engaged in the performance of his or her duties, when the peace officer or fireman is engaged in the performance of his or her duties shall be punished by imprisonment in the state prison for four, six, or eight years.

(d) Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when such driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits such assault knows or reasonably should know that such victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

(e) When a person is convicted of a violation of this section, in a case involving use of a deadly weapon or instrument or firearm, and the weapon or instrument or firearm is owned by that person, the court shall order that the weapon or instrument or firearm be deemed a nuisance and it shall be confiscated and disposed of in the manner provided by Section 12028.

(f) As used in this section, "peace officer" refers to any person designated as a peace officer in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

SEC. 2. Section 417.6 is added to the Penal Code, to read:

417.6. (a) If, in the commission of a violation of Section 417 or 417.8, serious bodily injury is intentionally inflicted by the person drawing or exhibiting the firearm or deadly weapon, the offense shall be punished by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison. As used in this section, "serious bodily injury" means a serious impairment of physical condition, including, but not limited to, the following: loss of

consciousness; concussion; bone fracture; protracted loss or impairment of function of any bodily member or organ; a wound requiring extensive suturing; and serious disfigurement.

(b) When a person is convicted of a violation of Section 417 or 417.8 and the deadly weapon or firearm used by the person is owned by that person, the court shall order that the weapon or firearm be deemed a nuisance and disposed of in the manner provided by Section 12028.

SEC. 2.2. Section 417.6 is added to the Penal Code, to read:

417.6. (a) If, in the commission of a violation of Section 417, 417.1, or 417.8, serious bodily injury is intentionally inflicted by the person drawing or exhibiting the firearm or deadly weapon, the offense shall be punished by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison. As used in this section, "serious bodily injury" means a serious impairment of physical condition, including, but not limited to, the following: loss of consciousness; concussion; bone fracture; protracted loss or impairment of function of any bodily member or organ; a wound requiring extensive suturing; and serious disfigurement.

(b) When a person is convicted of a violation of Section 417, 417.1, or 417.8 and the deadly weapon or firearm used by the person is owned by that person, the court shall order that the weapon or firearm be deemed a nuisance and disposed of in the manner provided by Section 12028.

SEC. 2.3. Section 417.6 is added to the Penal Code, to read:

417.6. (a) If, in the commission of a violation of Section 417, 417.5, or 417.8, serious bodily injury is intentionally inflicted by the person drawing or exhibiting the firearm or deadly weapon, the offense shall be punished by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison. As used in this section, "serious bodily injury" means a serious impairment of physical condition, including, but not limited to, the following: loss of consciousness; concussion; bone fracture; protracted loss or impairment of function of any bodily member or organ; a wound requiring extensive suturing; and serious disfigurement.

(b) When a person is convicted of a violation of Section 417, 417.5, or 417.8 and the deadly weapon or firearm used by the person is owned by that person, the court shall order that the weapon or firearm be deemed a nuisance and disposed of in the manner provided by Section 12028.

SEC. 2.4. Section 417.6 is added to the Penal Code, to read:

417.6. (a) If, in the commission of a violation of Section 417, 417.1, 417.5, or 417.8, serious bodily injury is intentionally inflicted by the person drawing or exhibiting the firearm or deadly weapon, the offense shall be punished by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison. As used in this section, "serious bodily injury" means a serious impairment of physical condition, including, but not limited to, the following: loss of consciousness; concussion; bone fracture; protracted loss or

impairment of function of any bodily member or organ; a wound requiring extensive suturing; and serious disfigurement.

(b) When a person is convicted of a violation of Section 417, 417.1, 417.5, or 417.8 and the deadly weapon or firearm used by the person is owned by that person, the court shall order that the weapon or firearm be deemed a nuisance and disposed of in the manner provided by Section 12028.

SEC 2.5. Section 417.8 is added to the Penal Code, to read:

417.8. Every person who draws or exhibits any firearm, whether loaded or unloaded, or other deadly weapon, with the intent to resist or prevent the arrest or detention of himself or another by a peace officer shall be imprisoned in the state prison for two, three, or four years.

SEC. 3. Section 833.5 is added to the Penal Code, to read:

833.5. (a) In addition to any other detention permitted by law, if a peace officer has reasonable cause to believe that a person has a firearm or other deadly weapon with him or her in violation of any provision of law relating to firearms or deadly weapons the peace officer may detain that person to determine whether a crime relating to firearms or deadly weapons has been committed.

For purposes of this section "reasonable cause to detain" requires that the circumstances known or apparent to the officer must include specific and articulable facts causing him or her to suspect that some offense relating to firearms or deadly weapons has taken place or is occurring or is about to occur and that the person he or she intends to detain is involved in that offense. The circumstances must be such as would cause any reasonable peace officer in like position, drawing when appropriate on his or her training and experience, to suspect the same offense and the same involvement by the person in question.

(b) Incident to any detention permitted pursuant to subdivision (a), a peace officer may conduct a limited search of the person for firearms or weapons if the peace officer reasonably concludes that the person detained may be armed and presently dangerous to the peace officer or others. Any firearm or weapon seized pursuant to a valid detention or search pursuant to this section shall be admissible in evidence in any proceeding for any purpose permitted by law.

(c) This section shall not be construed to otherwise limit the authority of a peace officer to detain any person or to make an arrest based on reasonable cause.

(d) This section shall not be construed to permit a peace officer to conduct a detention or search of any person at the person's residence or place of business absent a search warrant or other reasonable cause to detain or search.

(e) If a firearm or weapon is seized pursuant to this section and the person from whom it was seized owned the firearm or weapon and is convicted of a violation of any offense relating to the possession of such firearm or weapon, the court shall order the firearm or weapon to be deemed a nuisance and disposed of in the manner

provided by Section 12028.

SEC. 4. Section 12022 of the Penal Code is amended to read:

12022. (a) Any person who is armed with a firearm in the commission or attempted commission of a felony shall, upon conviction of such felony or attempted felony, 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 one year, unless such arming is an element of the offense of which he was convicted. This additional term shall apply to any person who is a principal in the commission or attempted commission of a felony if one or more of the principals is armed with a firearm, whether or not such person is personally armed with a firearm.

(b) Any person who personally uses a deadly or dangerous weapon in the commission or attempted commission of a felony shall, upon conviction of such felony or attempted felony, 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 one year, unless use of a deadly or dangerous weapon is an element of the offense of which he was convicted.

When a person is found to have personally used a deadly or dangerous weapon in the commission or attempted commission of a felony as provided in this subdivision and the weapon is owned by that person, the court shall order that the weapon be deemed a nuisance and disposed of in the manner provided in Section 12028.

SEC. 4.5. Section 12022 of the Penal Code is amended to read:

12022. (a) Any person who is armed with a firearm in the commission or attempted commission of a felony shall, upon conviction of such felony or attempted felony, 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 one year, unless such arming is an element of the offense of which he was convicted. This additional term shall apply to any person who is a principal in the commission or attempted commission of a felony if one or more of the principals is armed with a firearm, whether or not such person is personally armed with a firearm.

(b) Any person who personally uses a deadly or dangerous weapon in the commission or attempted commission of a felony shall, upon conviction of such felony or attempted felony, 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 one year, unless use of a deadly or dangerous weapon is an element of the offense of which he was convicted.

When a person is found to have personally used a deadly or dangerous weapon in the commission or attempted commission of a felony as provided in this subdivision and the weapon is owned by that person, the court shall order that the weapon be deemed a nuisance and disposed of in the manner provided in Section 12028.

(c) Any person who personally uses a knife in the commission or attempted commission of a felony, shall, upon conviction of such felony or attempted felony, in addition and consecutive to the punishment prescribed for the felony or attempted felony of which he or she has been convicted, be punished by an additional term of one year, unless use of a deadly or dangerous weapon is an element of offense of which he or she was convicted. As used in this subdivision, "uses a knife" means intentionally stabbing or cutting a human being with such knife. As used in this subdivision, "knife" means any instrument capable of cutting or stabbing which may be fashioned from any type of metal or other material, and which instrument is more than two inches in length including the handle.

SEC. 5. Section 12022.5 of the Penal Code is amended to read:

12022.5. Any person who personally uses a firearm in the commission or attempted commission of a felony shall, upon conviction of such felony or attempted felony, 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 imprisonment in the state prison for two years, unless use of a firearm is an element of the offense of which he was convicted.

The additional term provided by this section may be imposed in cases of assault with a deadly weapon under Section 245.

When a person is found to have personally used a firearm in the commission or attempted commission of a felony as provided in this section and the firearm is owned by that person, the court shall order that the firearm be deemed a nuisance and disposed of in the manner provided by Section 12028.

SEC. 6. Section 12028 of the Penal Code is amended to read:

12028. (a) The unlawful concealed carrying upon the person or within the vehicle of the carrier of any of the weapons mentioned in Section 653k, 12020, or 12025 is a nuisance.

(b) A firearm of any nature used in the commission of any misdemeanor as provided in this code or any felony, or an attempt to commit any misdemeanor as provided in this code or any felony, is, upon a conviction of the defendant, a nuisance. A finding that the defendant was guilty of the offense but was insane at the time the offense was committed is a conviction for the purposes of this section.

(c) Any weapon described in subdivision (a), or, upon conviction of defendant, any weapon described in subdivision (b), shall be surrendered to the sheriff of a county or the chief of police or other head of a municipal police department of any city or city and county. The officers to whom the weapons are surrendered, except upon the certificate of a judge of a court of record, or of the district attorney of the county, that the retention thereof is necessary or proper to the ends of justice, may annually, between the 1st and 10th days of July, in each year, offer the weapons, which the officers in charge of them consider to have value with respect to sporting, recreational, or collection purposes, for sale at public auction to persons licensed

under federal law to engage in businesses involving any weapon purchased. If any weapon has been stolen and is thereafter recovered from the thief or his transferee, or is used in such a manner as to constitute a nuisance pursuant to subdivision (a) or (b) without the prior knowledge of its lawful owner that it would be so used, it shall not be so offered for sale but shall be restored to the lawful owner, as soon as its use as evidence has been served, upon his identification of the weapon and proof of ownership.

(d) If, under this section, a weapon is not of the type that can be sold to the public, generally, or is not sold pursuant to subdivision (c) the weapon shall, in the month of July, next succeeding, be destroyed so that it can no longer be used as such weapon.

(e) This section shall not apply to any firearm in the possession of the Department of Fish and Game or which was used in the violation of any provision of law, or regulation thereunder, in the Fish and Game Code.

(f) No stolen weapon shall be sold or destroyed pursuant to subdivisions (c) or (d) unless reasonable notice is given to its lawful owner, if his identity and address can be reasonably ascertained.

SEC. 7. (a) It is the intent of the Legislature that Section 2.2 of this act shall become operative only if this bill and Assembly Bill 614 are both chaptered and become effective January 1, 1983, and Assembly Bill 614 adds Section 417.1 to the Penal Code, in which case Sections 2, 2.3, and 2.4 of this act shall not become operative.

(b) It is the intent of the Legislature that Section 2.3 of this act shall become operative only if this bill and Senate Bill 1014 are both chaptered and become effective January 1, 1983, and Senate Bill 1014 adds Section 417.5 to the Penal Code and that section becomes operative, in which case Sections 2, 2.2, and 2.4 of this act shall not become operative.

(c) It is the intent of the Legislature that Section 2.4 of this act shall become operative only if this bill, Assembly Bill 614, and Senate Bill 1014 are all chaptered and become effective January 1, 1983, and Assembly Bill 614 adds Section 417.1 to the Penal Code and Senate Bill 1014 adds Section 417.5 to the Penal Code and Section 417.5 becomes operative, in which case Sections 2, 2.2, and 2.3 of this act shall not become operative.

SEC. 8. It is the intent of the Legislature, if this bill and Assembly Bill 269 are both chaptered and become effective January 1, 1983, both bills amend Section 12022 of the Penal Code, and this bill is chaptered after Assembly Bill 269, that the amendments to Section 12022 proposed by both bills be given effect and incorporated in Section 12022 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 269 are both chaptered and become effective January 1, 1983, both amend Section 12022, and this bill is chaptered after Assembly Bill 269, in which case Section 4 of this act shall not become operative.

SEC. 9. It is the intent of the Legislature that if this bill is

chaptered and amends Section 245 of the Penal Code, and if Assembly Bill 685, Assembly Bill 846, or Senate Bill 302 is chaptered and amends Section 245 of the Penal Code, and this bill is chaptered last, that on January 1, 1983, the amendments to Section 245 proposed by this bill and any of the above bills which has already been chaptered and which also amends Section 245 be given effect.

Therefore, if on January 1, 1983, this bill has been chaptered and amends Section 245, and of the above bills:

(a) None has already been chaptered which also amends Section 245, then Section 245, as amended by Section 1 of this bill shall become operative, and Sections 1.1 to 1.7, inclusive, shall not become operative.

(b) Assembly Bill 685 is the only bill which has already been chaptered which also amends Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.1 of this bill shall become operative, and Section 1 and Sections 1.2 to 1.7, inclusive, shall not become operative.

(c) Assembly Bill 846 is the only bill which has already been chaptered which also amends Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.2 of this bill shall become operative and Sections 1 and 1.1 and Sections 1.3 to 1.7, inclusive, shall not become operative.

(d) Senate Bill 302 is the only bill which has already been chaptered which also amends Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.3 of this bill shall become operative, and Sections 1 to 1.2, inclusive, and Sections 1.4 to 1.7, inclusive, shall not become operative.

(e) Assembly Bill 685 and Assembly Bill 846 are the only bills which have already been chaptered which also amend Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.4 of this bill shall become operative, and Sections 1 to 1.3, inclusive, and Sections 1.5 to 1.7, inclusive, shall not become operative.

(f) Assembly Bill 685 and Senate Bill 302 are the only bills which have already been chaptered which also amend Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.5 of this bill shall become operative, and Sections 1 to 1.4, inclusive, and Sections 1.6 and 1.7, shall not become operative.

(g) Assembly Bill 846 and Senate Bill 302 are the only bills which have already been chaptered which also amend Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.6 of this bill shall become operative, and Sections 1 to 1.5, inclusive, and Section 1.7, shall not become operative.

(h) Assembly Bill 685, Assembly Bill 846, and Senate Bill 302 have all been chaptered and all also amend Section 245, and this bill is chaptered last, then Section 245 as amended by Section 1.7 of this bill shall become operative, and Sections 1 to 1.6, inclusive, shall not become operative.

SEC. 10. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the

California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 143

An act to amend and renumber Section 56 of, to add Article 2 (commencing with Section 7310) to Chapter 8 of Division 6 of, to add an article heading immediately preceding Section 7300 of Chapter 8 of Division 6 of, and to repeal Section 57.5 of, the Elections Code, relating to elections.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 56 of the Elections Code is amended and renumbered to read:

17102. Every voter shall be entitled to write the name of any candidate for any public office, including that of President and Vice President, on the ballot of any election.

SEC. 2. Section 57.5 of the Elections Code is repealed.

SEC. 3. An article heading is added immediately preceding Section 7300 in Chapter 8 of Division 6 of the Elections Code, to read:

Article 1. General

SEC. 4. Article 2 (commencing with Section 7310) is added to Chapter 8 of Division 6 of the Elections Code, to read:

Article 2. Presidential Electors

7310. Any group of individuals, equal in number to the number of presidential electors to which this state is entitled, who desire to be write-in candidates for presidential electors pledged to a particular candidate for President and Vice President of the United States shall file a declaration of write-in candidacy.

7311. The declaration of write-in candidacy for presidential elector shall contain the following information:

(a) Candidate's name.

(b) Residence address.

(c) A declaration stating that he or she is a write-in candidate for the office of presidential elector.

(d) Oath or affirmation as set forth in Section 3 of Article XX of

the Constitution.

(e) The date of the general election.

(f) The names of the candidates for President and Vice President of the United States for which the group of presidential electors are pledged.

7312. The declaration of write-in candidacy shall be filed with the Secretary of State no later than the 14th day prior to the general election.

7313. Only those names written on the ballot at the general election for the office of President and Vice President of the United States for which a group of presidential electors are pledged on the declaration of write-in candidacy filed pursuant to Section 7310 shall be counted as votes.

CHAPTER 144

An act to amend Sections 6833, 6838, 6892, 6894, and 6920 of, and to repeal Section 6830 of, the Elections Code, relating to elections.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 6830 of the Elections Code is repealed.

SEC. 2. Section 6833 of the Elections Code is amended to read:

6833. Nomination papers shall be filed with the county clerk 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.

SEC. 3. Section 6838 of the Elections Code is amended to read:

6838. Each candidate or group of candidates shall submit a nomination paper which shall be substantially in the following form:

County of _____. Nomination paper of _____, candidate for the office of _____.

State of California
County of _____ } ss.

SIGNER'S STATEMENT

I, undersigned, am a voter of the County of _____, State of California. I hereby nominate _____, who resides at No. _____, _____ Street, City of _____, County of _____, State of California, as a candidate for the office of _____ to be voted for at the election to be held on the _____ day of _____, 19__. I have not signed the nomination paper of any other candidate for the same office.

No.	Printed Name	Signature	Residence
1			
2			
3			
4			
5			
etc.			

CIRCULATOR'S AFFIDAVIT

I, _____, solemnly swear (or affirm) that I have been appointed as a circulator to secure signatures in the County of _____ to the nomination paper of _____ as candidate for the office of _____; that the signatures were obtained between _____ 19__ and _____ 19__; that all the signatures on this section of the nomination paper, numbered from 1 to _____ inclusive, were made in my presence, and that, to the best of my knowledge and belief, each signature is the genuine signature of the person whose name it purports to be.

My voting address is _____

(Signed) _____
Circulator

Subscribed and sworn to before me this _____ day of _____ 19__.

_____
(SEAL) Notary Public (or other official)

SEC. 4. Section 6892 of the Elections Code is amended to read:

6892. Nomination papers shall be left with the county clerk for examination and filed by the clerk pursuant to the time limitations set forth in Section 6833.

SEC. 5. Section 6894 of the Elections Code is amended to read:

6894. Within 24 days after any nomination papers are left for

examination, the county clerk shall examine them and prepare a certificate reciting that he has examined them, and stating the number of names which have not been marked "not sufficient." The certificate shall be forwarded immediately to the Secretary of State for those offices which are certified by the Secretary of State.

SEC. 6. Section 6920 of the Elections Code is amended to read:

6920. Each candidate, at least 88 days prior to the election, shall leave with the officer with whom his nomination papers are required to be left a declaration of candidacy which shall state:

(a) His residence, with street and number, if any.

(b) His election precinct.

(c) That he is a voter in the precinct in which he resides.

(d) The name of the office for which he is a candidate.

(e) That he will not withdraw as a candidate before the election.

(f) That, if elected, he will qualify for the office.

(g) That the candidate is not, and was not at any time during the one year preceding the immediately preceding primary election at which a candidate was nominated for the office mentioned in the declaration of candidacy, registered as affiliated with a political party qualified under the provisions of Section 6430. The statement required by this subdivision shall be omitted when no primary election was held to nominate candidates for the office to which the declaration of candidacy is directed.

The name of a candidate shall not be placed on the ballot unless the declaration of candidacy provided for in this section has been properly filed.

SEC. 7. Notwithstanding the amendments made to Sections 6838 and 6892 of the Elections Code by this act, any obsolete nomination paper or affidavit in the possession of the county clerk on the effective date of this act may be continued to be used by the county clerk.

CHAPTER 145

An act to amend Section 1269d of the Penal Code, relating to bail.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 1269d of the Penal Code is amended to read:

1269d. (a) (1) If a defendant is arrested for a misdemeanor, he or she shall be released from custody upon deposit of a sum of money which is 10 percent of the amount of bail which has been fixed pursuant to Section 1269b and upon execution of a release agreement and an appearance bond as set forth in this section.

(2) Any person who has the authority to approve and accept the

full amount of bail as provided for in Section 1269b shall also have the authority to approve and accept 10 percent of the amount of bail pursuant to this section and to issue and sign an order for the release of the defendant, and to set the time and place for the appearance of the defendant before the appropriate court and give notice thereof. At the time the deposit is made, the defendant shall execute a release agreement containing the conditions set forth in Section 1318 and shall execute an appearance bond whereby the defendant promises that should he or she willfully fail to appear before any court or magistrate as required, the defendant shall pay the treasurer of the county in which the defendant was ordered to appear the full amount of the bail set in the case.

(b) Upon depositing the sum and executing the release agreement and the appearance bond as set forth in subdivision (a), the defendant shall be discharged from custody as to the offense or offenses for which the deposit is posted.

(c) If a defendant is charged with a misdemeanor, the court or magistrate in addition to or in lieu of any other methods of release authorized pursuant to this chapter, other than a release upon own recognizance, may require the defendant to agree to any or all of the following conditions when the defendant is personally before the court and the court finds that the imposition of a condition or conditions is necessary to assure the defendant's appearance in court:

(1) Require the defendant to report at reasonable intervals to a person designated by the court, who shall inform the court if the defendant does not report as ordered.

(2) Require the defendant to notify the court if he or she changes his or her place of residence.

(3) Require the defendant to secure the permission of the court before leaving the state.

(4) Require the defendant to submit the name and address of his or her employer, or any change thereof, to the court.

(d) When a defendant has deposited a sum of money with the clerk of the court as required under subdivision (a), and has properly made all appearances as required by the court and thereafter is released from any further obligation to appear before any court having jurisdiction over the case, the clerk of the court shall retain and deposit in the county general fund 10 percent of the deposit or ten dollars ($10), whichever is greater, and shall return the remainder of the deposit to the defendant.

(e) If a defendant who is released under the provisions of this section fails to appear as required, the court before which the defendant was ordered to appear shall forfeit the deposit posted. If the amount of the deposit exceeds one hundred dollars ($100), notice of such order of forfeiture shall be mailed forthwith by the clerk of the court to the last known address of the defendant. If the defendant does not appear and surrender to the court having jurisdiction within 90 days of the date of the forfeiture or within such period satisfy to the court that appearance and surrender by the defendant is

impossible and without the fault of the defendant, the court may enter judgment for the full amount of the bail previously established at the time of release, and shall send notice of the entry of such judgment to the last known address of the defendant. The deposit shall be applied to the payment of costs. If any amount of such deposit remains after payment of costs, it shall be applied to payment of the judgment and transferred to the treasury of the county wherein the deposit was taken. The balance of the judgment may be enforced and collected in the same manner as a judgment entered in a civil action.

(f) This section shall not apply to any case where the bail set is one hundred fifty dollars ($150) or less. Any defendant for whom there is an outstanding warrant issued under Section 853.8, 979, 1195, or 1318.8 shall not be eligible to post a 10 percent deposit under subdivision (a) except upon order of a court or magistrate.

(g) The Judicial Council shall prescribe a uniform statewide release agreement form, a uniform statewide appearance bond form, and a uniform deposit receipt form.

(h) It was the intention of the Legislature in enacting this section that it shall not apply to felonies and that is presently the intention of the Legislature.

CHAPTER 146

An act to amend Sections 9324 and 9325 of the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 9324 of the Elections Code is amended to read:

9324. In each county the nominee of the party for State Senator, the nominees of the party for the Assembly, and any person nominated to either the Senate or Assembly at a special election to fill a vacancy in the house, and the nominee of the party for Representative in Congress shall be ex officio members of this committee. If the person most recently nominated or elected from one party at the special election for an Assembly or Senate seat, or for the House of Representatives shall be other than the nominee of that party for the same office at the earlier election, the ex officio membership of the latter nominee shall expire immediately upon certification by the Secretary of State of the nomination or, if there is no runoff, the election of the person most recently nominated or elected. Ex officio members shall be entitled to all the rights and

privileges, including the right to vote, and shall have the same standing in every way as other members of this committee, except they shall not be entitled to a ballot designation of incumbent upon seeking election to this committee in the next direct primary. A person shall be entitled to ex officio membership upon receiving a certificate of nomination from the Secretary of State pursuant to Section 6617, at which time the former nominee's term shall expire.

SEC. 2. Section 9325 of the Elections Code is amended to read:

9325. The nominee for each of the following offices shall be an ex officio member of the committee in the county in which he or she resides:

(a) Governor
(b) Lieutenant Governor
(c) Treasurer
(d) Controller
(e) Attorney General
(f) Secretary of State
(g) Member of State Board of Equalization
(h) United States Senator from California. His or her rights and privileges, including the right to membership, shall be the same as those prescribed for other ex officio members in Section 9324.

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

In order that the provisions of this act be applicable to the upcoming elections, it is necessary that the act take effect immediately.

CHAPTER 147

An act to repeal Section 12554 of the Government Code, and to amend Sections 4700 and 4703, and to add and repeal Section 4704, of the Penal Code, relating to criminal procedure, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 12554 of the Government Code is repealed.

SEC. 2. Section 4700 of the Penal Code is amended to read:

4700. (a) Whenever a trial is had of any person under any of the provisions of Section 4530 of this code, whenever a hearing is had on the return of a writ of habeas corpus prosecuted by or on behalf of any prisoner in the state prison, whenever a prisoner in the state

prison is tried or a court hearing is held for any crime committed therein, or whenever a prisoner transferred to a county correctional facility pursuant to Section 2910 or to a community correctional center pursuant to Section 6253 is prosecuted for a crime committed in such institution or for escape, and whenever a trial or hearing is had on the question of the insanity of any such prisoner, the county clerk of a county or the city finance officer of a city incurring any costs in connection with such matter shall make out a statement of all the costs incurred by the county or city, except for those costs incurred by the district attorney's office, and except for those costs described in subdivision (d), for the preparation of the trial, pretrial hearing, and actual trial of such case, or of the hearing on the return of such writ, expert witness fees, and all guarding and keeping of such prisoner, while away from the prison, the transportation of the prisoner to and from the prison (when such transportation was performed by the county or city), the costs of appeal, and the execution of the sentence of such prisoner, properly certified to by a judge of the superior court of such county. The statement shall be sent to the Controller for reimbursement.

(b) Whenever a trial is had of any person under any of the provisions of Section 4530, whenever a hearing is had on the return of a writ of habeas corpus prosecuted by or on behalf of any prisoner in the state prison, whenever a prisoner in the state prison is tried or a court hearing is held for any crime committed therein, or whenever a prisoner transferred to a county correctional facility pursuant to Section 2910 or to a community correctional center pursuant to Section 6253 is prosecuted for a crime committed in such institution or for escape, and whenever a trial or hearing is had on the question of the insanity of any such prisoner, the district attorney incurring any costs in connection with such matter shall make out a statement of all the costs incurred by that office for the investigation, and the preparation of the trial, pretrial hearing, and actual trial of such case or of the hearing on the return of such writ, expert witness fees, and all guarding and keeping of such prisoner, while away from the prison, the transportation of the prisoner to and from the prison (when such transportation was performed by the district attorney's office), the costs of appeal, and the execution of the sentence of such prisoner. The statement shall be sent to the Controller for reimbursement. Full reimbursement shall be made to the district attorney for expenses incurred in prosecution and investigation.

(c) The Controller shall reimburse the county or city for costs of prosecution based upon all operating costs of the county or city incurred in the prosecution of the case, including a proportional allowance for overhead. The Controller shall reimburse the city or county within 60 days from the date the city or county submitted the statement or provide a written statement as to the reasons for not making the reimbursement within the specified time.

(d) Costs incurred by a county in investigating and evaluating cases referred by the Department of Corrections for prosecution

shall be included in the compensation provided under this section whether or not the district attorney decides to commence a criminal action. Any such costs not incurred by the district attorney's office shall be submitted to that office and forwarded by the district attorney, along with the district attorney's statement of costs, to the Controller. The Controller shall reimburse the district attorney within 60 days from the date the district attorney submitted the statement or provide a written statement as to the reasons for not making the reimbursement within the specific time.

(e) The cost of detention in a county or city correctional facility shall include the same cost factors as are utilized by the Department of Corrections in determining the cost of prisoner care in state correctional facilities.

SEC. 3. Section 4703 of the Penal Code is amended to read:

4703. With the concurrence of the Attorney General, the district attorney may transfer the responsibility for the prosecution of any crime committed by prisoners in physical custody in the state prisons in the district attorney's county. As used in this section, crimes committed while in physical custody shall include escapes and attempted escapes but shall not include any crimes committed while a prisoner has been conditionally released from state prison on work furlough, parole, or upon any other conditional release where the inmate is in constructive but not actual physical custody.

SEC. 4. Section 4704 is added to the Penal Code, to read:

4704. The Attorney General may elect to retain the responsibility for the prosecution of any crime committed by prisoners in physical custody in the state prisons until July 1, 1983.

This section shall remain in effect until July 1, 1983, and as of that date is repealed.

SEC. 5. The Legislature finds and declares that the Attorney General has incurred substantial travel costs and loss of attorney working time as a result of the prosecution of prisoners pursuant to Section 4703 of the Penal Code. The state prisons are scattered throughout California and the Attorney General has to travel to the county where the prison is located whenever a court appearance is required.

The Legislature further declares that public funds would be utilized most efficiently if the district attorney in the county where each prison is located prosecuted the cases.

The Legislature declares that in this time when energy conservation is a national and state goal and when the cost of energy has skyrocketed, the use of the Attorney General to prosecute prison cases throughout the state requires extensive travel and is contrary to national and state energy policy.

SEC. 6. The sum of thirty-five thousand dollars ($35,000) is hereby appropriated from the unencumbered balance of the funds appropriated by Item 082-001-001 of the Budget Act of 1981 to the Controller for his expenses incurred as a result of added responsibilities created by the provisions of this act.

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

In order that public funds be utilized most efficiently, it is necessary that this act take effect at the earliest possible date.

CHAPTER 148

An act to amend Sections 11010.3 and 11010.6 of the Business and Professions Code, and to add Section 1133 to the Civil Code, relating to subdivided lands, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 11010.3 of the Business and Professions Code, as added by Chapter 1336 of the Statutes of 1980, is amended to read:

11010.3. The provisions of this chapter shall not be applicable to the proposed sale or lease of expressly zoned industrial subdivisions which are limited in use to industrial purposes and expressly zoned commercial subdivisions which are limited in use to commercial purposes.

SEC. 2. Section 11010.6 of to the Business and Professions Code is amended to read:

11010.6. The provisions of this chapter shall not be applicable to subdivided land which is offered or proposed to be offered for sale, lease, or financing by a state agency, including the University of California, a local agency, or other public agency.

SEC. 3. Section 1133 is added to the Civil Code, to read:

1133. (a) If a lot, parcel, or unit of a subdivision is subject to a blanket encumbrance, as defined in Section 11013 of the Business and Professions Code, but is exempt from a requirement of compliance with Section 11013.2 of the Business and Professions Code, the subdivider, his or her agent, or representative, shall not sell, or lease for a term exceeding five years, the lot, parcel, or unit, nor cause it to be sold, or leased for a term exceeding five years, until the prospective purchaser or lessee of the lot, parcel, or unit has been furnished with and has signed a true copy of the following notice:

BUYER/LESSEE IS AWARE OF THE FACT THAT THE LOT, PARCEL, OR UNIT WHICH HE OR SHE IS PROPOSING TO PURCHASE OR LEASE IS SUBJECT TO A DEED OF TRUST, MORTGAGE, OR OTHER LIEN KNOWN AS A "BLANKET

ENCUMBRANCE".

IF BUYER/LESSEE PURCHASES OR LEASES THIS LOT, PARCEL, OR UNIT, HE OR SHE COULD LOSE THAT INTEREST THROUGH FORECLOSURE OF THE BLANKET ENCUMBRANCE OR OTHER LEGAL PROCESS EVEN THOUGH BUYER/LESSEE IS NOT DELINQUENT IN HIS OR HER PAYMENTS OR OTHER OBLIGATIONS UNDER THE MORTGAGE, DEED OF TRUST, OR LEASE.

Date Signature of Buyer or Lessee

(b) "Subdivision", as used in subdivision (a), means improved or unimproved land that is divided or proposed to be divided for the purpose of sale, lease, or financing, whether immediate or future, into two or more lots, parcels, or units and includes a condominium project, as defined by Section 1350, a community apartment project, a stock cooperative, and a limited-equity housing cooperative, as defined in Sections 11004, 11003.2, and 11003.4, respectively, of the Business and Professions Code.

(c) The failure of the buyer or lessee to sign the notice shall not invalidate any grant, conveyance, lease, or encumbrance.

(d) Any person or entity who willfully violates the provisions of this section shall be liable to the purchaser of a lot or unit which is subject to the provisions of this section, for actual damages, and in addition thereto, shall be guilty of a public offense punishable by a fine in an amount not to exceed five hundred dollars ($500). In an action to enforce such liability or fine, the prevailing party shall be awarded reasonable attorney's fees.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

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

In order to provide timely protection to renters or buyers of residential parcels or units to which the Subdivided Lands Act is not applicable, who purchase or lease such parcels or units subject to a blanket encumbrance as defined in Section 11013 of the Business and Professions Code, it is necessary that this act take effect immediately.

CHAPTER 149

An act to amend Section 3852 of the Labor Code, relating to workers' compensation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1982. Filed with Secretary of State April 5, 1982.]

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

SECTION 1. Section 3852 of the Labor Code is amended to read:

3852. (a) The claim of an employee, including, but not limited to, any peace officer or firefighter, for compensation does not affect his or her claim or right of action for all damages proximately resulting from the injury or death against any person other than the employer. Any employer who pays, or becomes obligated to pay compensation, or who pays, or becomes obligated to pay salary in lieu of compensation, or who pays or becomes obligated to pay an amount to the Department of Industrial Relations pursuant to Section 4706.5, may likewise make a claim or bring an action against the third person. In the latter event the employer may recover in the same suit, in addition to the total amount of compensation, damages for which he or she was liable including all salary, wage, pension, or other emolument paid to the employee or to his or her dependents. The respective rights against the third person of the heirs of an employee claiming under Section 377 of the Code of Civil Procedure, and an employer claiming pursuant to this section, shall be determined by the court.

(b) Notwithstanding statutory or decisional law to the contrary, any person who knows or should have known of the presence of a peace officer or firefighter is responsible not only for the results of the person's willful acts, but also for any injury occasioned to the peace officer or firefighter by the person's want of ordinary care or skill in the management of the person's property or person, which occurs after the person knows or should have known of the presence of the peace officer or firefighter, except to the extent that the comparative fault of the peace officer or firefighter contributes to the injury.

This subdivision is not applicable to an employer of a peace officer or firefighter.

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

In order to secure the rights of policemen and firefighters, and to protect the rights of survivors of injured workers as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 150

An act to add Section 3291 to the Civil Code, and to amend Sections 682.1, 1710.15, and 1710.25 of, and to add Section 685.010 to, the Code of Civil Procedure, relating to the rate of interest on a judgment.

[Approved by Governor April 6, 1982. Filed with Secretary of State April 6, 1982.]

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

SECTION 1. Section 3291 is added to the Civil Code, to read:

3291. In any action brought to recover damages for personal injury sustained by any person resulting from or occasioned by the tort of any other person, corporation, association, or partnership, whether by negligence or by willful intent of the other person, corporation, association, or partnership, and whether the injury was fatal or otherwise, it is lawful for the plaintiff in the complaint to claim interest on the damages alleged as provided in this section.

If the plaintiff makes an offer pursuant to Section 998 of the Code of Civil Procedure which the defendant does not accept prior to trial or within 30 days, whichever occurs first, and the plaintiff obtains a more favorable judgment, the judgment shall bear interest at the legal rate of 10 percent per annum calculated from the date of the plaintiff's first offer pursuant to Section 998 of the Code of Civil Procedure which is exceeded by the judgment, and interest shall accrue until the satisfaction of judgment.

This section shall not apply to a public entity, or to a public employee for an act or omission within the scope of employment, and neither the public entity nor the public employee shall be liable, directly or indirectly, to any person for any interest imposed by this section.

SEC. 2. 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 10 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. 3. Section 685.010 is added to the Code of Civil Procedure, to read:

685.010. (a) Interest accrues at the rate of 10 percent per annum on the amount of a judgment remaining unsatisfied.

(b) The Legislature reserves the right to change the rate of interest provided in subdivision (a) at any time to a rate of not less than 7 percent per annum and not more than 10 percent per annum regardless of the date of entry of the judgment or the date any obligation upon which the judgment is based was incurred. The change in the rate of interest may be made applicable only to the interest that accrues after the operative date of the act that changes the rate.

SEC. 4. Section 1710.15 of the Code of Civil Procedure is amended to read:

1710.15. (a) A judgment creditor may apply for the entry of a judgment based on a sister state judgment by filing an application with the superior court for the county designated by Section 1710.20.

(b) The application shall be executed under oath and shall include all of the following:

(1) A statement that an action in this state on the sister state judgment is not barred by the applicable statute of limitations.

(2) A statement, based on the applicant's information and belief, that no stay of enforcement of the sister state judgment is currently in effect in the sister state.

(3) A statement of the amount remaining unpaid under the sister state judgment and, if accrued interest on the sister state judgment is to be included in the California judgment, a statement of the amount of interest accrued on the sister state judgment (computed at the rate of interest applicable to the judgment under the law of the sister state), a statement of the rate of interest applicable to the judgment under the law of the sister state, and a citation to the law of the sister state establishing such rate of interest.

(4) A statement that no action based on the sister state judgment is currently pending in any court in this state and that no judgment

based on the sister state judgment has previously been entered in any proceeding in this state.

(5) Where the judgment debtor is an individual, a statement setting forth the name and last known residence address of the judgment debtor. Where the judgment debtor is a corporation, a statement of the corporation's name, place of incorporation, and whether the corporation, if foreign, has qualified to do business in this state under the provisions of Chapter 21 (commencing with Section 2100) of Division 1 of Title 1 of the Corporations Code. Where the judgment debtor is a partnership, a statement of the name of the partnership, whether it is a foreign partnership, and, if it is a foreign partnership, whether it has filed a statement pursuant to Section 15700 of the Corporations Code designating an agent for service of process. Except for facts which are matters of public record in this state, the statements required by this paragraph may be made on the basis of the judgment creditor's information and belief.

(6) A statement setting forth the name and address of the judgment creditor.

(c) A properly authenticated copy of the sister state judgment shall be attached to the application.

SEC. 5. Section 1710.25 of the Code of Civil Procedure is amended to read:

1710.25. (a) Upon the filing of the application, the clerk shall enter a judgment based upon the application for the total of the following amounts as shown therein:

(1) The amount remaining unpaid under the sister state judgment.

(2) The amount of interest accrued on the sister state judgment (computed at the rate of interest applicable to the judgment under the law of the sister state).

(3) The amount of the fee for filing the application for entry of the sister state judgment.

(b) Entry shall be made in the same manner as entry of a judgment of the superior court. From the time of entry, interest shall accrue on the judgment so entered at the rate of interest applicable to a judgment entered in this state.

SEC. 6. This act governs the rate of interest on a judgment entered on or after January 1, 1982, and the rate of interest on and after January 1, 1982, on a judgment entered before January 1, 1982.

CHAPTER 151

An act to amend Section 409.5 of the Code of Civil Procedure, relating to lis pendens.

[Approved by Governor April 6, 1982. Filed with Secretary of State April 6, 1982.]

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

SECTION 1. Section 409.5 of the Code of Civil Procedure is amended to read:

409.5. No order expunging a notice of pendency of action made pursuant to Section 409.1 or 409.2 shall be effective, nor shall it be recorded in the office of any county recorder, until the time within which a petition for writ of mandate may be filed pursuant to Section 409.4 has expired.

This section imposes no duty upon the county recorder to determine that the requirement of this section has been met.

SEC. 2. The amendment of this section made by the 1981–82 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the existing law.

CHAPTER 152

An act to amend Section 4272 of the Health and Safety Code, relating to solid waste, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 6, 1982. Filed with Secretary of State April 6, 1982.]

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

SECTION 1. Section 4272 of the Health and Safety Code is amended to read:

4272. Where a local agency has authorized, by franchise, contract, license, or permit, a solid waste enterprise to provide solid waste handling services and such services have been provided for more than three previous years, the solid waste enterprise may continue to provide such services up to five years after mailed notification to such enterprise by the local agency having jurisdiction that exclusive solid waste handling services are to be provided or authorized, except that if the solid waste enterprise has an exclusive franchise or contract then the solid waste enterprise shall continue to provide such services and shall be limited to the unexpired term of the contract or franchise or five years, whichever is less. A solid waste enterprise providing solid waste handling services shall be subject to the provisions of this section only if:

(a) The services of the enterprise are in substantial compliance with the terms and conditions of any such franchise, contract, license, or permit, and meet the quality and frequency of services required by the local agency in other areas not served by the enterprise.

(b) The rates charged by the enterprise may be periodically

reviewed and set by the local agency.

Nothing in this chapter shall be construed to affect the right of a city following annexation to terminate for cause a franchise, contract, license, or permit held by a solid waste enterprise authorized by 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 the necessity are:

In order to permit existing licensed solid waste enterprises to continue operations with minimal disruption in necessary service, it is necessary that this act take immediate effect.

CHAPTER 153

An act to add Section 53542 to the Government Code, to amend Section 33753 of, and to add Section 50191.5 to, the Health and Safety Code, relating to bonds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. Section 53542 is added to the Government Code, to read:

53542. (a) The Housing Bond Credit Committee shall, after consultation with appropriate agencies including, but not limited to, the Department of Business and Economic Development, the Department of Housing and Community Development, the Governor's Office of Planning and Research, the California Housing Finance Agency, the Senate Office of Research, the Assembly Office of Research, and the Department of Finance, designate areas of chronic economic distress in conformity with paragraph (3) of subdivision (k) of Section 103 (A) of the Internal Revenue Code. Criteria to be used in designating areas of chronic economic distress include:

(1) The condition of the housing stock, including the age of the housing and the number of abandoned and substandard residential units.

(2) The need of area residents for owner-financing under this section, as indicated by low per capita income, a high percentage of families in poverty, a high number of welfare recipients, and high unemployment rates.

(3) The potential for use of owner-financing under this section to improve housing conditions in the area.

(4) The existence of a housing assistance plan which provides a

displacement program and a public improvements and services program.

(b) The committee may evaluate and include other criteria it considers appropriate in determining areas of chronic economic distress, including, but not limited to:

(1) Low vacancy rates in residential units.

(2) Low volume of mortgage loan activity.

(3) The percentage of households paying more than 35 percent of income for rent.

(4) The existence of adequate transportation facilities between such designated areas and areas of employment concentration.

(c) State agencies and local agencies, including, but not limited to, redevelopment agencies, housing authorities or other local entities authorized by the laws of this state to issue qualified mortgage bonds, may recommend on or before February 15 of each calendar year, the designation of an area of chronic economic distress to the committee.

The committee shall review all such proposals in making designations in accordance with paragraph (3) of subdivision (K) of Section 103 (A) of the Internal Revenue Code or any appropriate regulations. The State Treasurer or his or her designee, shall be responsible for seeking approval of that designation by the Secretary of the Treasury and the Secretary of Housing and Urban Development of the United States and providing certification of these designations and is hereby designated as the official to make certifications for purposes of federal law.

SEC. 2. 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 and the making of loans to qualified mortgage lenders.

(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 other than officers provided for by Article VI of the California Constitution, and no employee or member of the redevelopment agency, shall be eligible to be a participating party under the provisions of this chapter. If any elected officer of any political subdivision of the state participates in deliberations or votes on a financing plan, redevelopment plan, or bond issue, that person shall not be eligible to be a participating party for bonds issued pursuant to those plans or issues.

(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 Section 17920.3, except that "substandard residence" shall include all property improved with any structure defined in subdivision (j) of this section as a "residence," with respect to which any of the conditions listed in Section 17920.3 exist.

(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 real property improved with a commercial structure (or structures) or a mixed residential and commercial structure, which the redevelopment agency determines to be an integral part of a residential neighborhood. For purposes of determining the integrality of new construction for such purpose, a proposed commercial or mixed residential and commercial structure shall be located within or immediately adjacent to a neighborhood primarily residential in character.

New construction of any commercial structure, or of the commercial portion of any mixed residential and commercial structure, financed under this chapter shall not exceed 80,000 square feet of gross building area per development. Any suit challenging

such finding shall be filed within 60 days, or the findings of the agency shall be conclusive.

An agency may not provide long-term financing pursuant to this chapter for new construction of a commercial structure or the commercial portion of a mixed residential and commercial structure if conventional financing in an amount sufficient to complete the construction has been obtained for the construction of such structure or portion thereof.

Prior to the financing of any commercial structure within a redevelopment project area, the agency shall adopt a financing plan by resolution, which may include commercial and residential structures. The square footage of the commercial structures shall not exceed 30 percent of the aggregate square footage of all the commercial and residential structures within the project area and financed pursuant to the financing plan. The financing plan for the commercial and residential structures shall include structures that have been, or are being, financed pursuant to this chapter or under federal or state financial assistance programs or local assistance programs of any kind whatsoever. However, such a financing plan shall not be required for an agency that has financed residential structures with the proceeds of bonds issued prior to September 30, 1980, nor shall such amendments affect the validity of the tax-exempt status of bonds issued pursuant to this chapter prior to such date.

Additionally, any financing for a commercial structure or a mixed residential and commercial structure authorized or preliminarily approved by resolution adopted by a redevelopment agency or community development commission established pursuant to Section 33201 either (1) on or before June 3, 1980, in furtherance of which the agency or any person or entity has expended substantial funds or committed to reimburse another person or entity which has expended substantial funds; provided that if the long-term permanent financing is in excess of five million dollars ($5,000,000) on any one project from all financing sources, including conventional and tax-exempt financing, a redevelopment agency or community development commission shall not provide such long-term permanent financing unless such agency or commission adopted a resolution before January 1, 1981, officially approving and authorizing the sale of revenue bonds to provide such long-term permanent financing, and the bonds were sold and delivered before March 1, 1981; or (2) before October 31, 1980, in furtherance of which the agency has expended funds in connection with such financing or plans relating to such financing if the structure to be financed is located within a city designated pursuant to Section 119 of federal Public Law 95-128, as amended, or within a city designated as of September 30, 1980, under Title IX of federal Public Law 89-136, as amended, as a long-term economic deterioration area, or financing for a commercial structure or mixed residential and commercial structure as to which bonds have been delivered on or before July 31, 1980 (without regard to the date the bonds were authorized or

received preliminary approval), shall not be subject to new requirements or conditions of this subdivision enacted by Chapter 1331 of the Statutes of 1980.

"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. 3. Section 50191.5 is added to the Health and Safety Code, to read:

50191.5. Notwithstanding the provisions of subdivisions (c) and (d) of Section 50191, the following provisions shall govern the issuance of qualified mortgage bonds during the 1982 calendar year:

(a) Each local agency granted an entitlement or supplementary allocation on or before February 19, 1982, the sum of which is less than twenty million dollars ($20,000,000), shall be granted, in the order in which notices were originally received by the committee, an additional entitlement allocation from amounts reallocated pursuant to Section 50190, from amounts made available from the final determination of the state ceiling or from amounts made available upon the expiration of any allocation granted on or before February 19, 1982. The sum of the allocations granted to such local agency on or before February 19, 1982, and such additional allocation shall be the lesser of twenty million dollars ($20,000,000) or the amount originally proposed to be issued by such local agency. Unless sold, any such additional allocation shall expire 180 days after the original allocations were approved.

(b) Any local agency granted an entitlement or supplementary allocation on or before February 19, 1982, the sum of which is greater than twenty million dollars ($20,000,000) and which is still unused may, from the amounts left after allocations are granted pursuant to subdivision (a), give notice for, and shall be granted, an additional entitlement or supplemental allocation. In no case shall an additional allocation, together with allocations granted on or before February 19, 1982, be greater than the sum of the originally requested entitlement or supplementary allocations, with respect to which a notice was filed and an allocation was granted on or before February

19, 1982. However, the limitation contained in the preceding sentence shall not apply if the additional allocation is to be assigned to the local agency's housing authority or redevelopment agency and the allocation granted on or before February 19, 1982, is to be issued by the local agency.

However, nothing shall preclude the local agency from requesting, after expiration of the allocation granted on or before February 19, 1982, a new allocation which together with previously sold allocations shall not exceed two hundred fifty million dollars ($250,000,000) in a calendar year.

(c) Any local agency which was not granted an entitlement or supplementary allocation on or before February 19, 1982, may, from any amounts remaining after allocations are granted pursuant to subdivision (a), give notice for, and shall be granted, an entitlement or supplemental allocation. In no case may a local agency be granted an approval of an entitlement or supplementary allocation which exceeds one hundred fifty million dollars ($150,000,000) at any one time. However, nothing shall preclude the local agency from requesting, after expiration of any previously granted allocation, a new allocation which together with previously sold allocations shall not exceed two hundred fifty million dollars ($250,000,000) in a calendar year.

In no case may a local agency file a request for an allocation for a particular issue if a previous request for an allocation for such issue is then pending before the committee or if a previously approved allocation for such issue is not yet sold or expired.

(d) Allocations granted under subdivisions (b) and (c) shall be granted in the order in which notices for such allocations are received by the committee, and, unless sold, any such allocation shall expire 60 days after its approval by the committee. However, any local agency which commits to provide for the use, in connection with the additional allocation and, if applicable, any allocations granted to such local agency on or before February 19, 1982, of federal, state, local, or private subsidy moneys in an amount at least equal to 10 percent of the total principal amount of bonds issued under such allocations, shall be given priority over the local agencies applying under subdivisions (b) and (c), without regard to the order of receipt of notices, and any additional allocation granted to the local agency shall, unless sold, expire 60 days after its approval or 180 days after the expiration of any allocations granted to such local agency on or before February 19, 1982, whichever date is later.

(e) A local agency which has been granted an allocation on or before February 19, 1982, and which has assigned a portion of the allocation to its redevelopment agency or housing authority, shall have the portion assigned and the portion remaining treated as separate allocations for the purposes of use and expiration. In no case may the sum of these allocations be greater than the sum of the originally requested entitlement or supplementary allocations with respect to which a notice was filed and an allocation was granted on

or before February 19, 1982.

(f) The committee may, upon application of an issuer in advance of the expiration date of an allocation granted on or before February 19, 1982, or an allocation granted under this section, extend the expiration date for an additional period not to exceed 60 days, if the issuer demonstrates that prior to the expiration date: (1) the issuer had prepared the text of, and was prepared to market the bonds by the distribution of, an official statement or other marketing materials, and (2) interest rates or other terms then available in the financial markets were unacceptable to the issuer because, in the judgment of the issuer, such rates or terms made the financing of the mortgages to be provided by the issuance of the bonds infeasible for the homes to be financed.

(g) The committee may designate an appropriate individual who shall receive entitlement or supplemental allocation notices on behalf of the committee.

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

Chapter 1097 of the Statutes of 1981 created a system to allocate mortgage revenue bonds between state and local agencies. Because the state ceiling on the amount of qualified mortgage bonds which may be issued has been established at a level that is lower than was expected, many local agencies do not have allocations which would enable them to make housing affordable to their citizens. This act would provide additional allocation amounts and would speed up the allocation process to local agencies. It would also make clarifying changes relating to the designation of areas of economic distress in conformity with provisions enacted by Chapter 1097. In addition, other changes made by Chapter 1097 with respect to the so-called Senate Bill 99 program were chaptered out by a later enacted statute. Therefore, in order to finance housing that is affordable to the citizens of this state, and in order to carry out the purposes of Chapter 1097, it is necessary that this act take effect immediately.

CHAPTER 154

An act to amend Section 1255 of, and to add and repeal Article 1.5 (commencing with Section 1263) of Chapter 2 of Division 2 of, the Health and Safety Code, relating to health facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. Section 1255 of the Health and Safety Code is amended to read:

1255. In addition to the basic services offered under the license, a general acute care hospital may be approved in accordance with subdivision (c) of Section 1277 to offer special services including, but not limited to, the following:

(a) Radiation therapy department.
(b) Burn center.
(c) Emergency center.
(d) Hemodialysis center (or unit).
(e) Psychiatric.
(f) Intensive-care newborn nursery.
(g) Cardiac surgery.
(h) Renal transplant.
(i) Such other special services as the department may prescribe by regulation.

A general acute care/rehabilitation hospital may be approved in accordance with subdivision (b) of Section 1277 to offer special services not requiring surgical facilities.

The state department shall adopt standards for special services and such other regulations as may be necessary to implement this section.

A cardiac surgery service shall perform both cardiovascular procedures requiring extra corporeal coronary artery bypass and coronary arteriography including left ventriculography. However, a facility which, as of October 1, 1980, offered either the required surgical capability or the required catheterization capability shall not be prevented by this provision from continuing to offer such capability, nor shall any facility which acquired equipment to perform coronary arteriography, including left ventriculography, prior to October 1, 1980, and which met all of the applicable licensing requirements relating to staff and procedural room space for the catheterization component of a cardiac surgery service, and which notified the Office of Statewide Health Planning and Development in writing prior to October 1, 1980, of its intention to offer such capability, be prevented by this provision from offering such capability.

SEC. 2. Article 1.5 (commencing with Section 1263) is added to Chapter 2 of Division 2 of the Health and Safety Code, to read:

Article 1.5. Special Swing Bed Designation

1263. The State Department of Health Services shall administer a demonstration project for the designation of swing beds, as defined in Section 1263.1, authorized in this article. In administering this project, the state department shall do all of the following:

(a) Verify application eligibility for the project, pursuant to Section 1263.3.

(b) Review and approve a general acute care hospital's application for beds to be designated as swing beds.

(c) Negotiate and grant exceptions to the licensure requirements for general acute care hospitals that are necessary to serve the purposes of this article when the granting of such exceptions do not jeopardize the health and welfare of the patients.

(d) Immediately upon the denial of an application for swing beds, notify the applicant in writing. Within 20 days after the state department mails the notice, the applicant may present a written petition for a hearing to the department. Upon receipt by the state department of the petition in proper form, the petition shall be set for hearing. The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the state department shall have all the powers granted therein.

(e) On behalf of approved hospitals, seek appropriate federal waivers consistent with the provisions of this article.

1263.1. For the purposes of this article, the following definitions shall apply:

(1) "Swing beds" means beds licensed for general acute care, pursuant to Section 1250.1, which may, subject to the provisions of this article, be used as skilled nursing beds, as classified in Section 1250.1. Swing beds shall retain the general acute care bed classification for the purposes of Part 1.5 (commencing with Section 437) of Division 1.

(2) "State department" means the State Department of Health Services.

(3) "Office" means the Office of Statewide Health Planning and Development.

1263.2. The Office of Statewide Health Planning and Development shall designate annually areas having an excess of general acute care beds and a shortage of skilled nursing beds. Such areas shall correspond to the health facilities planning areas identified in the Statewide Health Facilities and Services Plan specified in subdivision (d) of Section 437.7. In making such designations, the office shall consider the need for general acute care and skilled nursing beds identified in the Statewide Health Facilities and Services Plan, the number and utilization of swing beds previously designated in the area, the number of administrative days, as defined in subdivision (c) of Section 1263.7, authorized by the state department, and other relevant factors. The office shall seek the active involvement of the appropriate health systems agencies in carrying out the provisions of this section. Other than as provided in this section, an acute care hospital shall be subject to the requirements pertaining to approval of projects, as defined in Section 437.10, which are set forth in Part 1.5 (commencing with Section 437) of Division 1

1263.3. (a) In order to be eligible for a special designation pursuant to this article, an applicant shall meet the following criteria:

(1) The applicant shall be a licensed general acute care hospital, as defined in subdivision (a) of Section 1250, or a group thereof.

(2) The applicant shall be located within an area designated pursuant to Section 1263.2 as having an oversupply of acute care beds and a shortage of skilled nursing care beds.

(b) Any general acute care hospital may apply to the state department for designation of certain beds within that hospital or group of hospitals as swing beds.

1263.4. An application for designation of swing beds shall be submitted to the state department and shall contain all of the following:

(a) Identification of the number of licensed beds, their classification, the proposed number of swing beds, and a description of the way in which medical care will be provided to these patients.

(b) A description of how the facility will account for Medi-Cal cost report purposes for the following:

(1) Direct and indirect costs associated with acute care and skilled nursing care.

(2) Charges associated with acute care and skilled nursing care.

(3) Patient stays for acute care and skilled nursing care.

(c) A description of how the facility will provide for the transfer of long-term care patients when the need for acute care beds develops.

1263.5. Application for swing beds shall be approved or disapproved by the Director of Health Services, after consultation with the Director of the Office of Statewide Health Planning and Development and representatives of the appropriate health systems agency, within 90 days after the application has been deemed complete. If after such time has elapsed, the acute care hospital so applying has received no notice of approval or disapproval from the Director of Health Services, the application shall be deemed approved. Such approval shall be solely for the purposes of the demonstration project authorized by this article, and for that limited purpose any changes in bed classification approved by the Director of Health Services shall not require a certificate of need under any provision of law, including Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code.

In reviewing applications from more than one acute care hospital, not all of which can be approved pursuant to paragraph (2) of subdivision (a) of Section 1263.3, the Director of Health Services shall consider the facility's effectiveness, as measured by the standards developed pursuant to subdivision (b) of Section 441.95, as well as the cost and quality of skilled nursing care to be provided in the facility.

1263.6. When an acute care hospital has swing beds occupied for long-term care and is notified by a skilled nursing or intermediate care facility that it has beds available within a 25-mile radius of the hospital, the acute care hospital shall transfer appropriate patients to occupy the available beds. However, a skilled nursing or

intermediate care facility shall accept and retain only patients for whom it can provide adequate care.

1263.7. (a) Medi-Cal reimbursement for use of swing beds designated pursuant to this article shall be made by the department at the current Medi-Cal acute care hospital distinct part rate when such beds are in use as skilled nursing beds and all requirements of Chapter 7 (commencing with Section 14000) of Part 2 of Division 9 of the Welfare and Institutions Code are met.

(b) When swing beds are in use as acute care beds and such use is in conformance with requirements of Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code and this article, Medi-Cal reimbursement shall be at the hospital's Medi-Cal approved acute care rate.

(c) An acute care hospital designated to have swing beds shall not be reimbursed for administrative days, which are days authorized by the department for an acute level of care when a lower level of care would be appropriate but is locally unavailable, unless the hospital's designated swing beds are at full occupancy or the entire hospital is at 90 percent occupancy.

(d) Notwithstanding any other provisions of this article, the Director of Health Services may, by regulations, reduce the swing bed reimbursement rate, and in that event the swing bed reimbursement rate shall not exceed the rate prescribed by regulations of the director pursuant to this subdivision.

1263.8. (a) In accordance with the procedures prescribed in subdivision (d) of Section 1263, the state department shall terminate a hospital's swing bed designation authorized by this article when it finds that the hospital is not in compliance with any provision of this article or the welfare or safety of the patients served by the facility is adversely affected, or both.

(b) A hospital may terminate its swing bed designation subject to six months' advance notice to the state department and the Office of Statewide Health Planning and Development.

(c) Upon termination from the project, as prescribed by this section, the hospital beds shall revert to the same status held immediately preceding the hospital's participation in the demonstration project.

1263.9. (a) The Director of Health Services shall annually report to the Legislature, commencing July 1, 1983, on the effectiveness of swing bed designation and on the impact on reimbursement levels and procedures of Medi-Cal and Medicare of such designations.

(b) Hospitals participating in a swing bed demonstration project shall submit an annual report to the state department and the Office of Statewide Health Planning and Development showing the bed utilization, including use of swing beds for patients who might previously have been sent home to wait for nursing home space, quality of care and facility cost impact, and overall effectiveness of the demonstration project.

1263.10. Implementation of this article shall be consistent with

federal rules and regulations. To the extent permitted by federal law, each department within the Health and Welfare Agency shall waive regulations and general policies and make resources available which are necessary for the administration of this article.

1263.11. This article 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. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to alleviate the shortage of beds in skilled nursing facilities as soon as possible and provide needed funds, and to preserve the existing situation in cardiac surgery services, it is necessary that this act take effect immediately.

CHAPTER 155

An act to amend, repeal, and add Sections 37001.5 and 52020 of, and to add and repeal Chapter 6.7 (commencing with Section 51325) of Part 3 of Division 31 of, the Health and Safety Code, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. Section 37001.5 of the Health and Safety Code is amended to read:

37001.5. The words "develop, construct, or acquire," as used in Section 1 of Article XXXIV of the State Constitution, shall not be interpreted to apply to activities of a state public body when such body does any of the following:

(a) Provides financing, secured by a deed of trust or other security instrument to a private owner of existing housing; or acquires a development, for which financing previously has been provided, as a temporary measure to protect its security and with an intention to change the ownership so that it will not continue to be the owner of a low-rent housing project.

(b) Acquires or makes improvements to land which is anticipated to be sold, ground leased, or otherwise transferred to a private owner prior to its development as a low-rent housing project, provided (1) the land and improvements thereon are not subject to an exemption from property taxation by reason of public ownership for more than five years following acquisition or improvement by the state public

body, or (2) such an exemption from property taxation persists beyond the five-year period and no alternative use is designated for the land or improvements, but any property tax revenues lost by affected taxing agencies on account of the exemption of land or improvements from property taxes by reason of public ownership of the property, or any interest in the property after the five-year period, are fully reimbursed by payments in lieu of taxes following the expiration of the five-year period.

(c) Leases existing dwelling units from the private owner of such units, provided the lease or a subtenancy thereunder does not result in a decrease of property tax revenues with respect to the dwelling units leased.

(d) Provides assistance to the private owner or occupant of existing housing which enables an occupant to live in decent, safe, and sanitary housing at a rent he or she can afford to pay.

(e) Provides assistance to a low-rent housing project and monitors construction or rehabilitation of such project and compliance with conditions of such assistance to the extent of:

(1) Carrying out routine governmental functions.

(2) Performing conventional activities of a lender.

(3) Imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of assistance.

(f) Provides assistance to a development prior to its becoming a low-rent housing project without intending or expecting that the development will become a low-rent housing project, as defined.

(g) Provides financing for a low-rent housing project pursuant to Chapter 6.7 (commencing with Section 51325) of Part 3 of Division 31.

This section shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1984, deletes or extends that date.

SEC. 2. Section 37001.5 is added to the Health and Safety Code, to read:

37001.5. The words "develop, construct, or acquire," as used in Section 1 of Article XXXIV of the State Constitution, shall not be interpreted to apply to activities of a state public body when such body does any of the following:

(a) Provides financing, secured by a deed of trust or other security instrument to a private owner of existing housing; or acquires a development, for which financing previously has been provided, as a temporary measure to protect its security and with an intention to change the ownership so that it will not continue to be the owner of a low-rent housing project.

(b) Acquires or makes improvements to land which is anticipated to be sold, ground leased, or otherwise transferred to a private owner prior to its development as a low-rent housing project, provided (1) the land and improvements thereon are not subject to an exemption from property taxation by reason of public ownership for more than five years following acquisition or improvement by the state public

body, or (2) such an exemption from property taxation persists beyond the five-year period and no alternative use is designated for the land or improvements, but any property tax revenues lost by affected taxing agencies on account of the exemption of land or improvements from property taxes by reason of public ownership of the property, or any interest in the property after the five-year period, are fully reimbursed by payments in lieu of taxes following the expiration of the five-year period.

(c) Leases existing dwelling units from the private owner of such units, provided the lease or a subtenancy thereunder does not result in a decrease of property tax revenues with respect to the dwelling units leased.

(d) Provides assistance to the private owner or occupant of existing housing which enables an occupant to live in decent, safe, and sanitary housing at a rent he or she can afford to pay.

(e) Provides assistance to a low-rent housing project and monitors construction or rehabilitation of such project and compliance with conditions of such assistance to the extent of:

(1) Carrying out routine governmental functions.

(2) Performing conventional activities of a lender.

(3) Imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of assistance.

(f) Provides assistance to a development prior to its becoming a low-rent housing project without intending or expecting that the development will become a low-rent housing project, as defined.

This section shall become operative January 1, 1984.

SEC. 3. Section 52020 of the Health and Safety Code is amended to read:

52020. For purposes of a home financing program authorized by this part, a city or county shall have the following powers and duties:

(a) To acquire, contract, and enter into advance commitments to acquire, home mortgages made or owned by lending institutions at such purchase prices and upon such other terms and conditions as shall be determined by the city or county or such other person as it may designate as its agent, to make and execute contracts with lending institutions for the origination and servicing of home mortgages and to pay the reasonable value of services rendered under those contracts. Prior to executing any such contract with a lending institution, a city or county shall adopt regulations establishing criteria for qualification of lending institutions eligible to originate and service home mortgages under home financing programs authorized by this part and shall with respect to each home financing progam, permit each qualified lending institution which transacts business in the city or county the opportunity to participate in such program on an equitable basis with other participating lending institutions. Two or more cities in the same county, or a county and one or more cities within such county, or two or more adjacent counties and any number of cities within those counties may enter into an agreement to join or cooperate with one another in the

exercise jointly, or otherwise, of any or all of their powers for the purpose of financing home mortgages pursuant to this part with respect to property within the boundaries of any one or more of such entities.

(b) To make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the city or county, shall require the lending institutions to use all of the net proceeds thereof, directly or indirectly, for the making of home mortgages in an aggregate principal amount equal to the amount of such net proceeds.

(c) To establish, by rules or regulations, in resolutions relating to any issuance of bonds or in any documents relating to such issuance, such standards and requirements applicable to the purchase of home mortgages or the making of loans to lending institutions as the city or county deems necessary or desirable to effectuate the purposes of this part, which may include without limitation the following:

(1) The time within which lending institutions are required to make commitments and disbursements for home mortgages.

(2) The location and other characteristics of homes to be financed by home mortgages.

(3) The terms and conditions of home mortgages to be acquired.

(4) The amounts and types of any insurance coverage required on homes, home mortgages and bonds.

(5) The representations and warranties of lending institutions confirming compliance with such standards and requirements.

(6) Restrictions as to interest rate and other terms of home mortgages or the return realized therefrom by lending institutions.

(7) The type and amount of collateral security to be provided to assure repayment of any loans from the city or county and to assure repayment of bonds.

(8) Any other matters related to the purchase of home mortgages or the making of loans to lending institutions as shall be deemed relevant by the city or county.

(d) To require from each lending institution from which home mortgages are purchased or to which loans are made the submission of evidence satisfactory to the city or county of the ability and intention of the lending institution to make home mortgages, and the submission, within the time specified by the city or county for making disbursements for home mortgages, of evidence satisfactory to the city or county of the making of home mortgages and of compliance with any standards and requirements established by it.

(e) Each city or county which finances housing pursuant to this part shall designate a person or entity to administer the program.

(f) Each city or county which finances housing pursuant to this part shall adopt regulations establishing criteria for qualification of such persons and families, which may differ among different cities or counties to reflect varying economic and housing conditions. In developing such criteria, factors such as the following shall be taken into consideration:

(1) The amount of the income of such person or family that is available for housing needs.

(2) The size of the household.

(3) The costs and condition of available housing.

(4) The eligibility of such persons or families for federal housing assistance of any type.

Criteria for qualification of persons and families pursuant to this section shall include a maximum household income, which maximum shall not exceed the following:

(A) One hundred fifty percent of the median household income is to be for mortgages made for improving a home or for homes where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families shall also be 150 percent of the median household income.

(B) One hundred twenty percent of the median household income where the purchaser will not be the first occupant. However, the city or county shall assure that no less than half the funds allocated for home mortgages where the purchaser will not be the first occupant shall be for households whose income does not exceed the median household income; provided, that the legislative body of the city or county may, by resolution, increase this income limitation to 110 percent of median household income if the legislative body finds that there are insufficient numbers of creditworthy persons whose income does not exceed the median household income. Such a resolution shall be final and conclusive as to the findings required by this subparagraph.

(C) One hundred fifty percent of the median household income is to be for mortgages made for improving a home or for homes where the purchaser will be the first occupant in any city, the entire area of which, or in any county in which a portion thereof, is designated by the United States Department of Commerce, Economic Development Administration as a special impact area within a Title IV redevelopment area, pursuant to Section 401 of the federal Public Works and Economic Development Act of 1965, as amended, and which is eligible for Urban Development Action Grant funds under the current distress standards established for cities and counties by the Secretary of the United States Department of Housing and Urban Development pursuant to Section 119, of the Housing and Community Development Act of 1974, provided that the homes purchased or improved are situated within the boundaries of a special impact area as defined by the Economic Development Administration, and that the designation is in effect on the date of sale of revenue bonds issued under this part.

As used in this subdivision, "median household income" means the highest of (i) statewide median household income, (ii) countywide median household income, or (iii) median family income for area as determined by the United States Department of Housing and Urban Development (with respect to either a standard metropolitan

statistical area or an area outside of a standard metropolitan statistical area).

Any city or county which issued bonds pursuant to this chapter after August 1, 1981, may elect to apply the provisions of this subdivision to mortgagors obtaining mortgages from the proceeds of such bonds.

(g) Each city or county which finances housing pursuant to this part shall allocate no less than 60 percent of the dollar amount of its financing from bond proceeds to fund loans for the purchase of homes where the purchaser will be the first occupant, or for substantial rehabilitation. As used in this chapter, "substantial rehabilitation" means rehabilitation in which the costs of rehabilitation equal or exceed 20 percent of the value of the structure after rehabilitation.

(h) Each city or county which finances housing pursuant to this part shall require each mortgagor under the program to certify his or her intention to occupy the home for a minimum of two years after receiving a home mortgage, with appropriate exceptions in hardship cases determined by such city or county.

(i) To do any and all things necessary to carry out the purposes and exercise the powers expressly granted by this part.

This section shall remain in effect only until July 1, 1983, and as of that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1983, deletes or extends that date. However, the provisions of this section shall remain applicable to loans made on or after July 1, 1983, with the proceeds of bonds issued prior to that date.

SEC. 4. Section 52020 is added to the Health and Safety Code, to read:

52020. For purposes of a home financing program authorized by this part, a city or county shall have the following powers and duties:

(a) To acquire, contract, and enter into advance commitments to acquire, home mortgages made or owned by lending institutions at such purchase prices and upon such other terms and conditions as shall be determined by the city or county or such other person as it may designate as its agent, to make and execute contracts with lending institutions for the origination and servicing of home mortgages and to pay the reasonable value of services rendered under those contracts. Prior to executing any such contract with a lending institution, a city or county shall adopt regulations establishing criteria for qualification of lending institutions eligible to originate and service home mortgages under home financing programs authorized by this part and shall with respect to each home financing progam, permit each qualified lending institution which transacts business in the city or county the opportunity to participate in such program on an equitable basis with other participating lending institutions. Two or more cities in the same county, or a county and one or more cities within such county, or two or more adjacent counties and any number of cities within those counties may

enter into an agreement to join or cooperate with one another in the exercise jointly, or otherwise, of any or all of their powers for the purpose of financing home mortgages pursuant to this part with respect to property within the boundaries of any one or more of such entities.

(b) To make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the city or county, shall require the lending institutions to use all of the net proceeds thereof, directly or indirectly, for the making of home mortgages in an aggregate principal amount equal to the amount of such net proceeds.

(c) To establish, by rules or regulations, in resolutions relating to any issuance of bonds or in any documents relating to such issuance, such standards and requirements applicable to the purchase of home mortgages or the making of loans to lending institutions as the city or county deems necessary or desirable to effectuate the purposes of this part, which may include without limitation the following:

(1) The time within which lending institutions are required to make commitments and disbursements for home mortgages.

(2) The location and other characteristics of homes to be financed by home mortgages.

(3) The terms and conditions of home mortgages to be acquired.

(4) The amounts and types of any insurance coverage required on homes, home mortgages and bonds.

(5) The representations and warranties of lending institutions confirming compliance with such standards and requirements.

(6) Restrictions as to interest rate and other terms of home mortgages or the return realized therefrom by lending institutions.

(7) The type and amount of collateral security to be provided to assure repayment of any loans from the city or county and to assure repayment of bonds.

(8) Any other matters related to the purchase of home mortgages or the making of loans to lending institutions as shall be deemed relevant by the city or county.

(d) To require from each lending institution from which home mortgages are purchased or to which loans are made the submission of evidence satisfactory to the city or county of the ability and intention of the lending institution to make home mortgages, and the submission, within the time specified by the city or county for making disbursements for home mortgages, of evidence satisfactory to the city or county of the making of home mortgages and of compliance with any standards and requirements established by it.

(e) Each city or county which finances housing pursuant to this part shall designate a person or entity to administer the program.

(f) Each city or county which finances housing pursuant to this part shall adopt regulations establishing criteria for qualification of such persons and families, which may differ among different cities or counties to reflect varying economic and housing conditions. In developing such criteria, factors such as the following shall be taken

into consideration:

(1) The amount of the income of such person or family that is available for housing needs.

(2) The size of the household.

(3) The costs and condition of available housing.

(4) The eligibility of such persons or families for federal housing assistance of any type.

Criteria for qualification of persons and families pursuant to this section shall include a maximum household income, which maximum shall not exceed the following:

(A) One hundred twenty percent of the median household income is to be for mortgages made for improving a home or for homes where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families shall also be 120 percent of the median household income.

(B) The median household income where the purchaser will not be the first occupant. However, the city or county shall assure that no less than half the funds allocated for home mortgages where the purchaser will not be the first occupant shall be for households whose income does not exceed 80 percent of such median household income; provided, that the legislative body of the city or county may, by resolution, increase this income limitation to 90 percent of median household income if the legislative body finds that there are insufficient numbers of creditworthy persons whose income does not exceed 80 percent of median household income. Such a resolution shall be final and conclusive as to the findings required by this subparagraph.

(C) One hundred fifty percent of the median household income is to be for mortgages made for improving a home or for homes where the purchaser will be the first occupant in any city, the entire area of which, or in any county in which a portion thereof, is designated by the United States Department of Commerce, Economic Development Administration as a special impact area within a Title IV redevelopment area, pursuant to Section 401 of the federal Public Works and Economic Development Act of 1965, as amended, and which is eligible for Urban Development Action Grant funds under the current distress standards established for cities and counties by the Secretary of the United States Department of Housing and Urban Development pursuant to Section 119, of the Housing and Community Development Act of 1974, provided that the homes purchased or improved are situated within the boundaries of a special impact area as defined by the Economic Development Administration, and that the designation is in effect on the date of sale of revenue bonds issued under this part.

As used in this subdivision, "median household income" means the highest of (i) statewide median household income, (ii) countywide median household income, or (iii) median family income for area as determined by the United States Department of Housing and Urban

Development (with respect to either a standard metropolitan statistical area or an area outside of a standard metropolitan statistical area).

(g) Each city or county which finances housing pursuant to this part shall allocate no less than 60 percent of the dollar amount of its financing from bond proceeds to fund loans for the purchase of homes where the purchaser will be the first occupant, or for substantial rehabilitation. As used in this chapter, "substantial rehabilitation" means rehabilitation in which the costs of rehabilitation equal or exceed 20 percent of the value of the structure after rehabilitation.

(h) Each city or county which finances housing pursuant to this part shall require each mortgagor under the program to certify his or her intention to occupy the home for a minimum of two years after receiving a home mortgage, with appropriate exceptions in hardship cases determined by such city or county.

(i) To do any and all things necessary to carry out the purposes and exercise the powers expressly granted by this part.

This section shall become operative July 1, 1983.

SEC. 5. Chapter 6.7 (commencing with Section 51325) is added to Part 3 of Division 31 of the Health and Safety Code, to read:

CHAPTER 6.7. MULTIFAMILY RENTAL HOUSING

Article 1. General Provisions

51325. The primary purpose of this chapter is to meet the multifamily rental housing needs of persons and families of low or moderate income. The exercise of the powers granted by this division shall be in all respects for the benefit of the people of this state and for their health and welfare. Therefore, any bonds issued by the agency, pursuant to this chapter, their transfer, and the income therefrom shall at all times be free from taxation by the state or any political subdivision or other instrumentality of the state, excepting inheritance and gift taxes.

51326. This chapter shall remain in effect only until January 1, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1984, deletes or extends that date.

Article 2. Financing

51330. Subject to the limitations of this chapter, the agency may, in addition to any other power conferred by this part, issue revenue bonds as provided in Chapter 7 (commencing with Section 51350) for the purpose of financing the construction or development of multifamily rental housing and for the provision of capital improvements in connection with, and determined necessary to, such multifamily rental housing.

51331. Subject to the limitations prescribed in this chapter, the agency may make, or undertake commitments to make, construction loans and mortgage loans to housing sponsors to finance the development of multifamily rental housing. For this purpose, the agency shall enter into regulatory contracts and other agreements with housing sponsors receiving loans under the provisions of this chapter to assure all requirements of this chapter are satisfied.

51332. Subject to the limitations prescribed in this chapter, the agency may purchase, or undertake, directly or indirectly through lending institutions, commitments to purchase, construction loans and mortgage loans originated in accordance with a financing agreement with the agency to finance the development of multifamily rental housing and for the provision of capital improvements in connection with, and determined necessary to, such multifamily rental housing.

51333. For the purposes of this chapter, the agency shall have the power to issue its bonds to defray, in whole or in part, the costs of studies and surveys, insurance premiums, underwriting fees, legal, accounting and marketing services incurred in connection with the issuance and sale of bonds, including bond and mortgage reserve accounts, trustee, custodian, and rating agency fees, and such other costs as are reasonably related to the foregoing.

51334. The agency may, in conjunction with the financing of multifamily rental housing pursuant to this chapter, finance the development of commercial property for lease, subject to all of the following conditions:

(a) No more than 10 percent of the proceeds of any revenue bonds issued pursuant to this chapter may be used to develop the commercial property for lease.

(b) The commercial property developed will be located on the same parcel or on a parcel adjacent to a multifamily rental housing development.

(c) As a condition of such financing, any lease payments collected in excess of payments necessary for debt service, operating expenses and any required reserves related to such property, shall be used to reduce rents on units reserved for occupancy by lower-income households and very low income households in a multifamily rental housing development.

51335. (a) Not less than 20 percent of the total number of units in a multifamily rental housing development financed, or for which financing has been extended or committed, pursuant to this chapter from the proceeds of sale of each bond issuance of the agency shall be for occupancy on a priority basis by lower-income households, as defined in Section 50079.5, at affordable rents. In the case of a multifamily rental housing development located within a targeted area project, as defined by Section 1103(b) of Public Law 96-499, a part of the federal Mortgage Subsidy Bond Tax Act of 1980, not less than 15 percent of the total number of units financed, or for which financing has been extended or committed pursuant to this chapter,

shall be for occupancy on a priority basis by lower-income households at affordable rents. To the extent feasible, as determined in the sole discretion of the agency, half of such reserved units shall be available to very low income households.

(b) As a condition of financing pursuant to this chapter, the housing sponsor shall enter into a regulatory agreement with the agency providing that units reserved for occupancy by lower-income households remain available on a priority basis for such occupancy for a period of not less than 20 years from the date the loan is made. Such regulatory agreement shall contain a provision making the covenants and conditions of the agreement binding upon successors in interest of the housing sponsor. Such regulatory agreement shall be recorded in the office of the county recorder of the county in which the multifamily rental housing development is located.

51336. For purposes of this article, "housing sponsor" means a person as defined in Section 50074.

Article 3. State Assistance

51340. This article constitutes an alternative method to issue bonds for making construction loans and mortgage loans for multifamily rental housing developments pursuant to the provisions of this chapter.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

California has a severe shortage of rental housing, especially housing affordable to low-income households and federal subsidies reserved for hundreds of rental units will be rescinded if financing for such units is not available and construction has not commenced by May 31, 1982. Thus it is necessary for this act to take effect immediately.

CHAPTER 156

An act to amend Section 15432 of the Government Code, relating to district hospitals, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. Section 15432 of the Government Code is amended to read:

15432. As used in this part, the following words and terms shall

have the following meanings, unless the context clearly indicates or requires another or different meaning or intent:

(a) "Act" means this California Health Facilities Authority Act.

(b) "Authority" means the California Health Facilities Authority created by this part or any board, body, commission, department, or officer succeeding to the principal functions thereof or to which the powers conferred upon the authority by this part shall be given by law.

(c) "Cost," as applied to a project or portion thereof financed under the provisions of this part, means and includes all or any part of the cost of construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or used for a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to, during and for a period not to exceed one year following completion of such construction as determined by the authority, reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations and improvements, the cost of engineering, reasonable financial and legal services, plans, specifications, studies, surveys, estimates, administrative expenses and other expenses necessary or incident to determining the feasibility of constructing any project or incident to the construction or acquisition or financing thereof.

(d) "Health facility" means any facility, place, or building which is organized, maintained, and operated for the diagnosis, care, prevention, and treatment of human illness, physical or mental, including convalescence and rehabilitation and including care during and after pregnancy, or for any one or more of these purposes, for one or more persons, to which such persons are admitted for a 24-hour stay or longer, except in the cases of county outpatient facilities and community clinics, as defined in paragraph (6), and includes the following types:

(1) A general acute care hospital is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour inpatient care, including the following basic services: medical, nursing, surgical, anesthesia, laboratory, radiology, pharmacy, and dietary services.

(2) An acute psychiatric hospital is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour inpatient care for mentally disordered, incompetent, or other patients referred to in Division 5 (commencing with Section 5000) or Division 6 (commencing with Section 6000) of the Welfare and Institutions Code, including the following basic services: medical, nursing, rehabilitative, pharmacy, and dietary services.

(3) A skilled nursing facility is a health facility which provides the following basic services: skilled nursing care and supportive care to patients whose primary need is for availability or skilled nursing care on an extended basis.

(4) An intermediate care facility is a health facility which provides the following basic services: inpatient care to ambulatory or semiambulatory patients who have recurring need for skilled nursing supervision and need supportive care, but who do not require availability or continuous skilled nursing care.

(5) A special health care facility is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical or dental staff which provides inpatient or outpatient, acute or nonacute care, including, but not limited to, medical, nursing, rehabilitation, dental, or maternity.

(6) A "community clinic" is a clinic operated by a tax-exempt nonprofit corporation which is supported and maintained in whole or in part by donations, bequests, gifts, grants, government funds or contributions, which may be in the form of money, goods, or services. In a community clinic, any charges to the patient shall be based on the patient's ability to pay, utilizing a sliding fee scale. No corporation other than a nonprofit corporation, exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954 as amended, or a statutory successor thereof, shall operate a community clinic; provided, that the licensee of any community clinic so licensed on September 26, 1978, shall not be required to obtain tax-exempt status under either federal or state law. No natural person or persons shall operate a community clinic.

(7) An "adult day health center" is a facility as defined under subdivision (b) of Section 1570.7 of the Health and Safety Code, which provides adult day health care, as defined under subdivision (a) of Section 1570.7 of the Health and Safety Code.

(8) Any other type of facility for the provision of inpatient or outpatient care which is a county health facility, as defined in subdivision (a) of Section 16715 of the Welfare and Institutions Code, (without regard to whether funding is provided for the facility under that section).

"Health facility" includes the following facilities, if operated in conjunction with one or more of the above types of facilities: a laboratory, laundry, nurses, or interns, residence, housing for staff or employees and their families, patients or relatives of patients, physicians' facility, administration building, research facility, maintenance, storage, or utility facility and all structures or facilities related to any of the foregoing or required or useful for the operation of a health facility, and the necessary and usual attendant and related facilities and equipment and including parking and supportive service facilities or structures required or useful for the orderly conduct of such health facility.

"Health facility" does not include any institution, place, or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship.

(e) "Participating health institution" means a county, a district hospital, or a private nonprofit corporation or association authorized by the laws of this state to provide or operate a health facility and which, pursuant to the provisions of this part, undertakes the financing or refinancing of the construction or acquisition of a project as provided in this part.

(f) "Project" means construction, expansion, remodeling, renovation, furnishing, or equipping of a health facility or acquisition of a health facility to be financed or refinanced with funds provided in whole or in part pursuant to this part. "Project" may include any combination of one or more of the foregoing undertaken jointly by any participating health institution with one or more other participating health institutions.

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

In order that district hospitals may relieve their cash flow problems it is necessary that this act take effect immediately.

CHAPTER 157

An act to add and repeal Sections 17202.4 and 24343.7 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. Section 17202.4 is added to the Revenue and Taxation Code, to read:

17202.4. In addition to the deduction allowed for trade or business expenses and any other deductions allowed by this part, a taxpayer who donates agricultural products under Chapter 5 (commencing with Section 58501), Part 1, Division 21 of the Food and Agricultural Code shall be allowed as a deduction an amount equal to the cost of any such products.

This section shall remain in effect only until January 1, 1983, and as of that date is repealed, unless prior to that date, a later chaptered statute deletes or extends such date.

SEC. 2. Section 24343.7 is added to the Revenue and Taxation Code, to read:

24343.7. In addition to the deduction allowed for trade or

business expenses and any other deductions allowed by this part, a taxpayer who donates agricultural products under Chapter 5 (commencing with Section 58501), Part 1, Division 21 of the Food and Agricultural Code shall be allowed as a deduction an amount equal to the cost of any such products.

This section shall remain in effect only until January 1, 1983, and as of that date is repealed, unless prior to that date, a later chaptered statute deletes or extends such date.

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 158

An act to add Section 304.5 to the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1982. Filed with Secretary of State April 9, 1982.]

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

SECTION 1. It is the intent of the Legislature in the enactment of this act to allow counties to utilize any supplies of printed voter outreach materials which the counties have on hand on the effective date of this act so long as the materials otherwise comply with the law.

SEC. 2. Section 304.5 is added to the Elections Code, to read:

304.5. Any program adopted by a county pursuant to Section 302 or 304, which is designed to encourage the registration of electors, shall, with respect to any printed literature or media announcements made in connection with these programs, contain this statement: "A person entitled to register to vote must be a United States citizen, a resident of California, not in prison or on parole for the conviction of a felony, and at least 18 years of age at the time of the election."

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

In order that the provisions of this act become operative soon

enough to apply to voter registration programs conducted this year, it is necessary this act take effect immediately.

CHAPTER 159

An act to amend Section 7860 of the Business and Professions Code, relating to geologists and geophysicists.

[Approved by Governor April 14, 1982. Filed with Secretary of State April 14, 1982.]

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

SECTION 1. Section 7860 of the Business and Professions Code is amended to read:

7860. The board may receive and investigate complaints against registered geologists, and geophysicists and persons granted temporary authorizations pursuant to Sections 7848 and 7848.1 and make findings thereon.

By a majority vote, the board may reprove, privately or publicly, or may suspend for a period not to exceed two years, or may revoke the certificate of any geologist or geophysicist registered hereunder, or may reprove, privately or publicly, or revoke the authorization granted to any person pursuant to Section 7848 or 7848.1:

(a) Who has been convicted of a crime substantially related to the qualifications, functions, and duties of a geologist and geophysicist.

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

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

(d) Who aids or abets any person in the violation of any provisions of this chapter.

(e) Who violates any provision of this chapter.

CHAPTER 160

An act to amend Section 19089.3 of the Business and Professions Code, relating to bedding.

[Approved by Governor April 14, 1982. Filed with Secretary of State April 14, 1982.]

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

SECTION 1. Section 19089.3 of the Business and Professions Code is amended to read:

19089.3. All bedding with liquid filling material and each

component part of such bedding shall be clearly labeled in a manner approved by the chief.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 161

An act to amend Section 5096.101 of the Public Resources Code, relating to parks and recreation, making an appropriation therefor, and in this connection amending and supplementing the Budget Act of 1981 by adding Item 379-302-733 thereto, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 14, 1982. Filed with Secretary of State April 14, 1982.]

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

SECTION 1. Section 5096.101 of the Public Resources Code is amended to read:

5096.101. Notwithstanding Section 5096.87, the first four million four hundred thousand dollars ($4,400,000) that is available in the total unencumbered balance remaining in the State Beach, Park, Recreational, and Historical Facilities Fund of 1974, as provided in Section 5096.87, shall be submitted by the Secretary of the Resources Agency for appropriation, in the budget for the 1981–82 fiscal year, for acquisition and development at the Baldwin Hills Park project.

The Department of Parks and Recreation shall cooperate with the County of Los Angeles, the City of Los Angeles, and the City of Culver City in obtaining federal or state local grants for the Baldwin Hills Park project.

SEC. 2. Item 379-302-733 is added to the Budget Act of 1981, to read:

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1974 PROGRAM

Item	
379-302-733—For capital outlay, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974	4,400,000

Schedule:
(a) Baldwin Hills—acquisition and development 4,400,000

SEC. 3. The sum of forty-six thousand four hundred fifty-one dollars ($46,451) is hereby appropriated from the State Parks and Recreation Fund to the Department of Parks and Recreation for allocation to the Department of Justice for payment in settlement of the claims of the plaintiffs against the State of California in the action captioned Thomas R. Cornett and William N. Clever v. Department of Parks and Recreation (Dello D. Hert, real party in interest), Sacramento Superior Court No. 287386, upon the Department of Parks and Recreation receiving title to certain personal property, including chairs, stools, tables, glassware, and other furnishings and equipment located or formerly located in the Douglass and St. Charles Saloons at Columbia State Historic Park and suitable for the operation of the saloons.

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

This act amends and supplements the Budget Act of 1981 which went into effect July 1, 1981, and affects other related provisions. The acquisition and development affected by this act should be undertaken as soon as possible, so that they may achieve their intended results. Therefore, it is necessary that this act take effect immediately.

CHAPTER 162

An act to amend Sections 11167, 11170, and 11174 of, and to repeal Section 11110 of, the Penal Code, relating to child abuse, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 11110 of the Penal Code is repealed.

SEC. 2. Section 11167 of the Penal Code is amended to read:

11167. (a) A telephone report of a known or suspected instance of child abuse shall include the name of the person making the report, the name of the child, the present location of the child, the nature and extent of the injury, and any other information, including information that led such person to suspect child abuse, requested by the child protective agency.

(b) Information relevant to the incident of child abuse may also be given to an investigator from a child protective agency who is

investigating the known or suspected case of child abuse.

(c) The identity of all persons who report under this article shall be confidential and disclosed only between child protective agencies, or to counsel representing a child protective agency, or to the district attorney in a criminal prosecution or in an action initiated under Section 602 of the Welfare and Institutions Code arising from alleged child abuse, or to counsel appointed pursuant to Section 318 of the Welfare and Institutions Code, or to the county counsel or district attorney in an action initiated under Section 232 of the Civil Code or Section 300 of the Welfare and Institutions Code, or when those persons waive confidentiality, or by court order.

(d) Persons who may report pursuant to subdivision (c) of Section 11166 are not required to include their names.

SEC. 3. Section 11170 of the Penal Code is amended to read:

11170. (a) The Department of Justice shall maintain an index of all preliminary reports of child abuse submitted pursuant to Section 11169. The index shall be continually updated by the department and shall not contain any reports that are determined to be unfounded. The department may adopt rules governing recordkeeping and reporting pursuant to this article.

(b) The Department of Justice shall immediately notify a child protective agency which submits a report pursuant to Section 11169, or a district attorney who requests notification, of any information maintained pursuant to subdivision (a) which is relevant to the known or suspected instance of child abuse reported by the agency. A child protective agency shall make that information available to the reporting medical practitioner, child custodian, or guardian ad litem appointed under Section 318 of the Welfare and Institutions Code, if he or she is treating or investigating a case of known or suspected child abuse.

When a report is made pursuant to subdivision (a) of Section 11166, the investigating agency shall, upon completion of the investigation or after there has been a final disposition in the matter, inform the person required to report of the results of the investigation and of any action the agency is taking with regard to the child or family.

SEC. 4. Section 11174 of the Penal Code is amended to read:

11174. The Department of Justice, in cooperation with the State Department of Social Services, shall prescribe by regulation guidelines for the investigation of child abuse, as defined in subdivision (f) of Section 11165, in group homes or institutions and shall ensure that the investigation is conducted in accordance with the regulations and guidelines.

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

In order that the provisions of this act shall achieve maximum implementation, it is necessary that this act take effect at the earliest

possible date.

CHAPTER 163

An act to amend Section 5091 of the Education Code, and to amend Section 6253.5 of the Government Code, relating to elections.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 5091 of the Education Code is amended to read:

5091. (a) Whenever a vacancy occurs, or whenever a resignation has been filed with the county superintendent of schools containing a deferred effective date, the school district or community college district governing board shall, within 30 days of the vacancy or the filing of the deferred resignation, either order an election or make a provisional appointment to fill the vacancy. A governing board member may not defer the effective date of his or her resignation for more than 30 days after he or she files the resignation with the county superintendent of schools.

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

(b) When an election is ordered, it shall be held on the next regular election date provided pursuant to Chapter 1 (commencing with Section 2500) of Division 4 of the Elections Code not less than 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 number of registered voters of the district equal to 1½ percent of the number of registered voters of the district at the time of the last regular election for governing board members.

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

120th day and the 150th day following the determination, the county superintendent of schools may call such election to be conducted on the regular election date.

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

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

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

No person shall permit the list of names on petitions prescribed by this section to be used for any purpose other than qualification of the petition for the purpose of holding an election pursuant to this section.

The petition filed with the county superintendent of schools shall be subject to the restrictions in Section 6253.5 of the Government Code.

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

SEC. 2. Section 6253.5 of the Government Code is amended to read:

6253.5. Notwithstanding the provisions of Sections 6252 and 6253, statewide, county, city, and district initiative, referendum, and recall petitions, and petitions circulated pursuant to Section 5091 of the Education Code, and all memoranda prepared by the county clerks in the examination of such petitions indicating which registered voters have signed particular petitions shall not be deemed to be public records and shall not be open to inspection except by the public officer or public employees who have the duty of receiving, examining or preserving such petitions or who are responsible for the preparation of such memoranda and, if the petition is found to be insufficient, by the proponents of the petition and such representatives of the proponents as may be designated by the proponents in writing in order to determine which signatures were disqualified and the reasons therefor; provided, however, that the Attorney General, the Secretary of State, the Fair Political Practices Commission, a district attorney, a school district or a community college district attorney, and a city attorney shall be permitted to examine such material upon approval of the appropriate superior

court.

If the proponents of a petition are permitted to examine the petition and memoranda, such examination shall commence not later than 21 days after certification of insufficiency.

As used in this section "proponents of the petition" means the following:

(a) For statewide initiative and referendum measures, the person or persons who submit a draft of a petition proposing the measure to the Attorney General with a request that he prepare a title and summary of the chief purpose and points of the proposed measure.

(b) For other initiative and referenda measures, the person or persons who publish a notice of intention to circulate petitions, or, where publication is not required, who file petitions with the clerk.

(c) For recall measures, the person or persons defined in Section 29711 of the Elections Code.

(d) For petitions circulated pursuant to Section 5091 of the Education Code, the person or persons having charge of the petition who submit the petition to the county superintendent of schools.

CHAPTER 164

An act to amend Section 5571 of, to add Section 5555 to, and to add Article 1.5 (commencing with Section 5561) to Chapter 7 of Part 1 of Division 4 of, the Food and Agricultural Code, and to add Section 26528.5 to the Government Code, relating to agriculture, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 5555 is added to the Food and Agricultural Code, to read:

5555. If, after service of the notice pursuant to Article 1.5 (commencing with Section 5561) the nuisance is not abated within the time prescribed in the notice of such time as may be mutually agreed upon by the commissioner and the record owner or person having charge or possession of the property, the commissioner shall proceed under the provisions of Article 2 (commencing with Section 5571).

SEC. 2. Article 1.5 (commencing with Section 5561) is added to Chapter 7 of Part 1 of Division 4 of the Food and Agricultural Code, to read:

Article 1.5. Notice

5561. The commissioner shall, in writing, notify the record owner or person in charge of any property having an abandoned plant or

crop which the commissioner has found to be a public nuisance, of the need to remove or destroy the neglected or abandoned plant or crop. The notice required by this section shall be made by personal service or by certified mail to the address shown on the last equalized assessment roll of the county, and by posting copies of it in three conspicuous places on the property.

5562. The notice required by this article shall set forth all of the following:

(a) A description of the property.

(b) The name of the owner or person who is in charge or in possession of the property.

(c) The fact that the commissioner's findings have determined that the removal or destruction of the neglected or abandoned plant or crop provides the best means of eliminating the menace to the agriculture of the county, district, or vicinity.

(d) That all costs incurred by the county in the detection of the nuisance and proceedings in the abatement of the nuisance shall be charged to the owner or established as a lien on the property.

5563. The commissioner shall, in addition to the notice required by this article, advise the owner that unless the abandoned plant or crop is removed or destroyed within 60 days after the date the notice was served or mailed, or by such date as may be mutually agreed upon by the commissioner and the owner, the commissioner will report the existence of the nuisance to the district attorney or to the county counsel of the county with a request that an action be filed in the superior court praying for an order to remove or destroy the neglected or abandoned crop as provided for in Article 2 (commencing with Section 5571).

5564. This article shall not prevent the commissioner from proceeding under any other provision of law for the purpose of abating a nuisance that constitutes an immediate hazard to adjoining or nearby property.

SEC. 3. Section 5571 of the Food and Agricultural Code, is amended to read:

5571. If the commissioner of any county determines by inspection that there is a condition which constitutes a nuisance, as defined in Section 5551 or 5552, on any property or premises within his jurisdiction, he shall make a report of his inspection to the district attorney or to the county counsel if the board of supervisors has authorized the county counsel pursuant to Section 26528.5 of the Government Code to file the petition prepared pursuant to this article. The commissioner in the report shall do all of the following:

(a) State that the property owner has been notified.

(b) Describe the property upon which the nuisance exists.

(c) Name the pest or other condition which in his opinion is dangerous to the agriculture of the county, district, or vicinity.

(d) State, if his findings justify such a statement, that the removal or destruction of the neglected or abandoned plant or crop will provide the best means for the elimination of the menace to the

agriculture of the county, district, or vicinity.

SEC. 4. Section 26528.5 is added to the Government Code, to read:

26528.5. The board of supervisors of any county may authorize the county counsel in lieu of the district attorney to file the petition to remove or destroy neglected or abandoned plants or crops under Chapter 7 (commencing with Section 5551) of Part 1 of Division 4 of the Food and Agricultural Code.

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

The existence of infested orchards contributes to the problem of abating the Mediterranean fruit fly. Rapid abatement of the infestations in these orchards is necessary to ensure eradication of the Mediterranean fruit fly, and thus, it is necessary that this act take effect immediately.

CHAPTER 165

An act to amend Sections 25221, 25222, and 25230 of, and to add Section 25241 to, the Health and Safety Code, relating to hazardous waste, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 25221 of the Health and Safety Code is amended to read:

25221. (a) Any person as owner, lessor, or lessee who (1) knows or has probable cause to believe that a significant disposal of hazardous waste has occurred on, under, or into the land which he or she owns or leases or that the land is within 2,000 feet of a significant disposal of hazardous waste; and (2) intends to construct or allow the construction on such land of a building or structure to be used for a purpose which is described in subdivision (b) of Section 25232 within the next calendar year; shall apply to the department prior to such construction for a determination as to whether the land should be designated a hazardous waste property or a border zone property pursuant to Section 25229.

(b) Any person who, as owner, lessor, or lessee knows or has probable cause to believe that land which he or she owns or leases is a hazardous waste property or a border zone property, may apply to the department for a determination whether the land should be designated a hazardous waste property or a border zone property pursuant to Section 25229.

(c) If a city or county knows or has probable cause to believe that any land within its jurisdiction is a hazardous waste property or a border zone property, the city or county may apply to the department for a determination whether that land should be designated a hazardous waste property or a border zone property pursuant to Section 25229.

(d) Subdivisions (a), (b), and (c) shall not be applicable to any land on which a determination has previously been made pursuant to Section 25229 unless either of the following has occurred since such determination:

(1) A significant new disposal of hazardous waste has occurred on, under, or into the land.

(2) Significant new information about past disposal of hazardous waste on, or within 2,000 feet of, the land becomes known to the owner, lessor, or lessee of such land.

SEC. 2. Section 25222 of the Health and Safety Code is amended to read:

25222. Whenever the department considers designating land as a hazardous waste property or a border zone property, it shall issue and cause to be served upon the owner of the land and the legislative body of the city or county in whose jurisdiction the land is located a notice of a hearing. The notice shall contain (1) a statement that the land is under consideration for designation as a hazardous waste property or a border zone property; (2) a summary of the reasons for such designation and what significant existing or potential health hazards are believed to exist; and (3) notice of the time, date, and place of the hearing, and any policy regarding continuance of the hearing.

SEC. 3. Section 25230 of the Health and Safety Code is amended to read:

25230. Upon designation of land as hazardous waste property or border zone property pursuant to Section 25229, the director shall issue and cause to be served on the owner of the property and shall give notice to the legislative body of the city or county in whose jurisdiction the land is located and any other persons who were permitted to intervene in the proceeding, orders requiring all of the following:

(a) The execution and recordation of a written instrument which imposes an easement upon the present and future uses of all or part of the land which has been designated a hazardous waste property or a border zone property. Such easement shall permit the department or its representatives to enter the land, subject to Section 25185.5, to monitor problems regarding hazardous wastes. The easement shall be executed by all the owners of such land and by the director, shall particularly describe the real property affected by the instrument, and, if applicable, the location of the easement on the real property. The easement shall be recorded with the recorder of the county in which the land is located within 10 days of the date of execution and shall be indexed by the county recorder in the

grantor index in the name of the record title owner of the real property and in the grantee index in the name of the department. The easement shall state that the land described in the instrument is subject to a hazardous waste easement. Notwithstanding any other provision of law, an easement executed pursuant to this section shall run with the land from the date of recordation and shall be binding upon all of the owners of the land, their heirs, successors, and assignees, and the agents, employees, or lessees of such owners, heirs, successors, and assignees. The easement shall be enforceable by the department pursuant to Article 8 (commencing with Section 25180). Notwithstanding any other provision of law, any easement held by the department shall not be sold or otherwise transferred to another person.

(b) The execution and service of a written instrument to accompany all lease or rental agreements relating to the land which has been designated a hazardous waste property or a border zone property. The instrument shall be prepared by the owner or lessor of the land and shall contain the following statement:

"The land described herein contains hazardous waste or is within 2,000 feet of land that contains hazardous waste. Such condition renders the land and the owner, lessee, or other possessor of the land subject to requirements, restrictions, provisions, and liabilities contained in Chapter 6.5 (commencing with Section 25100) of Division 20 of the Health and Safety Code. This statement is not a declaration that a hazard exists."

SEC. 4. Section 25241 is added to the Health and Safety Code, to read:

25241. The provisions of this article shall not apply to hazardous waste property as defined in paragraph (1) of subdivision (a) of Section 25117.3. Such property shall be regulated by the department pursuant to Section 25202.5 in order to protect the present and future public health and safety from hazardous waste.

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

In order that certain clarifying amendments to Chapter 1161 of the Statutes of 1980 may take effect as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 166

An act to amend Section 437.10 of, to add Section 437.07 to, and to add and repeal Sections 437.20, 437.21, 437.22, and 437.23 of, the Health and Safety Code, relating to health planning, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 437.07 is added to the Health and Safety Code, to read:

437.07. In order to effectively implement the provisions of this part, the Legislature finds that it is indispensable that providers of health care be free to engage in voluntary, cooperative efforts with consumers, government, or other providers of health care to fulfill the purposes of the health planning laws.

Approved plans and projects undertaken in compliance with those plans, as provided in Sections 437.20, 437.21, 437.22, and 437.23, are exempt from the provisions of Chapter 1 (commencing with Section 16600), Chapter 2 (commencing with Section 16700), Chapter 3 (commencing with Section 16900), and Chapter 4 (commencing with Section 17000) of Part 2 of Division 7 of the Business and Professions Code.

SEC. 2. Section 437.10 of the Health and Safety Code is amended to read:

437.10. Except as otherwise exempted by statute, 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 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 (i) 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 Department of Health Services, 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 four hundred thousand dollars ($400,000) 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 office, 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 six hundred thousand dollars ($600,000) in the current fiscal year or cumulation to an expenditure of six hundred thousand dollars ($600,000) in the same fiscal year or subsequent fiscal years for a single project.

The threshold exemptions from certificate-of-need requirements provided for in this subdivision shall not apply to projects for expanded outpatient surgical capacity.

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 six hundred thousand dollars ($600,000). 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 six hundred thousand dollars ($600,000). 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 six hundred thousand dollars ($600,000) or less, such expenditure shall

be deemed not to exceed six hundred thousand dollars ($600,000) regardless of the actual cost of such project. However, in any such case where the actual cost of the project exceeds six hundred thousand dollars ($600,000) 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 office shall annually adjust the dollar thresholds set forth in subdivisions (d) and (e) and in paragraphs (6), (7), and (8) of subdivision (a) of Section 437.13 to reflect changes in the cost of living, as determined by the Department of Finance, using 1982 as the base year, and the dollar thresholds set forth in paragraph (9) of subdivision (a) of Section 437.13 using 1981 as the base year. Notwithstanding the amount of such dollar thresholds, in the event Congress increases or repeals the amount or amounts of such thresholds, the dollar thresholds set forth in subdivisions (d) and (e) of Section 437.13 shall be the highest amount or amounts permitted by Public Law 93-641, as amended, or one million dollars ($1,000,000), whichever is less, on the date such congressional action is effective.

SEC. 3. Section 437.20 is added to the Health and Safety Code, to read:

437.20. (a) Notwithstanding Section 437.10, a project therein defined may be excluded from the requirement to obtain a certificate of need, provided that the project receives a certificate of planning compliance pursuant to Section 437.22, upon a finding by the office director that the project is in conformance with an approved countywide long-range capital investment plan, meets the

requirements of Section 437.22, and has been scheduled for commencement in an approved countywide plan within the first three years after approval of the plan.

(b) For purposes of this part, "a long-range hospital capital investment plan" means either a multihospital long-range capital investment plan adopted by a consortium of two or more general acute care hospitals and approved by the office director or an individual hospital long-range capital investment plan adopted by a general acute care hospital or any organization with a bona fide intent to establish a new general acute care hospital in the pilot project area. Existing hospitals shall only adopt a plan after consideration of the recommendations of the respective hospital medical staffs.

(c) The office director may only adopt a countywide plan on a pilot project basis for the pilot project area which is Tulare County.

(d) This section shall remain in effect only until January 1, 1987, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends such date.

SEC. 4. Section 437.21 is added to the Health and Safety Code, to read:

437.21. The office shall adopt, by regulation, standards governing the development, content, format, approval, and use of long-range hospital capital investment plans. The standards shall include, but not be limited to, all of the following:

(a) A timetable for the initial submission of long-range hospital capital investment plans and for submission of revisions no more than once annually. The timetable shall be compatible with the timetable for adoption of the statewide and area plans pursuant to Section 437.7 to ensure consideration of approved long-range hospital capital investment plans in the development of area and statewide plans.

(b) Requirements for the hospitals and area agency to conduct separate public hearings in the development and review of the long-range hospital capital investment plan.

(c) Procedures and criteria to be used by the office in the review and approval of long-range hospital capital investment plans to ensure coordination with the area plan and the statewide health facilities and services plans, and consistency with statewide policies adopted pursuant to Section 437.8.

(d) Format and content requirements that specify the minimum necessary requirements to allow for adoption of a long-range hospital capital investment plan, which shall include, but not be limited to, the following:

(1) Estimates of the capital investment needs of participating hospitals in the long-range hospital capital investment plan. These estimates shall include five-year and 10-year projections from the year in which the plan is expected to be adopted.

(2) Description of proposed capital investments scheduled to be commenced on an annual basis for a five-year period, required for each facility or for new facilities that are identified as needed.

(3) A description of alternatives to the proposed capital investments, including consideration of increased use of nonhospital-based service delivery.

(4) An evaluation of the long-term cost effectiveness of the various alternatives considered.

(5) The proposed capital investments and the relationship of the alternatives to the Statewide Health Facilities and Services Plan that is in effect.

(e) Procedures for the submission of long-range hospital capital investment plans to the area agency and the office which shall ensure:

(1) Adoption of an area agency recommendation on a plan no later than 90 days after its receipt.

(2) The office shall conduct a public hearing on each long-range hospital capital investment plan submitted under the pilot project.

(3) The office shall submit for consideration by the area agency the institution-specific recommendations contained in the countywide plan for incorporation into the area plan. Any institution-specific recommendation adopted in the area plan and found to be in conformance by the council pursuant to Section 437.7 shall be included in the Statewide Health Facilities and Service Plan.

(f) This section shall remain in effect only until January 1, 1987, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends such date.

SEC. 5. Section 437.22 is added to the Health and Safety Code, to read:

437.22. (a) The office shall establish procedures for the review of projects by hospitals in the pilot project area. These procedures shall be adopted by regulation and shall include, but not be limited to, all of the following:

(1) The office shall require submission of information on a proposed project to allow a determination of conformance with the approved plan and the requirements of subdivision (b).

(2) Within 45 days of the receipt of information pursuant to subdivision (a), the office shall make a determination in writing as to the conformance or nonconformance of the proposed project to the approved plan and to the requirements of subdivision (b). This time period may be extended upon agreement of the hospital and the office.

(3) Where the office determines that the proposed project is in conformance with the approved countywide plan and with the requirements of subdivision (b), the office shall issue a certificate of planning compliance. The certificate of planning compliance shall, for all purposes, be equivalent to a certificate of need and shall be subject to the provisions of Section 438.6.

(4) Upon judicial review of a decision of the office under this section, the decision of the office shall be upheld unless the court determines that the decision of the office was clearly arbitrary and capricious.

(b) Applicants for a certificate of planning compliance shall demonstrate to the satisfaction of the office director the following:

(1) Costs of construction, equipment, energy provision, and projected operational costs are within reasonable limits for the area.

(2) Less costly alternative configurations for the project, if any, are not as desirable as the project as proposed.

(3) The project is financially feasible and economically efficient.

(4) The facility is accessible to persons for whom the cost of care is reimbursed under Chapter 7 (commencing with Section 1400) of Part 3 of Division 9 of the Welfare and Institutions Code notwithstanding the authority granted under the District Hospital Act.

(5) The need to be met by the project has not been met through an approved certificate of need.

(c) Projects that may be found by the office director to be in conformance with an approved countywide plan shall include any project that is subject to certificate-of-need review pursuant to Section 437.10, except those projects which the office determines would increase or materially affect a diagnostic or therapeutic service for which a service area larger than the area covered by the countywide plan is used in the Statewide Health Facilities and Services Plan.

(d) This section shall remain in effect only until January 1, 1987, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends such date.

SEC. 6. Section 437.23 is added to the Health and Safety Code, to read:

437.23. Multihospital plans shall only be approved on a pilot project basis by the office director, under the following conditions:

(a) The office director shall adopt a countywide plan based upon the individual hospital and multihospital plans found to be in conformance with this part. The office director may make modifications in such plans as are necessary to meet the health care needs of the population residing in or served by hospitals in the pilot project area and to assure consistency with the Statewide Health Facilities and Services Plan.

(b) A countywide plan may only be adopted if a majority of the hospitals in the pilot project area have submitted an individual hospital plan or have participated in a multihospital plan, which has been submitted to the office.

(c) The plan has been adopted by the responsible authority of each participating hospital in the defined geographic area prior to submission of the plan to the area agency and the office.

(e) This section shall remain in effect only until January 1, 1987, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends such date.

SEC. 7. (a) Prior to July 1, 1984, the Office of Statewide Health Planning and Development shall submit to the Legislature an interim progress and status report on the pilot project pursuant to

this act.

(b) Prior to January 1, 1986, the Office of Statewide Health Planning and Development shall submit to the Legislature an evaluation report on the pilot project pursuant to 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 the necessity are:

In order to create incentives for improved hospital capital planning as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 167

An act to add Section 417.1 to the Penal Code, relating to assault on a reserve peace officer.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 417.1 is added to the Penal Code, to read:

417.1. Every person who, in the immediate presence of a peace officer, draws or exhibits any firearm, whether loaded or unloaded, in a rude, angry or threatening manner, and who knows or reasonably should know that the victim is a peace officer engaged in the performance of his or her duties, and the peace officer is engaged in the performance of his or her duties, is guilty of a felony punishable by imprisonment in the county jail not to exceed one year, or in the state prison.

As used in this section, "peace officer" refers to any person designated as a reserve or auxiliary sheriff or city police officer, or a deputy sheriff, pursuant to Section 830.6.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 168

An act to add Sections 4691, 4692, and 4693 to the Welfare and Institutions Code, relating to the developmentally disabled, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 4691 is added to the Welfare and Institutions Code, to read:

4691. The Legislature reaffirms its intent that day programs in the community shall be planned and provided as part of a continuum of services to enable persons with developmental disabilities to approximate the pattern of everyday living available to nondisabled people of the same age. The Legislature further intends that an equitable system of rates for day programs purchased by regional centers shall be developed, maintained, and revised as necessary to assure high quality services for developmentally disabled persons.

SEC. 2. Section 4692 is added to the Welfare and Institutions Code, to read:

4692. (a) The State Department of Developmental Services shall provide, within six weeks after the effective date of this section, a written report to the Legislature showing its current procedure for establishing reimbursement for day programs. This report shall include, but not be limited to, information on the following: development of rates for new and established programs; description of allowable and nonallowable expenses, including service activity and administration costs; reimbursement for client absences; replacement for lost subsidy; and the process and procedure for appeal of rates established under this criteria.

(b) The State Council on Developmental Disabilities, in consultation with the Health and Welfare Agency, shall conduct a study on alternative reimbursement mechanisms and present their recommendations to the Legislature by January 1, 1983. Participants in this study shall include, but not be limited to, the State Department of Developmental Services, California Association of Rehabilitation Facilities, Association for Retarded Citizens—California, Association of Regional Center Agencies, and other interested community and provider groups. The study shall include the examination of standards and recommendations of the utilization of standards, including national accreditation standards, as a prerequisite for reimbursement, and what the fiscal and policy implications will be for each of these alternatives, including reimbursement of actual and allowable costs, costs of supporting national accreditation standards, and methods of implementing these mechanisms should there be no additional funding.

(c) The State Department of Developmental Services shall not adopt a new policy or promulgate regulations for reimbursing day programs until such a time that the Legislature can review the study directed in subdivision (b).

SEC. 3. Section 4693 is added to the Welfare and Institutions Code, to read:

4693. For the purposes of this article, "infant day program" means a day training and activity program where infants and their families are provided training individually and in groups for a day or less, and are provided an organized program of activity. These programs are designed to encourage the development and adjustment of the infants in the community and their homes, and to prepare the infants for entrance into classes of local schools or other appropriate facilities.

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

In order that the State Department of Developmental Services may establish equitable rate setting policies and procedures for all day programs, including infant development programs, as soon as possible, it is necessary that the provisions of this act take effect at the earliest possible date.

CHAPTER 169

An act to amend Sections 25526.5, 25526.6, and 25537 of the Government Code, and to amend Section 5236 of the Streets and Highways Code, relating to local agencies.

[Approved by Governor April 24, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 25526.5 of the Government Code is amended to read:

25526.5. Whenever the board of supervisors determines that any real property or interest therein belonging to the county is no longer necessary for county or other public purposes, and its estimated value does not exceed ten thousand dollars ($10,000), the county may sell, exchange, quitclaim, or convey such real property or interest therein in the manner and upon the terms and conditions approved by the board of supervisors without complying with any other sections in this article. The board of supervisors may, by ordinance, designate such county officer or officers as are deemed appropriate, to execute sales of the real property or interest therein, provided that notice of intention that such county officer or officers will execute

the sale shall be posted in a public place for five working days prior to effecting the transfer.

SEC. 2. Section 25526.6 of the Government Code is amended to read:

25526.6. Notwithstanding any other provision of law, the board may grant or otherwise convey, or by ordinance, may authorize such county officer or officers as are deemed appropriate, to grant or otherwise convey an easement, license, or permit for use of any real property of the county to the state, or to any county, city, district, or public agency or corporation, or to any public utility corporation in the manner and upon the terms and conditions as the board or authorized county officer determines or prescribes, upon a finding by the board or authorized county officer that the conveyance is in the public interest and that the interest in land conveyed will not substantially conflict or interfere with the use of the property by the county.

SEC. 3. Section 25537 of the Government Code is amended to read:

25537. In any county the board of supervisors may prescribe by ordinance a procedure alternative to that required by Sections 25526 to 25535 for the leasing of any real property belonging to the county. Any alternative procedure so prescribed shall require that the board of supervisors either accept the highest proposal for the proposed lease submitted in response to a call for bids posted in at least three public places for not less than 15 days and published for not less than 2 weeks in a newspaper of general circulation, if such newspaper is published in the county, or reject all bids, except that leases of a duration not exceeding five years and having an estimated monthly rental of not exceeding one thousand dollars ($1,000) may be excluded from the bidding procedure. If a lease is excluded from the bidding procedure the actual monthly rental in the executed lease shall not exceed one thousand dollars ($1,000), the term of the executed lease shall not exceed five years, and the lease is not renewable. The board of supervisors may, by ordinance, authorize such county officer or officers as are deemed appropriate, to execute leases pursuant to this section.

SEC. 4. Section 5236 of the Streets and Highways Code is amended to read:

5236. After construction has begun, the legislative body, or the superintendent of streets if authorized by the legislative body, may order changes in the work without the necessity of a hearing. The order shall be in writing, and the amount of any change ordered shall not exceed five thousand dollars ($5,000) when the total amount of the original contract does not exceed fifty thousand dollars ($50,000), nor 10 percent of the amount of any original contract which exceeds fifty thousand dollars ($50,000). No change shall exceed twenty-five thousand dollars ($25,000). The limitations on the cost of changes permitted by this section shall not apply where (1) the change is requested in writing by the owner of property subject to assessment

for the improvement under construction and the nature of the change requested is such that the cost thereof will be assessed exclusively against the property of the person requesting the change, or (2) the change in the work will not adversely affect the benefiting property and any increase in the cost resulting from such changes will be paid by the city and will not be assessed against the property within the assessment district.

CHAPTER 170

An act relating to the juvenile court law.

[Approved by Governor April 25, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. The Legislature finds that the problems of serious juvenile crime and delinquency have escalated throughout the state, and are of a vastly different character today than they were 20 years ago when a statewide commission developed and assisted in enacting the Arnold-Kennick Juvenile Court Law. It is imperative that a broad, experienced, and representative group of juvenile justice practitioners and experts be brought together to revise and update that law in order to enhance the efficiency, effectiveness, and fairness of the juvenile justice system.

SEC. 2. There is in the state government the Commission for the Revision of the Juvenile Court Law. The commission shall be composed of nine persons: four to be appointed by the Governor, one by the Speaker of the Assembly, one by the Senate Rules Committee, and three by the Attorney General. The persons appointed to the commission shall be practitioners of the professional discipline that they represent. Of the persons appointed by the Governor, one shall represent social service practitioners, one shall represent persons engaged in the field of juvenile probation, one shall represent the Department of the Youth Authority, and one shall represent the Advisory Committee on Juvenile Justice and Delinquency Prevention. The person appointed by the Speaker of the Assembly shall represent attorneys engaged in juvenile defense work. The person appointed by the Senate Rules Committee shall represent the juvenile court bench. Of the persons appointed by the Attorney General, one shall represent persons engaged in law enforcement work dealing with juveniles, one shall represent prosecutors dealing with juveniles, and one shall be a person representing persons engaged in work in the areas of school welfare and attendance.

The Legislature intends that membership on the commission shall be selected in a manner that assures that the commission shall achieve a racial, ethnic, age, and sexual balance that is reflective of

the population of the state. The Legislature also intends that membership on the commission shall be selected to assure that every region of the state is represented, so that both metropolitan and urban problems can be addressed effectively. The Legislature directs the commission to actively seek advice and voluntary assistance from recognized statewide professional organizations demonstrating concern for improving juvenile justice, community-based organizations involved in providing services to juveniles, and local organizations and individuals possessing knowledge and expertise that will enhance the efforts of the commission.

SEC. 3. Appointees to the commission shall serve for the duration of the study.

At the first meeting of the commission, and annually thereafter, the members shall select one of their members to serve as chairperson and one of their members to serve as vice chairperson.

SEC. 4. The duty and function of the commission shall be the preparation of recommendations to the Governor and the Legislature for the revision of the Arnold-Kennick Juvenile Court Law (Chapter 2 (commencing with Section 200) of Division 2 of the Welfare and Institutions Code).

In this connection the commission shall meet as a body six times a year.

SEC. 5. The commission may hold hearings throughout the state on such subjects as will facilitate the fulfillment of its function.

SEC. 6. Subject to the provisions of Article VII of the State Constitution, the commission may hire an executive secretary and such staff as may be necessary to fulfill its duties.

SEC. 7. The commission shall, by January 1, 1984, submit a written report to the Governor and the Legislature detailing its recommendations for the revision of the juvenile court law.

SEC. 8. The commission may accept gifts and grants from any source, public or private, to assist it in the performance of its functions, and such gifts and grants shall operate to augment any appropriation made for the support of the commission.

SEC. 9. Members of the commission shall be reimbursed for their actual and necessary travel and other expenses incurred in the performance of their official duties.

SEC. 10. This act shall be operative until January 1, 1984, and on that date is repealed unless a statute effective on or before that date extends or limits that date.

SEC. 11. The California Council on Criminal Justice is encouraged to make funds available from federal funds under its control to carry out the provisions of this act. This act shall not become operative unless these funds are so made available for the use of the Commission for the Revision of the Juvenile Court Law.

CHAPTER 171

An act to amend Sections 17 and 72.5 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session), relating to the San Diego Unified Port District.

[Approved by Governor April 25, 1982. Filed with Secretary of State April 26, 1982.]

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

SECTION 1. Section 17 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 17. The term of each commissioner shall be for four years, except as provided in this section.

Any vacancy shall be filled by appointment by the city council of the city from which the vacancy has occurred. Any appointment to fill a vacancy during the term of a commissioner shall be for the unexpired term. Each commissioner, before entering upon the duties of his office, shall take and subscribe the oath as provided in Section 1360 of the Government Code of the State of California, and a certificate of the same shall be filed with the city clerk of the city from which the commissioner shall have been appointed, and a copy of which shall be filed with the district. A commissioner may be removed from the board by a majority vote of the city council which appointed the commissioner.

SEC. 2. Section 72.5 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 72.5. Unclassified and classified services.

(a) Employment in the district shall be divided into the unclassified and classified service.

(b) The unclassified service shall include:

(1) All officers of the district.

(2) All department and division heads.

(3) The principal assistant or deputy of all officers and department and division heads.

(4) All assistant and deputy attorneys.

(c) The board shall establish a classified civil service which shall include all positions not specifically included in the unclassified service; provided, however, any incumbents in the positions included in the unclassified service presently in the classified service shall remain in the classified service until the respective positions are vacated by the incumbents.

(d) Officers and employees appointed by the board may be removed from office by the affirmative vote of the majority of the members of the board.

(e) All persons in the classified service shall be appointed by and

may be removed by the port director subject to the civil service rules and regulations of the district.

CHAPTER 172

An act to add Sections 190.25 and 245.2 to, and to add and repeal Sections 241.3 and 243.3 of, the Penal Code, relating to crimes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 190.25 is added to the Penal Code, to read:

190.25. (a) The penalty for a defendant found guilty of murder in the first degree shall be confinement in state prison for a term of life without the possibility of parole in any case in which any of the following special circumstances has been charged and specially found under Section 190.4, to be true: the victim was the operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or the victim was a station agent or ticket agent for the entity providing such transportation, who, while engaged in the course of the performance of his or her duties was intentionally killed, and such defendant knew or reasonably should have known that such victim was the operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or was a station agent or ticket agent for the entity providing such transportation, engaged in the performance of his or her duties.

(b) Every person whether or not the actual killer found guilty of intentionally aiding, abetting, counseling, commanding, inducing, soliciting, requesting, or assisting any actor in the commission of murder in the first degree shall suffer confinement in state prison for a term of life without the possibility of parole, in any case in which one or more of the special circumstances enumerated in subdivision (a) of this section has been charged and specially found under Section 190.4 to be true.

(c) Nothing in this section shall be construed to prohibit the charging or finding of any special circumstance pursuant to Sections 190.1, 190.2, 190.3, 190.4, and 190.5.

SEC. 2. Section 241.3 is added to the Penal Code, to read:

241.3. When an assault is committed against the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless

trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or against the person of a station agent or ticket agent for the entity providing such transportation, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of his or her duties, and the victim is engaged in the performance of his or her duties, the offense shall be punished by a fine not exceeding one thousand dollars ($1,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.

SEC. 3. Section 241.3 is added to the Penal Code, to read:

241.3. When an assault is committed against the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or against the person of a station agent or ticket agent for the entity providing such transportation, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of his or her duties, and the victim is engaged in the performance of his or her duties, the offense shall be punished by a fine not exceeding two thousand dollars ($2,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.

SEC. 4. Section 243.3 is added to the Penal Code, to read:

243.3. When a battery is committed against the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or against the person of a station agent or ticket agent for the entity providing such transportation, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of his or her duties, and the victim is engaged in the performance of his or her duties, the offense shall be punished by a fine not exceeding one thousand dollars ($1,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment. If an injury is inflicted on that victim, the offense shall be punished by imprisonment in the county jail for a period of not more than one year, or by a fine of not more than one thousand dollars ($1,000), or by imprisonment in the state prison for 16 months, or two or three years.

SEC. 5. Section 243.3 is added to the Penal Code, to read:

243.3. When a battery is committed against the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or against the person

of a station agent or ticket agent for the entity providing such transportation, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of his or her duties, and the victim is engaged in the performance of his or her duties, the offense shall be punished by a fine not exceeding two thousand dollars ($2,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment. If an injury is inflicted on that victim, the offense shall be punished by imprisonment in the county jail for a period of not more than one year, or by a fine of not more than two thousand dollars ($2,000), or by imprisonment in the state prison for 16 months, or two or three years.

SEC. 6. Section 245.2 is added to the Penal Code, to read:

245.2. Every person who commits an assault with a deadly weapon or instrument or by any means of force likely to produce great bodily injury upon the person of an operator or driver of a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, or upon the person of a station agent or ticket agent for the entity providing such transportation, when the driver, operator, or agent is engaged in the performance of his or her duties, and where the person who commits the assault knows or reasonably should know that the victim is engaged in the performance of his or her duties, shall be punished by imprisonment in the state prison for three, four, or five years.

SEC. 7. It is the intent of the Legislature that Sections 3 and 5 of this bill shall become operative only if this bill and Assembly Bill No. 685 are both chaptered and become operative on or before January 1, 1983.

Therefore, Sections 241.3 and 243.3 of the Penal Code, as added by Sections 3 and 5 of this bill, shall become operative only if this bill and Assembly Bill No. 685 are both chaptered and become operative on or before January 1, 1983, in which case Sections 241.3 and 243.3 of the Penal Code, as added by Sections 2 and 4 of this bill shall become operative on the effective date of this bill and shall remain in effect until January 1, 1983, on which date they shall be repealed and Sections 241.3 and 243.3 of the Penal Code, as added by Sections 3 and 5 of this bill, shall become operative.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Drivers or operators of buses, taxicabs, streetcars, cable cars, trackless trolleys, and other motor vehicles operated on land, including a vehicle operated on stationary rails or on a track or rail suspended in the air, used for the transportation of persons for hire, and station agents or ticket agents for the entity providing such transportation are being subjected to various crimes of violence due

to the nature of their jobs which renders them uniquely vulnerable. It is therefore necessary that this act take effect immediately.

SEC. 9. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 173

An act to amend, add, and repeal Section 20722 of the Food and Agricultural Code, relating to cattle, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982]

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

SECTION 1. 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 June 30th following the recordation of the brand, or by June 30th of the year which follows the last year for which the renewal fee has been paid, the right to use the brand is suspended as of June 1st of that year.

This section shall remain in effect only until January 1, 1983, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1983, deletes or extends that date.

SEC. 2. Section 20722 is added to the Food and Agricultural Code, 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 the renewal fee has been paid, the right to use the brand is suspended as of April 1st of that year.

This section shall become operative on January 1, 1983.

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

In order to ensure adequate financial support for the state's brand inspection program, it is necessary that this act take effect

immediately.

CHAPTER 174

An act to amend Section 3294 of the Civil Code, relating to punitive damages.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 3294 of the Civil Code is amended to read:

3294. (a) In an action for the breach of an obligation not arising from contract, where the defendant has been guilty of oppression, fraud, or malice, the plaintiff, in addition to the actual damages, may recover damages for the sake of example and by way of punishing the defendant.

(b) An employer shall not be liable for damages pursuant to subdivision (a), based upon acts of an employee of the employer, unless the employer had advance knowledge of the unfitness of the employee and employed him or her with a conscious disregard of the rights or safety of others or authorized or ratified the wrongful conduct for which the damages are awarded or was personally guilty of oppression, fraud, or malice. With respect to a corporate employer, the advance knowledge and conscious disregard, authorization, ratification or act of oppression, fraud, or malice must be on the part of an officer, director, or managing agent of the corporation.

(c) As used in this section, the following definitions shall apply:

(1) "Malice" means conduct which is intended by the defendant to cause injury to the plaintiff or conduct which is carried on by the defendant with a conscious disregard of the rights or safety of others.

(2) "Oppression" means subjecting a person to cruel and unjust hardship in conscious disregard of that person's rights.

(3) "Fraud" means an intentional misrepresentation, deceit, or concealment of a material fact known to the defendant with the intention on the part of the defendant of thereby depriving a person of property or legal rights or otherwise causing injury.

CHAPTER 175

An act relating to nursing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 27, 1982 Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Notwithstanding the provisions contained in Item 151-052-761 of the Budget Act of 1981, the following sum of money, or so much thereof as may be necessary, is hereby appropriated from the unencumbered balance of the Board of Registered Nursing Fund: one hundred eighty-nine thousand dollars ($189,000) to the Board of Registered Nursing in augmentation of Item 151-052-761 of the Budget Act of 1981 (Chapter 99, Statutes of 1981) in order to carry out the provisions of Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code for the remainder of the 1981–82 fiscal year.

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

In order to maintain funding of the Board of Registered Nursing, it is necessary that this act take effect immediately.

CHAPTER 176

An act to amend Section 8331 of the Health and Safety Code, relating to cemeteries.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 8331 of the Health and Safety Code is amended to read:

8331. A record shall be kept of the ownership of all plots in the cemetery which have been conveyed by the cemetery authority and of all transfers of plots in the cemetery. Transfer of any plot, heretofore or hereafter made, or any right of interment, shall be complete and effective when recorded on the books of the cemetery authority.

CHAPTER 177

An act to add Sections 99153 and 99154 to the Public Utilities Code, relating to transit districts.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982]

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

SECTION 1. Section 99153 is added to the Public Utilities Code, to read:

99153. Any transit district or operator may adopt uniform standards to rate bidders, on the basis of questionnaires and required statements, with respect to contracts for railroad rolling stock upon which each bidder is qualified to bid. Notwithstanding any other provision of law, the district or operator may limit bidding and award of contracts for railroad rolling stock to the bidders the district or operator has determined are qualified to bid. However, the district or operator shall qualify at least two persons or entities for bidding on the contracts.

SEC. 2. Section 99154 is added to the Public Utilities Code, to read:

99154. Any transit district or operator may require from prospective bidders for any contract answers to questions contained in a standard questionnaire and financial statement, including a complete statement of the prospective bidder's financial ability and experience in performing public contracts. When completed, the questionnaire and financial statement shall be verified under oath by the bidder in the manner in which pleadings are verified in civil actions.

The questionnaires and financial statements are not public records and shall not be open to public inspection.

CHAPTER 178

An act to amend Section 202.5 of the Code of Civil Procedure, relating to jury duty.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 202.5 of the Code of Civil Procedure is amended to read:

202.5. A peace officer, as defined in Section 830.1 and subdivision (a) of Section 830.2 of the Penal Code, and a judge shall be exempt from jury service. As used in this section, "judge" means only an active judge of a court of record and does not include a temporary judge, as specified in Section 21 of Article VI of the California Constitution.

CHAPTER 179

An act to amend Section 19612.6 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 19612.6 of the Business and Professions Code is amended to read:

19612.6. (a) Notwithstanding any other provision of this chapter, any association with an average daily handle of six hundred fifty thousand dollars ($650,000) or less which conducts a racing meeting pursuant to Sections 19549, 19549.1, 19549.5, 19549.6, 19549.7, or 19701 shall deduct the amounts specified in Section 19610 to be distributed as license fees, commissions, and purses as provided by this section.

(b) Each such association shall pay a daily license fee based on its conventional and exotic parimutuel handle at the following rates:

Daily handle	License fee rate
$300,000 and under	1.0 percent of the handle
$300,001 to $350,000	$3,000 plus 1.5 percent of the handle in excess of $300,000
$350,001 to $400,000	$3,750 plus 2.0 percent of the handle in excess of $350,000
$400,001 to $450,000	$4,750 plus 2.5 percent of the handle in excess of $400,000
$450,001 to $500,000	$6,000 plus 3.0 percent of the handle in excess of $450,000
$500,001 to $550,000	$7,500 plus 3.5 percent of the handle in excess of $500,000
$550,001 or more	$9,250 plus 4.0 percent of the handle in excess of $550,000

(c) For harness and mixed meetings the amount remaining after deduction of the state license fee pursuant to subdivision (b) shall be distributed equally between commissions and purses. For quarter horse and muleracing meetings, the amount remaining after deduction of the state license fee pursuant to subdivision (b) shall be distributed between commissions and purses as agreed to by the association conducting the meeting and the organization representing the horsemen or mulemen participating in the meeting. For fair meetings conducted pursuant to Section 19549, the amount remaining after deduction of the state license fee pursuant to subdivision (b) shall be distributed 48 percent to commissions and 52 percent to purses.

Every association which conducts a racing meeting pursuant to Section 19549 shall, in addition, deduct from its parimutuel pools the amount specified in subdivision (d) of Section 19614.

(d) In the event that any association qualified to operate its meeting pursuant to the provisions of this section conducts two separate programs of racing on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the distribution of license fees, commissions, and purses thereon. For the purposes of this subdivision, a program shall consist of at least nine races.

(e) In addition to any deductions pursuant to this section, every association conducting a racing meeting pursuant to Section 19549.1 shall also deduct an additional 1 percent of its parimutuel pools to be distributed as commissions.

(f) In addition to any deductions pursuant to this section, every association conducting a racing meeting pursuant to Section 19549.1 shall also deduct an additional 2 percent of its exotic parimutuel pools to be distributed equally as commissions and purses.

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

This act applies to a mixed horseracing meeting which due to facility requirements may be held at one location and which conducts its meeting in the spring prior to June 1. In order for this act to apply to the current racing season, it is necessary that this act take effect immediately.

CHAPTER 180

An act to amend Sections 14157, 14456, 14804, and 14851 of the Financial Code, relating to credit unions.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 14157 of the Financial Code is amended to read:

14157. (a) A credit union organized and duly qualified as a credit union in another state of the United States shall become a credit union organized and operating pursuant to this division if in compliance with each of the following requirements:

(1) Such credit union has filed a statement with the Secretary of State pursuant to Section 2105 of the Corporations Code.

(2) The commissioner has approved an application filed by the credit union which has not been suspended or revoked.

(3) The interest rate of such credit union on loans made to members residing in this state does not exceed the maximum interest rate permitted by the jurisdiction under whose laws it is organized.

(4) Such credit union has obtained surety bond coverage and fidelity bond coverage as prescribed in Section 14409.

(5) Such credit union has obtained insurance or guaranty for its members' share accounts as prescribed in Section 14858.

(6) Such credit union submits an annual audit report to the commissioner as prescribed in Article 2 (commencing with Section 14250) of Chapter 3 of this division.

(7) Such credit union pays the cost of examination or services performed in accordance with Section 14353.

(8) Such credit union pays to the commissioner, in accordance with Section 14351, an annual fee fixed by rule of the commissioner in an amount not to exceed two hundred fifty dollars ($250).

(b) For the purpose of implementing the provisions of this section, the commissioner may cooperate with the administrators of the credit union laws of other states and the commissioner may share with them information received in the administation of this division.

(c) The commissioner may disapprove an application filed pursuant to this section, or upon reasonable notice and opportunity for hearing suspend or revoke approval of an application, if the commissioner finds that the standards of organization, operation and regulation of the credit union, including but not limited to the laws and regulation of the jurisdiction in which it is organized, do not reasonably conform to the standards of organization, operation and regulation established pursuant to this division, or that 50 percent or more of the members of the credit union are, or are reasonably expected to be, residents of this state.

SEC. 2. Section 14456 of the Financial Code is amended to read:

14456. Unless the bylaws expressly reserve any or all of the following duties to the members 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 members 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 loaned 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 amend the bylaws, except where membership approval is required.

(g) To fill vacancies in the board of directors or credit committee, and to temporarily fill vacancies caused by the suspension of any member of the board of directors, or any or all members of the credit committee, pending a meeting of the members to determine whether to affirm such suspension and vacate the office, or to reinstate such member or members.

(h) To direct the deposit or investment of funds, except loans to members.

(i) To designate alternate members of the credit committee who shall serve in the absence or inability of the regular members to perform their duties.

(j) To perform or authorize any action not inconsistent with law or regulation and not specifically reserved by the bylaws for the members, and to perform such other duties as the bylaws may prescribe.

SEC. 3. Section 14804 of the Financial Code is amended to read:

14804. The members of a credit union shall hold an annual meeting for the election of directors and a supervisory committee and, if provided for in its bylaws, the election of a credit committee, upon such notice and at such time and place as the bylaws provide.

SEC. 4. Section 14851 of the Financial Code is amended to read:

14851. Every credit union may issue shares to any qualified member. Shares may be issued in coownership to a member and any person designated by such member. Coownership, as used herein, includes but is not limited to, joint tenancy, tenancy in common or community property forms of ownership. No membership privilege, including voting and obtaining a loan, may be made available to any nonmember as a result of ownership of shares solely as coowner of shares with a member, and any certificate or other evidence of shares which may be issued, shall contain the words "No transfer of voting rights or other membership privilege is permitted by virtue of transfer of shares." Shares may be transferred to a public agency lawfully entitled to receive same when designated by a member as assignee of an account pledged as a surety deposit to such public agency by such member.

CHAPTER 181

An act to add and repeal Section 6086.7 of the Business and Professions Code, relating to attorneys.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 6086.7 is added to the Business and Professions Code, to read:

6086.7. Whenever a reversal of a judgment in a judicial proceeding is based in whole or in part upon misconduct, incompetent representation, or willful misrepresentation by counsel, the court that ordered reversal of the judgment shall cause the matter to be reported to the State Bar of California for investigation with regard to the appropriateness of initiating disciplinary action against the attorney. The court shall also notify the attorney involved that the matter has been referred to the State Bar for investigation.

SEC. 2. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 182

An act to amend Section 231 of the Probate Code, relating to escheat.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 231 of the Probate Code is amended to read:

231. (a) If a decedent, whether or not he was domiciled in this state, leaves no one to take his estate or any portion thereof by testate succession, and no one other than a government or governmental subdivision or agency to take his estate or a portion thereof by

intestate succession, under the laws of this state or of any other jurisdiction, the same escheats at the time of his death in accordance with this article.

(b) Property passing to the state under this article, whether held by the state or its officers, is subject to the same charges and trusts to which it would have been subject if it had passed by succession, and is also subject to the provisions of Title 10 (commencing with Section 1300) of Part 3 of the Code of Civil Procedure relating to escheated estates.

(c) Notwithstanding any other provision of law, a benefit consisting of moneys or other property distributable from a trust established under a plan providing health and welfare, pension, vacation, severance, retirement benefit, death benefit, unemployment insurance or similar benefits shall not pass to the state or escheat to the state under this article, but shall go to the trust or fund from which distributable, subject to the provisions of Section 1521 of the Code of Civil Procedure. If, however, such plan has terminated and the trust or fund has been distributed to the beneficiaries thereof prior to distribution of such benefit from the estate, such benefit shall pass to the state and escheat to the state under this article.

CHAPTER 183

An act to amend Sections 74220, 74223, and 74224 of the Water Code, relating to water conservation districts.

[Approved by Governor April 27, 1982. Filed with Secretary of State April 27, 1982.]

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

SECTION 1. Section 74220 of the Water Code is amended to read:

74220. On the first Tuesday next following the formation election, as to the first board, and at the next regularly scheduled meeting of the board following the general district election, but in no event later than the last day of November, as to subsequent boards, the directors shall meet and organize as a board.

SEC. 2. Section 74223 of the Water Code is amended to read:

74223. The board shall hold regular meetings in its office on the first Tuesday in March, June, September, and December, and such special meetings as may be required for the proper transaction of business. Upon a finding by the board for good cause, the board may, by resolution, increase the frequency and number of regular meetings.

SEC. 3. Section 74224 of the Water Code is amended to read:

74224. Notwithstanding Section 74223, the board may, by

resolution, change the day for holding regular meetings. Notice of any such change shall be published once a week for at least two consecutive weeks before the date for a regular meeting in a newspaper of general circulation circulated in the district.

CHAPTER 184

An act to amend Section 8230 of, to add Sections 7652.1 and 7652.2 to, and to add and repeal Article 3.5 (commencing with Section 7860) of Chapter 1 of Part 3 of Division 6 of, the Fish and Game Code, and to amend Section 1 of Chapter 706 of the Statutes of 1981, relating to fish and game, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 30, 1982. Filed with Secretary of State April 30, 1982.]

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

SECTION 1. Section 7652.1 is added to the Fish and Game Code, to read:

7652.1. Notwithstanding any other section in this article, the director shall hold a public hearing or hearings in the area of the fishery under consideration after adoption of a fishery management plan or amendment thereto by the secretary. The hearing shall be held upon notice and not less than four days after the approval by the secretary of a fishery management plan or amendment thereto.

SEC. 2. Section 7652.2 is added to the Fish and Game Code, to read:

7652.2. (a) The director shall take evidence at the public hearing convened pursuant to Section 7652.1, of the affects the proposed regulations would have on the state's fishery resources, the commercial or recreational fishing industry, and the state's ability to manage fishery resources in state waters. The director shall send a written report to the Legislature which summarizes the reasons for the proposed regulations.

(b) Regulations may not be adopted by the director under this article until a hearing has been held pursuant to Section 7652.1.

SEC. 3. Article 3.5 (commencing with Section 7860) is added to Chapter 1 of Part 3 of Division 6 of the Fish and Game Code, to read:

Article 3.5. Commercial Salmon Trollers Enhancement and Restoration Program

7860. Notwithstanding Sections 7852.5 to 7852.7, inclusive, the amount of a salmon stamp shall be increased by fifty-five dollars ($55) beginning on May 2, 1982, and shall remain at the increased amount except as hereinafter provided during 1983 and thereafter.

For any commercial salmon season preceded by a commercial salmon season in which the commercial troll salmon landings in this state equal or exceed six million pounds dressed weight, the fee shall be increased by a ten dollar ($10) increment for every one-quarter million pounds of dressed weight landings up to a maximum of two hundred fifteen dollars ($215). This section shall not apply to licensees who are 70 years of age or older on April 15 of the year for which the license is issued.

7861. Funds collected pursuant to Section 7860 shall be placed in a special account in the Fish and Game Preservation Fund to be appropriated annually by the Legislature for new or expanded salmon restoration and enhancement programs in the state that will serve to increase ocean salmon landings. No moneys in this account shall be used in lieu of other funds appropriated for salmon restoration and enhancement programs presently authorized by law.

7862. Commercial fishing licenses issued for 1982 prior to May 2, 1982, shall be invalid for salmon unless the increased fee for a salmon stamp as provided for in this article is paid prior to June 1, 1982.

7863. This article shall remain in effect only until January 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends that date.

SEC. 4. Section 8230 of the Fish and Game Code is amended to read:

8230. The following definitions apply to the provisions of this article:

(a) "Appeals board" means the Commercial Salmon Fishing Appeals Board created pursuant to Section 8236.

(b) "Qualified individual" means a natural person who purchased a commercial salmon permit valid through December 31, 1981, and either presents this permit to an authorized department license agent or whose name appears on the department's list of 1980–81 commercial salmon permitholders. "Qualified individual" also means a natural person who holds a commercial salmon permit which was approved by the appeals board on or before April 13, 1982.

SEC. 5. Section 1 of Chapter 706 of the Statutes of 1981 is amended to read:

Section 1. The Director of Fish and Game shall appoint a Klamath and Trinity Salmon Restoration Advisory Committee. The committee shall consist of not more than nine persons representing the Indian tribes of the Klamath River, the ocean commercial salmon fishery, the recreational salmon fishery, and major landowners in the Klamath-Trinity basin including the United States Forest Service. The committee shall advise the director on restoration programs and assist the Department of Fish and Game in the establishment and coordination of these programs.

The reasonable and necessary expenses of committee members incurred in the performance of their official duties shall be payable by the Department of Fish and Game from funds available to the department. However, members shall not receive any per diem for

serving on the committee.

This act shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1985, deletes or extends that date.

SEC. 6. This act is an urgency statute necessary for the preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the provisions of this act take effect prior to the beginning of the commercial salmon season, it is necessary that the provisions of this act go into immediate effect.

CHAPTER 185

An act to amend Section 510 of the Labor Code, to amend Section 654.2 of the Penal Code, to amend Sections 226 and 5353 of the Public Utilities Code, and to add Section 522 to the Vehicle Code, relating to ridesharing.

[Approved by Governor April 30, 1982. Filed with Secretary of State April 30, 1982.]

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

SECTION 1. Section 510 of the Labor Code is amended to read:

510. Eight hours of labor constitutes a day's work, unless it is otherwise expressly stipulated by the parties to a contract. Time spent commuting to and from the first place at which an employee's presence is required by the employer shall not be considered to be a part of a day's work, when the employee commutes in a vehicle owned, leased, or subsidized by the employer used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code. Nothing in this section shall be construed to affect, change, or limit an employer's liability under the workers' compensation law.

SEC. 2. Section 654.2 of the Penal Code, as amended by Chapter 46 of the Statutes of 1982, is amended to read:

654.2. The provisions of Section 654.1 of the Penal Code shall not apply to the selling, furnishing, or providing of transportation of any person or persons in any of the following circumstances:

(a) When no compensation is paid or to be paid, either directly or indirectly, for the transportation.

(b) For the furnishing or providing of transportation to or from work of employees engaged in farmwork on any farm of the State of California.

(c) For the furnishing or providing of transportation to and from work of employees of any nonprofit cooperative association, organized pursuant to any law of the State of California.

(d) For the transportation of persons wholly or substantially

within the limits of a single municipality or of contiguous municipalities.

(e) For transportation of persons over a route wholly or partly within a national park or state park where the transportation is sold in conjunction with, or as part of, a rail trip or trip over a regularly operated motorbus transportation system or line.

(f) For the transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which is used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver. This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.

SEC. 3. Section 226 of the Public Utilities Code, as amended by Chapter 46 of the Statutes of 1982, is amended to read:

226. (a) "Passenger stage corporation" includes every corporation or person engaged as a common carrier, for compensation, in the ownership, control, operation, or management of any passenger stage over any public highway in this state between fixed termini or over a regular route except those, 98 percent or more of whose operations as measured by total route mileage operated, which are exclusively within the limits of a single city or city and county, or whose operations consist solely in the transportation of bona fide pupils attending an institution of learning between their homes and that institution.

For the purposes of this section, the percentage of the route mileage within the limits of any city shall be determined by the Public Utilities Commission on the first day of January of each year, and the percentage so determined shall be presumed to continue for the year.

(b) "Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation, or management of any passenger stage over any public highway in this state, whether between fixed termini or over a regular route or otherwise, engaged in the transportation of any pupils or students to and from a public or private school, college or university or to and from activities of a public or private school, college or university, where the rate, charge, or fare for that transportation is not computed, collected, or demanded on an individual fare basis.

(c) "Passenger stage corporation" does not include the transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which is used for the purpose of ridesharing, as defined in

Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver. This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.

(d) "Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation or management of any medical transportation vehicles.

SEC. 4. Section 5353 of the Public Utilities Code, as amended by Chapter 46 of the Statutes of 1982, is amended to read:

5353. The provisions of this chapter do not apply to:

(a) Transportation service rendered wholly within the corporate limits of a single city or city and county.

(b) Transportation of school pupils conducted by or under contract with the governing board of any school district entered into pursuant to the Education Code.

(c) Common carrier transportation services between fixed termini or over a regular route which are subject to authorization pursuant to the provisions of Article 2 (commencing with Section 1031) of Chapter 5 of Part 1 of Division 1 of this code.

(d) Transportation services occasionally afforded for farm employees moving to and from farms on which employed when the transportation is performed by the employer in vehicles owned or leased by him, or by a nonprofit agricultural cooperative association organized and acting within the scope of its powers under Chapter 4 (commencing with Section 1190) of Division 6 of the Food and Agricultural Code, and without any requirement for the payment of compensation therefor by the employees.

(e) Transportation service rendered by a publicly owned transit system.

(f) Passenger vehicles carrying passengers on a noncommercial enterprise basis.

(g) Taxicab transportation service licensed and regulated by a city or county, by ordinance or resolution, rendered in vehicles designed for carrying not more than eight persons excluding the driver.

(h) Transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver. This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.

(i) Medical transportation vehicles.

SEC. 5. Section 522 is added to the Vehicle Code, to read:

522. "Ridesharing" means two or more persons traveling by any mode, including, but not limited to, carpooling, vanpooling, buspooling, taxipooling, jitney, and public transit.

CHAPTER 186

An act to amend Sections 19532 and 19617 of, to add Section 19596 to, and to repeal and add Section 19616 to, the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 30, 1982. Filed with Secretary of State April 30, 1982.]

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

SECTION 1. Section 19532 of the Business and Professions Code is amended to read:

19532. (a) Any association licensed to conduct thoroughbred racing in the northern zone may receive no more than 16 weeks of such racing.

(b) Any association licensed to conduct thoroughbred racing in the central zone may receive no more than 17 weeks of such racing, except that any association conducting a split meeting may receive up to 20 weeks of such racing. No more than one such split meeting may be licensed in any one year.

(c) Any association licensed to conduct quarter horse racing in the southern zone may receive no more than 15 weeks of such racing.

(d) This section and Section 19531 shall not operate to deprive any association of any weeks of racing granted during 1980.

(e) This section and Section 19531 shall not operate to deprive the California State Fair and Exposition of any weeks of racing granted during the previous calendar year, and the board may continue to allocate such weeks of racing to the California Exposition and State Fair or any lessee thereof.

(f) Nothing in subdivision (e) shall be construed as a limitation on the board allocating racing weeks to any private racing association as a lessee of the California Exposition and State Fair racetrack facility pursuant to Sections 19531 and 19532.

SEC. 2. Section 19596 is added to the Business and Professions Code, to read:

19596. Notwithstanding any other provision of law, the board may authorize an association conducting a racing meeting to accept wagers on the results of out-of-state feature races having a gross purse of more than one hundred thousand dollars ($100,000) during the period it is conducting the racing meeting if both of the following conditions are met:

(a) The authorization complies with federal laws, including, but not limited to, Chapter 57 (commencing with Section 3001) of Title 15 of the United States Code.

(b) Wagering is offered only within the racing inclosure and only within 36 hours of the running of the out-of-state feature race.

SEC. 3. Section 19616 of the Business and Professions Code is repealed.

SEC. 4. Section 19616 is added to the Business and Professions Code, to read:

19616. (a) Notwithstanding any other provision of law, wagers on out-of-state feature races conducted pursuant to Section 19596 shall be placed in a separate parimutuel pool or pools and shall be distributed as provided by this section.

(b) Each association accepting wagers on an out-of-state feature race shall deduct a percentage of the amount handled in its conventional and exotic parimutuel pools which is equal to the percentage deducted from the amount handled by the association in its parimutuel pools at its racing meeting.

(c) Each association shall pay a state license fee at the rate or rates applicable to the races of the association's racing program for the day on which the out-of-state feature race is offered. In the event that the association does not conduct a regular racing program on that day of the meeting, the state license fee shall be paid at the rate or rates applicable to the most immediate prior day of the racing program.

(d) Breakage and unclaimed tickets on out-of-state feature races shall be distributed 50 percent as commissions and 50 percent as purses.

(e) The amount remaining from the deduction under subdivision (b), after payment of the state license fee and the contractual payment to the out-of-state host racing association, shall be distributed 50 percent as commissions and 50 percent as purses.

(f) From the amount distributed under subdivision (e) for thoroughbred, quarter horse, and Appaloosa purses, 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. The sum shall be deposited within 10 days of the close of the meeting with the officially recognized organizations representing the respective breeds. After deduction of expenses, not to exceed 5 percent, and approval of all the deductions by the board, the fund shall be distributed on a prorated percentage basis of first moneys earned to persons owning California-bred racehorses at the time of their wins in accordance with the provisions of subdivision (b) of Section 19612.2 and subdivision (c) of Section 19617.

SEC. 5. Section 19617 of the Business and Professions Code is amended to read:

19617. (a) Any association conducting a thoroughbred racing meeting shall deduct an amount equal to 0.34 percent of the total amount handled and shall at the end of the meeting deposit these moneys with the official registering agency of California-bred

thoroughbred racehorses as designated by the board.

(b) The official registering agency shall distribute such funds pursuant to Section 19567 to the breeders of California-bred thoroughbred horses becoming entitled thereto at such thoroughbred racing meeting, except that a breeder of a thoroughbred horse winning or placing second or third in a race in this state shall be paid a sum equal to 10 percent of the respective share of the purse, exclusive of nomination, entry, or starting fees. A breeder of a California-bred thoroughbred winning a graded stakes race outside the State of California shall be paid a sum equal to 10 percent of the winner's share of the purse, with a maximum award of seven thousand five hundred dollars ($7,500) for any one race.

(c) Following the close of each meeting the official registering agency shall pay an owners' premium award of up to 5 percent of the winner's share of the purse, exclusive of nomination, entry, or starting fees, to the owner of a California-bred thoroughbred horse winning a race, other than a claiming race, at a thoroughbred meeting in this state, or a claiming race at thoroughbred racing meetings in the central and southern zones when the total purse exceeds the daily average purse distributed at that meeting during the prior year, or a claiming race at thoroughbred racing meetings in the northern zone when the total purse exceeds 150 percent of the daily average purse distributed at that meeting during the prior year. This payment shall be supplemented by the funds paid pursuant to subdivision (b) of Section 19611.5, except that the combined owner's premium award shall not exceed 20 percent for any one race.

(d) At the end of the fiscal year, the balance of such fund shall be distributed by the official registering agency as stallion awards. Stallion awards shall be made on a prorated percentage based on the winner's share of the purse, exclusive of nomination, entry, or starting fees, to the owner of a sire of California-bred thoroughbred horses which win one or more races other than claiming races at a thoroughbred racing meeting, or a claiming race at thoroughbred racing meetings in the central or southern zone when the total purse exceeds the daily average purse distributed at that meeting during the prior year, or a claiming race at thoroughbred racing meetings in the northern zone when the total purse exceeds 150 percent of the daily average purse distributed at that meeting during the prior year, or any thoroughbred stakes race run at the California Exposition and State Fair, or at any county or district agricultural association fair, and, in the case of such California-bred thoroughbreds winning a graded stakes race outside the State of California, a prorated award shall be made to the owner of the sire, with a maximum award of seven thousand five hundred dollars ($7,500) for any one race. Such awards shall not be made to the owner of a stallion which has been out of the state for breeding purposes during the calendar year.

(e) The maximum amount payable to the owner of a California stallion eligible for stallion awards for any one race shall be 3 percent of the total stallion awards fund for the year during which that race

was run.

(f) The official registering agency shall make a deduction for expenses not to exceed 5 percent of the total awards fund, with such deductions having to be approved by the board, which shall report annually to the Governor and Legislature with respect to such distributions.

(g) In the event there are insufficient funds to make all of the distributions in this section, there shall be no additional assessments made against any associations to fund such deficiencies.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit immediate realization of added state license fee revenues that would be generated from out-of-state feature race wagering at California racetracks at the earliest opportunity, it is necessary that this act take effect immediately.

CHAPTER 187

An act to amend Section 50 of, and Section 1035, as added by Chapter 41 of the Statutes of 1982, of, to repeal Sections 54, 55, and 325 of, and to repeal and add Section 53 to, the Probate Code, relating to wills.

[Approved by Governor April 30, 1982. Filed with Secretary of State April 30, 1982.]

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

SECTION 1. Section 50 of the Probate Code is amended to read:

50. Except as provided for holographic wills, every will shall be in writing and shall be executed and attested as follows:

(1) It must be subscribed at the end thereof by the testator himself, or some person in his presence and by his direction must subscribe his name thereto. A person who subscribes the testator's name, by his direction, should write his own name as a witness to the will, but a failure to do so will not affect the validity of the will.

(2) The subscription must be made, or the testator must acknowledge it to have been made by him or by his authority, in the presence of both of the attesting witnesses, present at the same time.

(3) The testator, at the time of subscribing or acknowledging the instrument, must declare to the attesting witnesses that it is his will.

(4) There must be at least two attesting witnesses, each of whom must sign the instrument as a witness, at the end of the will, at the testator's request and in his presence. The witnesses should give their places of residence, but a failure to do so will not affect the validity of the will.

SEC. 2. Section 53 of the Probate Code is repealed.

SEC. 3. Section 53 is added to the Probate Code, to read:

53. (a) A will which does not comply with Section 50 is valid as a holographic will, whether or not witnessed, if the signature and the material provisions are in the handwriting of the testator.

(b) If a holographic will does not contain a statement as to the date of its execution and:

(1) If such failure results in doubt as to whether its provisions or the inconsistent provisions of another will are controlling, the holographic will is invalid to the extent of such inconsistency unless the time of its execution is established to be after the date of execution of the other will.

(2) If it is established that the testator lacked testamentary capacity at any time during which the will might have been executed, the will is invalid unless it is established that it was executed at a time when the testator had testamentary capacity.

(c) As used in this section, "will" includes codicil and any testamentary instrument which merely appoints an executor or revokes or revises another will.

SEC. 4. Section 54 of the Probate Code is repealed.

SEC. 5. Section 55 of the Probate Code is repealed.

SEC. 6. Section 325 of the Probate Code is repealed.

SEC. 7. Section 1035 of the Probate Code, as added by Chapter 41 of the Statutes of 1982, is amended to read:

1035. If a will indicates the testator's intention to make a marital deduction gift in trust, in addition to the other provisions of this article, each of the following provisions shall also apply to such trust:

(a) The only income beneficiary of a marital deduction trust shall be the testator's surviving spouse.

(b) The income beneficiary shall be entitled to all of the trust income until the trust terminates.

(c) The trust income shall be payable to the income beneficiary not less frequently than annually.

(d) The income beneficiary shall have the right to require that the trustee of the trust make any unproductive property productive or to convert it into productive property within a reasonable time.

(e) Except in the case of a qualified terminable interest property resulting from an election pursuant to Section 2056(b)(7) of the Internal Revenue Code, upon termination of the trust, all of the remaining trust assets, including accrued or undistributed income, shall pass either to the income beneficiary or pursuant to the exercise of a general power of appointment granted to the income beneficiary in favor of the income beneficiary's estate or to any other person or entity, in trust or outright. The general power of appointment shall be exercisable by the income beneficiary alone and in all events and the income beneficiary, or a fiduciary acting in behalf of the income beneficiary if he or she is then a minor or incompetent, may exercise it in a will or an instrument other than a will unless the instrument creating the power specifically directs

otherwise.

SEC. 8. Sections 1 through 6, inclusive, of this act shall not apply in any case where the person whose will is offered for probate died before the operative date of this act. Such cases continue to be governed by the law in effect immediately before the operative date of this act.

CHAPTER 188

An act to amend Sections 45319, 45320, 88138, and 88139 of the Education Code, relating to schools.

[Approved by Governor April 30, 1982 Filed with Secretary of State April 30, 1982]

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

SECTION 1. Section 45319 of the Education Code is amended to read:

45319. A merit (civil service) system within a school district may be terminated by one of the following methods:

(a) If the governing board of a school district, or a county board of education, receives a written petition of qualified electors not less in number than 10 percent of the number voting in the last election for a member of the board calling for the termination of the merit (civil service) system and the system has been in operation for not less than five years or has been imposed pursuant to the terms of Section 45119 or 45120, the board shall order the county superintendent of schools to place the question of termination of the system on the ballot at the next regular governing board member election, or county board of education member election, or the next primary or general election in a general election year, whichever is the earlier after receipt by the county superintendent of schools.

The statement of purpose of the election shall read:

"Shall the merit (civil service) system for school employees not requiring certification qualifications, as provided for in Article 6 (commencing with Section 45240) of Chapter 5 of Part 25, of Division 3 of Title 2 of the Education Code of the State of California, and which has been in operation for at least five years, be terminated by the _____ School District of _____ County (or counties, where appropriate), or by the County Office of Education of _____ County on _____ (date to be specified by board)?"

The petition calling for the election, to be valid, must contain the statement of purpose for the election as contained in this section.

(b) If the governing board of a school district, or the county board of education, receives a written petition from 40 percent of the classified employees entitled to vote calling for the termination of the merit (civil service) system and the system has been in operation

for not less than five years or has been imposed pursuant to the terms of Section 45119 or 45120, the governing board shall conduct an election by secret ballot of its classified personnel to determine whether or not they desire to have the merit system terminated within the district. The ballot shall read: "Shall the merit (civil service) system for classified employees be terminated in the _____ (name of school district, or county office of education) as of _____ (termination date)?"

As used in this paragraph, the term "classified employees" means all personnel who are a part of the classified service who are appointed in accordance with the provisions of Section 45272.

In order to be valid, the petition calling for the termination of the merit (civil service) system shall be submitted to the governing board within 90 days after the date that the notice for the circulation of the petition was filed with the governing board.

If the merit system was adopted pursuant to Section 45224.5, classified employees entitled to vote in an election pursuant to this subdivision shall be limited to those classified employees who reside in the district.

(c) The governing board shall devise an identification system designed to protect against fraud in the balloting process. In addition, the governing board shall appoint a three-member tabulation committee consisting of one member of the governing board, one member of the personnel commission of the district, and one member who shall be a classified employee of the district. It shall be the responsibility of the tabulation committee to canvass the election ballots and to certify the results of the election to the governing board at the next regular meeting of the governing board following the completion of the tabulation of the election ballots by the committee.

(d) Notwithstanding any other provision of law, the governing board shall not be required to provide release time for classified personnel to vote in an election conducted pursuant to the provisions of subdivision (b). The governing board shall not conduct an election under subdivision (b) more than once in any two-year period.

(e) It shall be unlawful for a public school employer and the exclusive representative of the classified employees of a school district to include the subject of the termination of the merit (classified service) system within the scope of representation.

(f) It is the intent of the Legislature that members of the classified service shall be provided an adequate and ample opportunity to be informed of the arguments in favor of and in opposition to the termination of the merit (civil service) system prior to the conducting of an election called pursuant to subdivision (b).

SEC. 2. Section 45320 of the Education Code is amended to read:

45320. If the majority of the qualified electors vote to terminate the merit system in a school district, or a county office of education, or if the majority of the classified employees vote to terminate the merit system in a school district, or a county office of education the

personnel commission shall cease to function on the date specified in the election and the law pertaining to merit system districts, or county offices of education shall cease to have any force or effect in that district or county office of education.

Simultaneously, with the termination of the merit system, the governing board shall adopt rules and regulations relating to classified school employees as required by Section 45113.

Notwithstanding an action to terminate the merit system in a school district, or county office of education, the provisions of Section 45221, 45223, and 45224 shall be applicable at any time after at least two years have elapsed after the system has ceased to operate.

SEC. 3. Section 88138 of the Education Code is amended to read:

88138. A merit (civil service) system within a community college district may be terminated by one of the following methods:

(a) If the governing board of a community college district, receives a written petition of qualified electors not less in number than 10 percent of the number voting in the last election for a member of the board calling for the termination of the merit (civil service) system and the system has been in operation for not less than five years, the board shall order the county superintendent of schools to place the question of termination of the system on the ballot at the next regular governing board member election, or the next primary or general election in a general election year, whichever is the earlier after receipt by the county superintendent of schools.

The statement of purpose of the election shall read:

"Shall the merit (civil service) system for school employees not requiring certification qualifications, as provided for in Article 3 (commencing with Section 88060) of Chapter 4 of Part 51 of Division 7 of Title 3 of the Education Code of the State of California, and which has been in operation for at least five years, be terminated by the _____ Community College District of _____ County (or counties, where appropriate) on _____ (date to be specified by board)?"

The petition calling for the election, to be valid, must contain the statement of purpose for the election as contained in this section.

(b) If the governing board of a community college district receives a written petition from 40 percent of the classified employees entitled to vote calling for the termination of the merit (civil service) system and the system has been in operation for not less than five years or has been imposed pursuant to the terms of Section 45119 or 45120, the governing board shall conduct an election by secret ballot of its classified personnel to determine whether or not they desire to have the merit system terminated within the district. The ballot shall read: "Shall the merit (civil service) system for classified employees be terminated in the _____ (name of community college district) as of _____ (termination date)?"

As used in this paragraph, the term "classified employees" means all personnel who are a part of the classified service who are

appointed in accordance with the provisions of Section 88091.

In order to be valid, the petition calling for the termination of the merit (civil service) system must be submitted to the governing board of a community college district within 90 days after the date that the notice for the circulation of the petition was filed with the governing board of the community college district.

If the merit system was adopted pursuant to Section 88057, classified employees entitled to vote in an election pursuant to this subdivision shall be limited to those classified employees who reside in the district.

(c) The governing board of a community college district shall devise an identification system designed to protect against fraud in the balloting process. In addition, the governing board shall appoint a three-member tabulation committee consisting of one member of the governing board, one member of the personnel commission of the community college district, and one member who shall be a classified employee of the community college district. It shall be the responsibility of the tabulation committee to canvass the election ballots and to certify the results of the election to the governing board at the next regular meeting of the governing board following the completion of the tabulation of the election results by the committee.

(d) Notwithstanding any other provision of law, the governing board of a community college district shall not be required to provide release time for classified personnel to vote in an election conducted pursuant to the provisions of subdivision (b). The governing board shall not conduct an election under subdivision (b) more than once in any two-year period.

(e) It shall be unlawful for a public school employer and the exclusive representative of the classified employees of a community college district to include the subject of the termination of the merit (classified service) system within the scope of representation.

(f) It is the intent of the Legislature that members of the classified service shall be provided an adequate and ample opportunity to be informed of the arguments in favor of and in opposition to the termination of the merit (classified service) system prior to the conducting of an election called pursuant to subdivision (b).

SEC. 4. Section 88139 of the Education Code is amended to read:

88139. If the majority of the qualified electors vote to terminate the merit system in a community college district, or if the majority of the classified employees vote to terminate the merit system in a community college district, the personnel commission shall cease to function on the date specified in the election and the law pertaining to merit system districts shall cease to have any force or effect in that district.

Simultaneously, with the termination of the merit system, the governing board shall adopt rules and regulations relating to classified school employees as required by Section 88013.

Notwithstanding an action to terminate the merit system in a

community college district, the provisions of Section 88051, 88053, and 88054 shall be applicable at any time after at least two years have elapsed after the system has ceased to operate.

SEC. 5. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 6. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 189

An act relating to the Department of Transportation, making an appropriation therefor, and in this connection augmenting Item 266-001-042 of the Budget Act of 1981 (Chapter 99 of the Statutes of 1981, as amended by Chapter 169 of the Statutes of 1981), and Item 266-301-042 of the Budget Act of 1981 (Chapter 99 of the Statutes of 1981), and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 3, 1982. Filed with Secretary of State May 3, 1982.]

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

SECTION 1. Subdivision (b) of Section 14529.5 of the Government Code, as enacted by Chapter 541 of the Statutes of 1981, requires the Department of Transportation to expedite project development and the expenditure of available revenues and to keep the cash balance in the State Highway Account in the State Transportation Fund to the minimum necessary for meeting contractual obligations.

This act carries out this requirement by making appropriations from the increase in funds deposited in the account during the 1981-82 fiscal year as a result of the provisions of Chapter 541 of the Statutes of 1981. These appropriations will supplement the appropriations made in the Budget Act of 1981 (Chapter 99 of the Statutes of 1981) from the State Highway Account. These supplemental appropriations will advance the award of projects that are in the 1981 State Transportation Improvement Program as well as provide needed funding to expedite project development and improve the maintenance of the state highway system.

SEC. 2. The sum of seventy-seven million three hundred

thousand dollars ($77,300,000) is hereby appropriated from the State Highway Account in the State Transportation Fund for allocation, as follows:

(a) Eighteen million three hundred thousand dollars ($18,300,000) to the Department of Transportation for support in augmentation of Item 266-001-042 of the Budget Act of 1981 (Chapter 99, Statutes of 1981, as amended by Chapter 169, Statutes of 1981) to be expended for the purposes of category (a) of the item, subject to the provisions of the Budget Act of 1981 applicable to the item.

(b) Fifty-nine million dollars ($59,000,000) to the Department of Transportation for capital outlay in augmentation of Item 266-301-042 of the Budget Act of 1981 (Chapter 99, Statutes of 1981) to be expended for the purposes of category (a) of the item, subject to the provisions of the Budget Act of 1981 applicable to the item.

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

In order that transportation projects and activities affecting the public's safety and well-being may proceed expeditiously in keeping with available funds, it is necessary that this act take effect immediately.

CHAPTER 190

An act relating to victims of crime, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 3, 1982 Filed with Secretary of State May 3, 1982.]

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

SECTION 1. The sum of two million five hundred thousand dollars ($2,500,000) is hereby appropriated from the Indemnity Fund for expenditure in the 1981–82 fiscal year in augmentation of, and for the purposes of, Item 872-001-214 of the Budget Act of 1981.

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

In order to provide additional funds for assistance to victims of violent crimes as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 191

An act to amend and renumber the heading of Chapter 10 (commencing with Section 6101) of, and to add Chapter 10 (commencing with Section 6051) to, Part 1 of Division 4 of the Food and Agricultural Code, relating to agriculture, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 3, 1982. Filed with Secretary of State May 3, 1982.]

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

SECTION 1. The heading of Chapter 10 (commencing with Section 6101) of Part 1 of Division 4 of the Food and Agricultural Code is amended and renumbered to read:

CHAPTER 11. CAPRIFIGS AND CAPRIFIG TREES

SEC. 2. Chapter 10 (commencing with Section 6051) is added to Part 1 of Division 4 of the Food and Agricultural Code, to read:

CHAPTER 10. COTTON PESTS ABATEMENT DISTRICTS

6051. Cotton pests abatement districts may be organized and established by the board of supervisors of the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura, pursuant to the provisions of this chapter, and may exercise the powers expressly granted, or necessarily implied, by those provisions.

The district may include land in more than one of the counties listed in this section with the consent of the board of supervisors of the counties affected. The county which includes the majority of acreage in the district shall be designated the principal county. The agricultural commissioner and county officers in the principal county shall perform the acts required by the provisions of this chapter. District funds shall be deposited in the treasury of the principal county.

Chapter 6.6 (commencing with Section 54773) of Part 1 of Division 2 of the Government Code and the District Reorganization Act of 1965 do not apply to cotton pests abatement districts organized pursuant to this chapter.

6052. In order to propose the organization of a cotton pests abatement district, a petition shall be presented to the board of supervisors of the county where the lands included within the proposed district are situated. The petition may consist of any number of separate instruments. The petition shall be signed by 25 percent of the cottongrowers or by 25 cottongrowers who grow cotton within the proposed district, whichever is less.

6053. Upon receipt of the petition, the board of supervisors shall direct the agricultural commissioner to create a register of all cottongrowers growing cotton within the proposed district describing the net acreage of land devoted to the growing of cotton by each grower.

6054. The agricultural commissioner shall file the cottongrowers register within 60 days of receipt of the order from the board of supervisors or by March 1st whichever date is the latest. The agricultural commissioner shall file with the register of cottongrowers a report and recommendation to the board of supervisors whether conditions of disease, insect, or other pests of cotton warrant the board of supervisors in proceeding with the organization of the district.

6055. The proponents of the formation of the district may, within 30 days of the receipt by the board of supervisors of the register of cottongrowers from the agricultural commissioner, file with the board of supervisors a petition for the establishment of the district signed by not less than 50 percent of the cottongrowers who grow not less than 65 percent of the cotton within the proposed district or not less than 65 percent of the cottongrowers who grow not less than 50 percent of the cotton grown within the proposed district.

The petition presented to the board of supervisors pursuant to Section 6052 shall satisfy the requirements of this section if it contains the number of signatures required by this section.

6056. Upon receipt of the petition, the board of supervisors shall immediately refer the petition to the agricultural commissioner who shall examine it by reference to the register of cottongrowers, and shall, within 15 days after receiving the petition, return the petition to the board of supervisors with his or her certificate attached thereto certifying from the cottongrowers register that the petition qualifies as valid. The certificate of the agricultural commissioner shall be conclusive as to the sufficiency of the signatures on the petition.

6057. At its meeting at which the certificate is received from the agricultural commissioner, or at its next meeting, regular or special, thereafter, the board of supervisors shall by order fix a time and place for hearing the petition, which time shall be not less than 20 days nor more than 40 days from the date of the order, and shall give notice of the hearing by publication of the time and place thereof with a general statement of the purpose of the proposed district, together with a description of the boundaries of the proposed district, once a week for two successive weeks immediately prior to the date fixed for the hearing, in a newspaper of general circulation in the county where the district will be situated.

6058. At the hearing, the board of supervisors shall make such changes in the boundaries of the proposed district as they determine to be advisable, and shall determine and describe the boundaries of the district. The board of supervisors shall not modify the boundaries so as to exclude from the district any lands growing or capable of

growing cotton which would be benefited by the formation of the district. The board of supervisors shall, at the hearing, hear all competent and relevant testimony, in support of the petition, and in opposition thereto, and shall determine whether the petition complies with the requirements of this chapter. The determination of the board of supervisors shall be entered upon the minutes of the meeting. No defect in the contents of the petition, or in the title to, or form of, the notice or signature, shall vitiate any proceeding thereon if the petition has a sufficient number of qualified signatures attached thereto.

6059. The board of supervisors shall, at the next regular or special meeting following the hearing upon the question of the organization of the proposed district, meet, and if it determines that the evidence presented at the hearing was sufficient to warrant the organization of the district, shall, by order entered upon its minutes, declare the district duly organized under the name designated in the petition. The order must describe the boundaries of the district so that all lands included in it may be known, and a copy of the order shall be filed for record in the office of the county recorder of the county where the district is situated.

6060. The board of supervisors shall, at the meeting at which the order declaring the district to be organized is made, appoint a board of five directors to administer the affairs of the district. No person shall, at any time, be eligible to hold the office of director of any district unless he or she is a resident of the state, and a cottongrower, either individually or as a joint tenant of, or is a member of a partnership which owns, or is an officer of, a corporation which grows cotton within the district.

6061. Each director so appointed shall, in the manner provided by law, give official bond for the faithful performance of his or her duties in the amount which shall be fixed by the board of supervisors, and shall subscribe the oath of office, and the bonds and oaths shall be filed with the county clerk of the county in which the district is situated. From and after the filing for record of the order declaring it organized and the appointment and qualifying of its board of directors, the organization of the district shall be complete.

6062. Any cotton pests abatement district organized pursuant to this chapter may do all of the following:

(a) Have perpetual succession.

(b) Sue and be sued for all actions and proceedings in all courts and tribunals of competent jurisdiction.

(c) Adopt a seal and alter it at pleasure.

(d) Take by grant, purchase, gift, devise, lease or otherwise, and to hold, use, and enjoy, and to lease, or otherwise dispose of, real and personal property of every kind and description within or without the district necessary to the full and convenient exercise of its powers.

(e) Prohibit the planting, growing, or maintenance of cotton plants within the boundaries of the district if it determines that such

a prohibition is necessary for cotton pest control.

(f) Charge fees for permits to plant cotton. The fees shall be used for the purpose of paying any obligation of the district and to accomplish the purposes of the district in the manner herein provided.

(g) Make contracts, and to employ, except as otherwise provided herein, all persons, firms, and corporations necessary to carry out the purposes and the powers of the district, at such salary, wage, or other compensation as the board of directors shall determine.

(h) Eradicate, remove, or prevent the spread of any disease, insect, or other pest injurious to cotton.

(i) Eradicate, eliminate, remove, or destroy any cotton plants except those cotton plants which are growing under the conditions established by a valid permit.

(j) Enter into or upon any land included in the district for the purpose of inspecting cotton growing thereon.

(k) Commence and prosecute appropriate actions to have it adjudged that any cotton plant growing within the district infested with disease, insects, or pests injurious to cotton; or any cotton plant growing within the district without a valid permit; is a public nuisance, and have it decreed that the nuisance be abated.

6063. The general control and management of each district shall be vested in a board of directors of five members. Directors shall be reimbursed for actual and necessary traveling expenses incurred by them in and about the performance of any duties required by the board of directors to be performed by them for the district. All claims presented by any director shall be subject to the approval of three other members of the board of directors.

6064. The term of office of the directors shall be four years, except for those first appointed upon the organization of the district. The first appointees shall, immediately upon their appointment, classify themselves by lot so that the terms of three of them shall expire on the first day of May following the first biennial election of the district and the terms of the other two shall expire on the first day of May following the second biennial election of the district.

6065. In the event of a vacancy in the board of directors either by resignation, death, or otherwise, the vacancy shall be filled by appointment by the board of supervisors and the person so appointed shall hold office for the remainder of the term of his or her predecessor.

6066. The board of directors of each district shall have the power to appoint and to fix the compensation of a secretary of the district who shall keep all records and perform such other duties as are ordered by the board of directors.

6067. Except as otherwise provided by this chapter, all acts of the board of directors shall be by resolution and a majority of the board of directors must concur in their adoption.

6068. The powers conferred upon any cotton pests abatement district and its board of directors by the provisions of this chapter

shall not be construed to be in lieu of other disease, pest, or insect control statutes, but an addition thereto, and no act of any district or of any of its directors, agents, or employees shall operate to deprive or hinder the duly appointed or designated state, county, or federal authorities in conducting any operation for the eradication or control or prevention of any disease, insect, or pest in the district.

6069. The agricultural commissioner of the county in which any district is situated, may, without fee or charge, supervise and direct, in accordance with the best known accepted methods as determined by the board of directors, all inspection, eradication, fumigation, and other activities undertaken by the district. The agricultural commissioner shall employ any and all assistants required in and about any such work, and the district shall bear and pay all expenses incurred in and about the work. Alternatively, the board of directors may employ a manager to carry out those duties and may employ such personnel as are necessary.

6070. The board of supervisors in every county where a district has been organized and exists under the provisions of this chapter shall direct the agricultural commissioner to file with the board of supervisors on March 1st of each year a register of every cottongrower intending to grow cotton during the growing season immediately following that date, describing the net acreage of land to be devoted to the growing of cotton by each grower. The agricultural commissioner shall submit a preliminary estimate of the information required to be filed on March 1st in order for the board to prepare the district budget.

The agricultural commissioner shall submit a copy of the register to the county clerk during election years.

6071. The board of directors of each district shall, on or before the first Monday in February of each year, prepare and file with the board of supervisors of the county in which the district is situated, a budget setting forth all estimated expenditures of the district for the fiscal year commencing on the first day of the month of April of that fiscal year. The budget shall include any estimated expenditures for special benefits which will affect only certain properties. The board of directors may submit the budget or a revised budget to the board of supervisors later than the first Monday in February, but not later than March 15, if necessary in order to properly reflect changes in the acreage involved between the preliminary estimate and the register prepared pursuant to Section 6070 and the costs of programs therefor. A copy of the budget shall, at the same time, be filed with the auditor of the county.

6072. The board of supervisors of the county may annually establish a fee for a permit to grow cotton within each cotton pests abatement district situated within the county and shall issue the permit to any cottongrower who satisfies the requirements of this chapter. The board of supervisors shall determine the amount of the fee by dividing the budget by the number of acres which will be devoted to cotton production during the ensuing growing season as

reported on the register of cottongrowers submitted to the board of supervisors on March 1st of each year. Special benefits which are included in the budget shall be paid for by an additional permit fee. This additional fee shall be based on the estimated cost of the benefit to be conferred on the specific property.

6073. The permit fee shall be entered in the minutes of the board of supervisors who shall advise the board of directors of the district of the fee per acre required for the issuance of a permit. The board of directors shall collect this fee from the applicant for a permit to grow cotton in the district. The fees shall be paid into the county treasury for the use of the district. The board of directors may provide for the method and time of payment of the fees which may be monthly, quarterly, or as otherwise determined to be reasonable. The board of directors may provide for the refund of fees, or appropriate part thereof, collected from growers who have not grown any cotton or have grown less than that for which they have a permit, insofar as such a refund would not adversely affect the programs being conducted by the district.

The board of directors shall, at the close of the district's fiscal year, refund any money not required for continuing programs that remains in the district fund on a pro rata basis to the persons from whom the fees being refunded were collected.

The board of directors shall pay the county or counties in which it is located the costs of county services performed at the request of the district. The district shall also reimburse the county or counties for services performed pursuant to Sections 6053, 6054, 6056, 6057, 6058, 6059, 6060, 6070, 6076, 6077, and 6081.

Petitioners for the formation of a cotton pest abatement district shall be assessed a fee by the commissioner in the amount necessary to cover any costs incurred as a result of duties performed by the commissioner under this chapter which are preparatory to the formation of a district if a district is not formed.

6074. The treasury of the county shall be the repository of all the moneys of the district. The county treasurer shall receive and receipt for all of these moneys, and place the same to the credit of the district. Any interest earned on the district funds shall be the property of the district. The treasurer shall be responsible upon his or her official bond for the safekeeping and disbursement, in the manner herein provided, of all moneys of any such district so held by him or her. The county treasurer shall pay out the moneys of the district only upon warrants of the county auditor drawn upon the order of the board of directors of the district signed by the president of the board and attested by the secretary. The county treasurer shall report in writing on the first day of July, October, January, and March of each year, to the board of directors of each district in his or her county, the amount of money he or she then holds for the district, the amount of receipts since his or her last report, and the amounts paid out; and each report shall be verified and filed with the secretary of the district to whom it is addressed.

6075. The board of directors, when prohibiting the planting, growing, or maintenance of cotton plants within the boundaries of the district, shall notify persons affected by this action within 15 days. The grower within 30 days may appeal the decision of the board of directors to the board of supervisors, which may, by a majority decision, modify, or rescind the decision of the board of directors.

6076. In each cotton pests abatement district, a biennial election shall be held in April of each odd-numbered year by the county clerk of the county in which a majority of the acreage in the district is contained. Notice of the election, and of the offices to be filled, shall be published in a newspaper of general circulation in the county once a week for three successive weeks before the first day of March. At the election a sufficient number of directors shall be elected to fill the places of those directors whose terms expire the first day of May immediately following the election.

The county clerk shall make declarations of candidacy available from March 1st through March 15th. Any person eligible for the office of director, desiring to be a candidate for election, shall file a declaration with the county clerk on or before March 15th. The county clerk shall certify the qualified candidates and have ballots prepared and printed. The election shall be conducted, as nearly as practicable, in accordance with the general election laws of this state.

6077. The county clerk on or before April 1st, shall mail a ballot, an identification envelope, and a stamped and addressed return envelope to each cottongrower on the register submitted by the agricultural commissioner. The ballot shall indicate the number of votes and the number shall be written on the ballot by the clerk. Each cottongrower appearing on the register shall be entitled to one vote for each acre of cotton for which a valid permit to grow cotton is possessed for each office to be filled, or proposition to be voted upon, at that election. Cumulative voting is not authorized.

The ballot shall be printed in substantially the following form:

No. 12345

(This number shall be torn off by election board before canvass)

No. 12345

Mark Crosses (+) on Ballot with Pen or Pencil

(Fold ballot to this perforated line, leaving top margin exposed and place in identification envelope)

OFFICIAL BALLOT

General District Election

_____Cotton Pest Abatement District

County of_____, State of California

MONDAY, APRIL 21, 1969

INSTRUCTIONS TO VOTERS: To vote for a candidate of your selection, mark a cross (+) in the voting square next to the right of the name of that candidate. Where two or more candidates for the same office are to be elected, mark a cross (+) after the names of all the candidates for that office for whom you desire to vote, not to exceed, however, the number of candidates who are to be elected. To vote for a person not on the ballot, write his or her name under the title of the office in the blank space left for that purpose.

All marks except the cross (+) and the data required to be entered hereon by the county clerk, are forbidden.

If you wrongly mark, tear or deface this ballot return it to the county clerk to obtain another.

DIRECTOR Vote for three	
MERRILL F. WEST	
CLIFFORD E. ROBERTSON	
COLLINS GRANT	

The holder of this ballot is entitled to cast _____ votes.

The ballot shall be placed in the identification envelope by the voter after the voter has indicated his or her choices. The identification envelope shall be sealed and signed by the voter. The identification envelope shall be returned to the county clerk in the sealed return envelope.

Ballots in order to be counted shall be received by the clerk not later than 12 o'clock noon of the third Monday in April and the return envelopes containing the ballots shall not be opened until that time. The clerk shall then open the return envelopes and deposit the ballot in its unopened envelope in a ballot box. After deposit of all identification envelopes received, the clerk shall open the ballot box and count the votes cast and certify the results of the election.

The returns of the election shall be reported to the board of directors of the district who shall meet on the Monday following the election and canvass the returns.

6078. The persons declared elected shall take the oath of office and file their official bonds with the county clerk of the county on or before the first day of May following their election and shall take office at noon of that day.

6079. Any owner of land devoted to the growing of cotton in the county where the district is situated may file a petition for inclusion in the district with the board of directors of any cotton pests abatement district, and the land may, by order of the board of directors, be included within the district. A certified copy of each order of the board of directors including additional lands within the district shall be filed for record by the secretary of the district in the office of the county recorder of the county immediately upon passage by the board of directors, and each such order shall particularly describe each parcel of land to be included in the district.

6080. The board of directors of each cotton pests abatement district shall hold a regular meeting at least once each month at the time and place in the district designated by resolution of the board; and the board of directors of each district shall prescribe the rules and regulations for the conduct of its meetings and for calling and giving notice of special meetings of the board.

6081. Whenever the board of supervisors, by resolution, desires to dissolve the district, or whenever a petition, signed by not less than 25 percent of the cottongrowers within a district who are engaged in the growing of cotton, requesting the dissolution of the district is presented to and filed with the board of directors of the district, the board of directors shall submit the question of the dissolution of the district to the qualified voters of the district at the next biennial election of the district; provided, however, that the board of directors shall not be required to accept a petition for the dissolution of the district within 10 days preceding any biennial election of a district. If at the election 60 percent of the votes cast are in favor of the dissolution of the district, the directors of the district shall, within 60 days, file for recording in the office of the county recorder of the

county a certified copy of an order declaring the district to be dissolved, and cease all activities, and shall proceed immediately to wind up the affairs of the district. The dissolution election procedures shall be the same as those contained in Sections 6076 and 6077.

6082. At the expiration of 90 days after the election, the board of directors shall deliver on the basis of the ratio of the acreage devoted to cottongrowing in each county in the district all property and assets in their possession belonging to the district to the agricultural commissioner of each county in the district to be held and used for the benefit of cotton production. Any funds which may be in the hands of the county treasurer to the credit of the district or to which the district may thereafter become entitled shall be transferred to the credit of the county in which the district is located and shall be expended by the board of supervisors for the benefit of cotton production.

6083. All claims and accounts against the district which have not been settled by the board of directors within 90 days after the election authorizing the dissolution of the district shall be presented to the board of supervisors of the county in which the district was located and shall be passed and approved by them in the same manner as county claims and shall be paid out of the funds of the dissolved district.

6084. In the event that there are insufficient funds to discharge all claims and accounts brought pursuant to Section 6083, the board of supervisors shall, at the time of levying the next general county taxes, make a special assessment upon the net acreage devoted to the growing of cotton which was benefited from the dissolved district sufficient in amount to discharge all outstanding claims and accounts against the district. Properties which received special benefits for which additional permit fees where paid in the last year of district operation shall have an additional pro rata charge made upon the net acreage affected.

6085. This act shall be known and may be cited as the Cotton Pests Abatement District Act.

SEC. 3. If any provision of this act or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisons 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. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

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

immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to become operative in time to protect this state's cotton crop during the 1982 growing season, it is necessary that this act take effect immediately.

CHAPTER 192

An act to amend Section 2019 of the Code of Civil Procedure, relating to depositions.

[Approved by Governor May 5, 1982. Filed with Secretary of State May 5, 1982.]

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. A party may videotape the deposition if the notice of taking deposition states that the deposition will also be videotaped, or if all parties agree that the deposition will also be videotaped, however, the cost of the videotape portion of the deposition shall not be a recoverable cost. 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) (1) 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.

(2) The stenographic transcript of the deposition prepared by the officer employed by the person noticing the deposition, shall constitute the official record of the deposition for the purpose of trial and any subsequent hearing or appeal. In cases where the deposition was also videotaped, the court may permit the playing of the original videotape or portions thereof for the purpose of the trial or any hearing, other than an appeal, upon a showing of good cause.

(3) The original videotape shall be retained by the operator who recorded the deposition. That operator shall, upon request, provide any party with a copy of the recording upon payment of a reasonable charge.

The operator may discard the videotape after written notice to all parties unless a party promptly objects thereto in writing. The written transcript of the videotaped deposition shall be certified, delivered, and used in the same manner as other transcripts.

(f) (1) The officer shall certify on the deposition and each copy thereof that the witness was duly sworn by such officer and that the deposition is a true record of the testimony given by the witness. Promptly upon the correction, approval, or refusal to approve the deposition, or upon the expiration of 30 calendar days following notification to the witness that the deposition is available for reading, correcting and signing, 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 or a copy thereof certified by the officer, reflecting any changes made by the witness, be filed as part of the record.

(2) The officer taking the deposition shall give prompt notice to

all parties of (i) the availability of the deposition for reading, correction, and approval; and (ii) all changes in the deposition made by the witness. Upon request made before the delivery or mailing of the deposition and payment of reasonable charges therefor, the officer shall furnish a certified copy of the deposition to any party to the action or to the deponent.

(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.

Whenever a deposition is taken out of this state pursuant to Section 2024, or by stipulation of the parties, the officer before whom the deposition is taken shall, by accepting the commission or undertaking to act pursuant to agreement, be deemed to have consented to be bound by all provisions of this code relating to the reporting, transcribing, certification, copying, signing, refusal to sign or change, sealing, and custody of the deposition, unless otherwise agreed by the parties on the record.

Notwithstanding paragraph (1) of subdivision (f), if the officer before whom such a deposition is taken is not a shorthand reporter having in this state a place of business where the deposition will be kept, the officer shall promptly upon sealing, send the deposition to the clerk of the court in which the action is pending for filing, unless the parties agree on record to the contrary. The clerk shall accept and file the deposition.

A reasonable filing fee, as determined by the Judicial Council, may be charged by the clerk for filing a deposition. In the event a filing fee is charged, the fee shall be paid to the officer at the time the deposition is taken by the party noticing it or by stipulation, and the officer shall pay the fee to the clerk at the time of filing.

(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.

(h) The Judicial Council may adopt rules governing the display and presentation of videotaped depositions in court.

CHAPTER 193

An act to amend Sections 1094, 1094.5, and 1107 of, and to add Sections 1088.5 and 1089.5 to, the Code of Civil Procedure, relating to writs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 5, 1982. Filed with Secretary of State May 5, 1982.]

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

SECTION 1. Section 1088.5 is added to the Code of Civil Procedure, to read:

1088.5. Where no alternative writ is sought, proof of service of a copy of the petition need not accompany the application for a writ at the time of filing, but proof of service of a copy of the filed petition must be lodged with the court prior to a hearing or any action by the court.

SEC. 2. Section 1089.5 is added to the Code of Civil Procedure, to read:

1089.5. Where a petition for writ of mandate is filed pursuant to Section 1088.5, and where a record of the proceedings to be reviewed has been filed with the petition or where no record of a proceeding is required, the respondent shall answer or otherwise respond within 30 days after service of the petition. However, where a record of the proceeding to be reviewed has been requested pursuant to Section 11523 of the Government Code, or otherwise, and has not been filed with the petition, the party upon whom the petition has been served, including any real party in interest, shall answer or otherwise respond within 30 days following receipt of a copy of the record.

SEC. 3. Section 1094 of the Code of Civil Procedure is amended to read:

1094. If no return be made, the case may be heard on the papers of the applicant. If the return raises only questions of law, or puts in issue immaterial statements, not affecting the substantial rights of the parties, the court must proceed to hear or fix a day for hearing the argument of the case.

If a petition for a writ of mandate filed pursuant to Section 1088.5 presents no triable issue of fact or is based solely on an administrative record, the matter may be determined by the court by noticed motion of any party for a judgment on the peremptory writ.

SEC. 4. 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. Except when otherwise prescribed by statute, the cost of preparing the record shall be borne by the petitioner. Where the petitioner has proceeded pursuant to Section 68511.3 of the Government Code and the Rules of Court implementing that section and where the transcript is necessary to a proper review of the administrative proceedings, the cost of preparing the transcript shall be borne by the respondent. Where the party seeking the writ has proceeded pursuant to the provisions of Section 1088.5, the administrative record shall be filed as expeditiously as possible, and may be filed with the petition, or by the respondent after payment of the costs by the petitioner, where required, or as otherwise directed 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 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 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. 5. Section 1107 of the Code of Civil Procedure is amended to read:

1107. When an application is filed for the issuance of any prerogative writ, the application shall be accompanied by proof of service of a copy thereof upon the respondent and the real party in interest named in such application. However, when a writ of mandate is sought pursuant to the provisions of Section 1088.5, the action may be filed and served in the same manner as an ordinary action under Part 2 (commencing with Section 307). Where the real party in respondent's interest is a board or commission, such service shall be made upon the presiding officer, or upon the secretary, or upon a majority of the members, of such board or commission. Within five days after service and filing of the application, the real party in interest or the respondent or both may serve upon the applicant and file with the court points and authorities in opposition

to the granting of the writ.

The court in which the application is filed, in its discretion and for good cause, may grant the application ex parte, without notice or service of the application as herein provided.

The provisions of this section shall not be applicable to applications for the writ of habeas corpus, or to applications for writs of review of the Industrial Accident or Public Utilities Commissions.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the administration of court proceedings for extraordinary writs, it is necessary that this act take effect immediately.

CHAPTER 194

An act to amend Sections 14425, 14427, 14430, 14432, 14436, 14437, and 14438 of, and to repeal Section 14428 of, the Business and Professions Code, relating to trade names.

[Approved by Governor May 5, 1982. Filed with Secretary of State May 5, 1982.]

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

SECTION 1. Section 14425 of the Business and Professions Code is amended to read:

14425. As used in this article:

(a) "Containers," "equipment" and "supplies" means containers, equipment or supplies bearing a brand.

(b) "Brand" means any mark, name or device filed as a brand under this article.

(c) "Registrant" means a person who files a brand under this article.

SEC. 2. Section 14427 of the Business and Professions Code is amended to read:

14427. Any person, who is engaged in the manufacture, packing, canning, bottling or selling of any substance in containers with his or her name, or other mark or device impressed or produced thereon, or whose equipment or supplies, owned by and used in his or her business, bears a name or other mark or device impressed or produced thereon, may file in the office of the Secretary of State, a description of the name, mark or device so used, as a brand.

For filing each brand described and issuing his or her certificate of filing the Secretary of State shall charge and collect a fee of five dollars ($5).

SEC. 3. Section 14428 of the Business and Professions Code is

repealed.

SEC. 4. Section 14430 of the Business and Professions Code is amended to read:

14430. It is unlawful for any person except a person named in subdivision (a) to do any of the acts named in subdivision (b).

(a) Persons excepted:

(1) The owner of the brand which has been filed in accordance with this article.

(2) The registrant.

(3) Members of any corporation or association which is the registrant.

(4) A person who has the written consent of the registrant describing the containers, equipment or supplies to which it applies.

(5) A person who has purchased the container, equipment or supplies from the owner of the brand appearing thereon.

(b) Prohibited acts:

(1) Possessing, using, or filling with any substance any container.

(2) Obliterating or concealing the brand on any container, supplies or equipment.

(3) Selling, buying, giving, taking or otherwise trafficking in any container, equipment, or supplies.

SEC. 5. Section 14432 of the Business and Professions Code is amended to read:

14432. Any person acquiring containers, supplies or equipment, by purchase or other lawful means, and having the written consent provided for in this article is not required again to file the description, but acquires as a part of his or her purchase all benefit that the vendor has.

SEC. 6. Section 14436 of the Business and Professions Code is amended to read:

14436. The violation of any of the provisions of this article is a misdemeanor, punishable:

(a) For the first offense by imprisonment for not less than 10 days nor more than six months or by a fine of fifty dollars ($50) for each and every container, or article of supply or equipment so filled, sold, used, disposed of, held, bought or trafficked in, or by both such fine and imprisonment.

(b) For each subsequent offense by imprisonment for not less than 20 days nor more than one year, or by a fine of not less than fifty dollars ($50) nor more than one hundred dollars ($100) for each and every container, or article of supply or equipment so filled, sold, used, disposed of, held, bought or trafficked in, or by both such fine and imprisonment.

SEC. 7. Section 14437 of the Business and Professions Code is amended to read:

14437. Every brand registered and published under Chapter 431 of the Statutes of 1921, as amended, prior to the effective date of Chapter 1162 of the Statutes of 1931, and all containers, equipment and supplies bearing such a brand shall be entitled to all the

protection and benefits of this chapter, and it is not necessary for any such brand to be changed or reregistered on account of the provisions of Chapter 1162 of the Statutes of 1931 and the provisions of this article which constitute a restatement and continuation thereof.

SEC. 8. Section 14438 of the Business and Professions Code is amended to read:

14438. Any registrant whose containers, equipment or supplies are involved in any violation of the provisions of this article may sue the person or persons who violated said provisions and, upon proof of such violation, shall recover threefold the replacement cost new of the containers, equipment or supplies so involved and costs of suit including a reasonable attorney's fee. No action shall be brought under this section or Section 14436 against a person who obtained possession of the containers, equipment or supplies pursuant to a contract with the registrant for the delivery of agricultural commodities, unless such person has failed to return to the registrant such containers, equipment and supplies to the point of delivery within 10 days after receipt of a demand for such return sent by registered mail to such person by the registrant.

SEC. 9. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 195

An act to amend Sections 17044, 17048, 17052.9, 17056, 17139, 17150, 17163, 17173, 17202, 17211.4, 17211.7, 17214.2, 17228.5, 17229.5, 17445, 17501, 17503, 17530, 17530.3, 17530.5, 18162.5, 18415, 23701t, 24343, 24354.2, 24357.2, 24381, 24442, and 24561 of, and to add Sections 17214.7, 17267, 17299.7, 17525.7, 18100.1, 24357.7, 24414, 24446, and 24611 to, to repeal and add Sections 17299.4 and 24443 of, and to repeal Sections 18416 and 23114 of, the Revenue and Taxation Code, and to amend Sections 13028 and 13050 of the Unemployment Insurance Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor May 5, 1982. Filed with Secretary of State May 5, 1982.]

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

SECTION 1. Section 17044 of the Revenue and Taxation Code is amended to read:

17044. Notwithstanding Section 17042, for purposes of this part a taxpayer shall not be considered to be a head of household by reason of an individual who would not be a dependent for the taxable year but for—

(a) Subdivision (i) of Section 17056, or

(b) Section 17058.

SEC. 1.3. Section 17048 of the Revenue and Taxation Code is amended to read:

17048. (a) 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.

(b) Subdivision (a) shall not apply to an individual to whom Article 1 (commencing with Section 18241) of Chapter 15 (relating to income averaging) applies for the taxable year.

SEC. 1.5. Section 17052.9 of the Revenue and Taxation Code is amended to read:

17052.9. (a) In the case of an individual who has attained age 65 before the close of the taxable year, there shall be allowed as a credit against the tax imposed under either Section 17041 or 17048, minus the credits for personal exemptions provided in Section 17054 for the taxable year an amount equal to 15 percent of such individual's designated maximum amount for such taxable year.

(b) For purposes of subdivision (a):

(1) An individual's designated maximum amount for the taxable year is the applicable initial amount determined under paragraph (2), reduced as provided in paragraph (3) and in subdivision (c).

(2) The initial amount is:

(A) Two thousand five hundred dollars ($2,500) in the case of a single individual;

(B) Two thousand five hundred dollars ($2,500) in the case of a joint return where only one spouse is eligible for the credit under subdivision (a);

(C) Three thousand seven hundred fifty dollars ($3,750) in the case of a joint return where both spouses are eligible for the credit under subdivision (a); or

(D) One thousand eight hundred seventy-five dollars ($1,875) in the case of a married individual filing a separate return.

(3) The reduction under this paragraph is an amount equal to the

sum of the amounts received by the individual (or, in the case of a joint return, by either spouse) as a pension or annuity:

(A) Under Title II of the Social Security Act;

(B) Under the Railroad Retirement Act of 1935 or 1937; or

(C) Otherwise excluded from gross income.

No reduction shall be made under this paragraph for any amount excluded from gross income under Sections 17101 to 17112.7, inclusive (relating to annuities), 17131 to 17135, inclusive (relating to life insurance proceeds), 17138 (relating to compensation for injuries or sickness), 17139 (relating to amounts received under accident and health plans), 17503 (relating to taxability of beneficiary of employee's trust), 17511 (relating to taxation of employee annuities), or 17526 (relating to qualified bond purchase plans).

(c) For purposes of this section:

(1) If the adjusted gross income of the taxpayer exceeds:

(A) Seven thousand five hundred dollars ($7,500) in the case of a single individual,

(B) Ten thousand dollars ($10,000) in the case of a joint return, or

(C) Five thousand dollars ($5,000) in the case of a married individual filing a separate return,

the designated maximum amount shall be reduced by one-half of the excess of the adjusted gross income over seven thousand five hundred dollars ($7,500), ten thousand dollars ($10,000), or five thousand dollars ($5,000), as the case may be.

(2) The amount of the credit allowed by this section for the taxable year shall not exceed the amount of the tax imposed under either Section 17041 or 17048, minus the credits for personal exemptions provided in Section 17054 for such taxable year.

(d) For purposes of this section, except in the case of a husband and wife who live apart at all times during the taxable year, if the taxpayer is married at the close of the taxable year, the credit provided by this section shall be allowed only if the taxpayer and his spouse file a joint return for the taxable year.

(e) For purposes of this section:

(1) In the case of a taxpayer who has not attained age 65 before the close of the taxable year (other than a married individual whose spouse has attained age 65 before the close of the taxable year), his credit (if any) under this section shall be determined under this subdivision.

(2) In the case of a married individual who has not attained age 65 before the close of the taxable year (and whose gross income includes income described in subparagraph (B) of paragraph (4)) but whose spouse has attained such age, this paragraph shall apply for the taxable year only if both spouses elect, at such time and in such manner as the Franchise Tax Board shall by regulations prescribe, to have this paragraph apply. If this paragraph applies for the taxable year, the credit (if any) of each spouse under this section shall be determined under this subdivision.

(3) In the case of an individual whose credit under this section for the taxable year is determined under this subdivision, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the amount received by such individual as retirement income (as defined in paragraph (4) and as limited by paragraph (5)).

(4) For purposes of this subdivision, the term "retirement income" means:

(A) In the case of an individual who has attained age 65 before the close of the taxable year, income from:

(i) Pensions and annuities,

(ii) Interest,

(iii) Rents,

(iv) Dividends,

(v) Bonds which are received under a qualified bond purchase plan or in a distribution from a trust which is exempt from tax or retirement bonds, and

(vi) An individual retirement account or an individual retirement annuity; or

(B) In the case of an individual who has not attained age 65 before the close of the taxable year and who performed the services giving rise to the pension or annuity (or is the spouse of the individual who performed the services), income from pensions and annuities under a public retirement system,

to the extent included in gross income without reference to this subdivision, but only to the extent such income does not represent compensation for personal services rendered during the taxable year.

(5) For purposes of this subdivision, the amount of retirement income shall not exceed two thousand five hundred dollars ($2,500) less—

(A) The reduction provided by subdivision (b) (3), and

(B) In the case of any individual who has not attained age 72 before the close of the taxable year:

(i) If such individual has not attained age 62 before the close of the taxable year, any amount of earned income (as defined in paragraph (8) (B) in excess of nine hundred dollars ($900) received by such individual in the taxable year, or

(ii) If such individual has attained age 62 before the close of the taxable year, the sum of one-half the amount of earned income received by such individual in the taxable year in excess of one thousand two hundred dollars ($1,200) but not in excess of one thousand seven hundred dollars ($1,700), and the amount of earned income so received in excess of one thousand seven hundred dollars ($1,700).

(6) In the case of a joint return, paragraph (5) shall be applied by substituting "three thousand seven hundred fifty dollars ($3,750)" for "two thousand five hundred dollars ($2,500)." The three thousand seven hundred fifty dollars ($3,750) provided by the

preceding sentence shall be divided between the spouses in such amounts as may be agreed on by them, except that not more than two thousand five hundred dollars ($2,500) may be assigned to either spouse.

(7) In the case of a married individual filing a separate return, paragraph (5) shall be applied by substituting "one thousand eight hundred seventy-five dollars ($1,875)" for "two thousand five hundred dollars ($2,500)." In the case of a joint return, this subdivision shall be applied without regard to community property laws.

(8) For purposes of this subdivision:

(A) The term "public retirement system" means a pension, annuity, retirement, or similar fund or system established by the United States, a state, a possession of the United States, any political subdivision of any of the foregoing, or the District of Columbia.

(B) The term "earned income" has the meaning assigned to that term by Section 911(b) of the Internal Revenue Code, except that such term does not include any amount received as a pension or annuity.

(f) No credit shall be allowed under this section to any nonresident.

(g) For the purpose of Section 17052.6 (relating to child care credit), such credit shall be computed by including the credit provided by this section after the personal exemption credits provided in Section 17054 in paragraph (2) of subdivision (a) of such section. For the purpose of Section 17052.7 (relating to agricultural irrigation credit), such credit shall be computed by including the credit provided by this section after the child care credit in paragraph (1) of subdivision (d) of such section.

SEC. 2. Section 17056 of the Revenue and Taxation Code is amended to read:

17056. For the purposes of this part, the term "dependents" means any of the following individuals over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer (or is treated under Section 17058 or 17059.5 as received from the taxpayer):

(a) A son or daughter of the taxpayer, or a descendant of either;

(b) A stepson or stepdaughter of the taxpayer;

(c) A brother, sister, stepbrother, or stepsister of the taxpayer;

(d) The father or mother of the taxpayer or an ancestor of either;

(e) A stepfather or stepmother of the taxpayer;

(f) A son or daughter of a brother or sister of the taxpayer;

(g) A brother or sister of the father or mother of the taxpayer;

(h) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer;

(i) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to Section 17060, of the taxpayer) who, for the taxable year of the taxpayer, has as his principal place of abode the home of the taxpayer

and is a member of the taxpayer's household; or

SEC. 4. Section 17139 of the Revenue and Taxation Code is amended to read:

17139. (a) Except as otherwise provided in this section, amounts received by an employee through accident or health insurance for personal injuries or sickness shall be included in gross income to the extent such amounts (1) are attributable to contributions by the employer which were not includable in the gross income of the employee, or (2) are paid by the employer.

(b) Except in the case of amounts attributable to (and not in excess of) deductions allowed under Sections 17253 to 17258, inclusive (relating to medical, etc., expenses), for any prior taxable year, gross income does not include amounts referred to in subsection (a) if such amounts are paid, directly or indirectly, to the taxpayer to reimburse the taxpayer for expenses incurred by him for the medical care (as defined in Section 17257) of the taxpayer, his spouse, and his dependents (as defined in Sections 17054 to 17059, inclusive).

(c) Gross income does not include amounts referred to in subsection (a) to the extent such amounts—

(1) Constitute payment for the permanent loss or loss of use of a member or function of the body, or the permanent disfigurement, of the taxpayer, his spouse, or a dependent (as defined in Sections 17054 to 17059, inclusive), and

(2) Are computed with reference to the nature of the injury without regard to the period the employee is absent from work.

(d) (1) In the case of a taxpayer who—

(A) Has not attained age 65 before the close of the taxable year, and

(B) Retired on disability and, when he retired, was permanently and totally disabled, gross income does not include amounts referred to in subdivision (a) if such amounts constitute wages or payments in lieu of wages for a period during which the employee is absent from work on account of permanent and total disability.

(2) This subdivision shall not apply to the extent that the amounts referred to in paragraph (1) exceed a weekly rate of one hundred dollars ($100).

(3) If the adjusted gross income of the taxpayer for the taxable year (determined without regard to this subdivision) exceeds fifteen thousand dollars ($15,000), the amount which but for this paragraph would be excluded under this subdivision for the taxable year shall be reduced by an amount equal to the excess of the adjusted gross income (as so determined) over fifteen thousand dollars ($15,000).

(4) For purposes of this subdivision, an individual is permanently and totally disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. An individual shall not be considered to be

permanently and totally disabled unless he furnishes proof of the existence thereof in such form and manner, and at such time as the Franchise Tax Board may require.

(5) (A) Except in the case of a husband and wife who live apart at all times during the taxable year, if the taxpayer is married at the close of the taxable year, the exclusion provided by this subdivision shall be allowed only if the taxpayer and his spouse file a joint return for the taxable year.

(B) In the case of a joint return—

(i) Paragraph (2) shall be applied separately with respect to each spouse, but

(ii) Paragraph (3) shall be applied with respect to their combined adjusted gross income.

(C) For purposes of this subdivision, marital status shall be determined under Section 17173.

(D) For purposes of this subdivision, the term "joint return" means the joint return of a husband and wife made under Section 18402.

(6) In the case of an individual described in subparagraphs (A) and (B) of paragraph (1), for purposes of Sections 17101 to 17112.7, inclusive, the annuity starting date shall not be deemed to occur before the beginning of the taxable year in which the taxpayer attains age 65, or before the beginning of an earlier taxable year for which the taxpayer makes an irrevocable election not to seek the benefits of this subdivision for such year and all subsequent years.

(e) For purposes of this section and Section 17138—

(1) Amounts received under an accident or health plan for employees, and

(2) Amounts received from a sickness and disability fund for employees maintained under the law of a state, a territory, or the District of Columbia,

shall be treated as amounts received through accident or health insurance.

(f) For purposes of Section 17253 (relating to medical, dental, etc., expenses) amounts excluded from gross income under subsection (c) or (d) shall not be considered as compensation (by insurance or otherwise) for expenses paid for medical care.

(g) (1) In the case of amounts paid to a highly compensated individual under a self-insured medical reimbursement plan which does not satisfy the requirements of paragraph (2) for a plan year, subsection (b) shall not apply to such amounts to the extent they constitute an excess reimbursement of such highly compensated individual.

(2) A self-insured medical reimbursement plan satisfies the requirements of this paragraph only if—

(A) The plan does not discriminate in favor of highly compensated individuals as to eligibility to participate; and

(B) The benefits provided under the plan do not discriminate in favor of participants who are highly compensated individuals.

(3) (A) A self-insured medical reimbursement plan does not satisfy the requirements of subparagraph (A) of paragraph (2) unless such plan benefits—

(i) Seventy percent or more of all employees, or 80 percent or more of all the employees who are eligible to benefit under the plan if 70 percent or more of all employees are eligible to benefit under the plan; or

(ii) Such employees as qualify under a classification set up by the employer and found by the Franchise Tax Board not to be discriminatory in favor of highly compensated participants.

(B) For purposes of subparagraph (A), there may be excluded from consideration—

(i) Employees who have not completed three years of service;

(ii) Employees who have not attained age 25;

(iii) Part-time or seasonal employees;

(iv) Employees not included in the plan who are included in a unit of employees covered by an agreement between employee representatives and one or more employers which the Franchise Tax Board finds to be a collective-bargaining agreement, if accident and health benefits were the subject of good faith bargaining between such employee representatives and such employer or employers; and

(v) Employees who are nonresident aliens and who receive no earned income (within the meaning of Section 911(b) of the Internal Revenue Code of 1954) from the employer which constitutes income from sources within the United States (within the meaning of Section 861(a)(3) of the Internal Revenue Code of 1954).

(4) A self-insured medical reimbursement plan does not meet the requirements of subparagraph (B) of paragraph (2) unless all benefits provided for participants who are highly compensated individuals are provided for all other participants.

(5) For purposes of this subsection, the term "highly compensated individual" means an individual who is—

(A) One of the five highest paid officers,

(B) A shareholder who owns (with the application of Section 17384) more than 10 percent in value of the stock of the employer, or

(C) Among the highest paid 25 percent of all employees (other than employees described in paragraph (3)(B) who are not participants).

(6) The term "self-insured medical reimbursement plan" means a plan of an employer to reimburse employees for expenses referred to in subsection (b) for which reimbursement is not provided under a policy of accident and health insurance.

(7) For purposes of this section, the excess reimbursement of a highly compensated individual which is attributable to a self-insured medical reimbursement plan is—

(A) In the case of a benefit available to a highly compensated individual but not to a broad cross section of employees, the amount reimbursed under the plan to the employee with respect

to such benefit, and

(B) In the case of benefits (other than benefits described in subparagraph (A)) paid to a highly compensated individual by a plan which fails to satisfy the requirements of paragraph (2), the total amount reimbursed to the highly compensated individual for the plan year multiplied by a fraction—

(i) The numerator of which is the total amount reimbursed to all participants who are highly compensated individuals under the plan for the plan year, and

(ii) The denominator of which is the total amount reimbursed to all employees under the plan for such plan year.

In determining the fraction under subparagraph (B), there shall not be taken into account any reimbursement which is attributable to a benefit described in subparagraph (A).

(8) All employees who are treated as employed by a single employer under subsection (b), (c), or (m) of Section 414 of the Internal Revenue Code of 1954, as amended by Public Law 96-613, shall be treated as employed by a single employer for purposes of this section.

(9) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section.

(10) Any amount paid for a plan year that is included in income by reason of this subsection shall be treated as received or accrued in the taxable year of the participant in which the plan year ends.

(11) The amendments to this section made by the 1979–80 Regular Session of the Legislature shall apply to taxable years beginning on or after January 1, 1980.

SEC. 5. Section 17150 of the Revenue and Taxation Code is amended to read:

17150. (a) Gross income does not include—

(1) Any amount received—

(A) As a scholarship at an educational institution (as defined in subdivision (c) of this section); or

(B) As a fellowship grant;

including the value of contributed services and accommodations; and

(2) Any amount received to cover expenses for—

(A) Travel;

(B) Research;

(C) Clerical help; or

(D) Equipment;

which are incident to such a scholarship or to a fellowship grant, but only to the extent that the amount is so expended by the recipient.

(b) (1) In the case of an individual who is a candidate for a degree at an educational institution (as defined in subdivision (c)), subdivision (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition of receiving the scholarship or the fellowship grant. If teaching,

research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subdivision.

(2) In the case of an individual who is not a candidate for a degree at an educational institution (as defined in subdivision (c)), subdivision (a) shall apply only if the condition in subparagraph (A) is satisfied and then only within the limitations provided in subparagraph (B).

(A) The grantor of the scholarship or fellowship grant is—

(i) An organization described in Section 23701d of the Bank and Corporation Tax Law which is exempt from tax under Section 23701 of the Bank and Corporation Tax Law,

(ii) A foreign government,

(iii) An international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to the Mutual Educational and Cultural Exchange Act of 1961, or

(iv) The United States, an instrumentality or agency thereof, or a state, a territory, or a possession of the United States, or any political subdivision thereof, or the District of Columbia.

(B) The amount of the scholarship or fellowship grant excluded under paragraph (1) of subdivision (a) in any taxable year shall be limited to an amount equal to three hundred dollars ($300) times the number of months for which the recipient received amounts under the scholarship or fellowship grant during such taxable year, except that no exclusion shall be allowed under subdivision (a) after the recipient has been entitled to exclude under this section for a period of 36 months (whether or not consecutive) amounts received as a scholarship or fellowship grant while not a candidate for a degree at an educational institution (as defined in subdivision (c)).

(c) For the purposes of this section, the term "educational institution" means only an educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on.

(d) (1) If an amount received by an individual under a federal program would be excludable under subdivisions (a) and (b) as a scholarship or fellowship grant but for the fact that the individual is required to perform future service as a federal employee, and the individual establishes that, in accordance with the terms of the grant, that amount was used for qualified tuition and related expenses, gross income shall not include that amount.

(2) For purposes of this subdivision, the following definitions shall apply:

(A) "Qualified tuition and related expenses" means both of the following:

(i) Tuition and fees required for the enrollment or attendance of

a student at an institution of higher education.

(ii) Fees, books, supplies, and equipment required for courses of instruction at an institution of higher education.

(B) "Institution of higher education" means an educational institution in this state which—

(i) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate.

(ii) Is legally authorized within this state to provide a program of education beyond high school.

(iii) Provides an educational program for which it awards a bachelor's or higher degree, provides a program which is acceptable for full credit toward such a degree, or offers a program of training to prepare students for gainful employment in a recognized health profession.

(iv) Is a public or other nonprofit institution.

(3) For purposes of this subdivision, service in a health manpower shortage area shall be treated as service as a federal employee

SEC. 6. Section 17163 of the Revenue and Taxation Code is amended to read:

17163. (a) Except as provided in subdivision (b), no amount shall be included in the gross income of a participant in a cafeteria plan solely because, under the plan, the participant may choose among the benefits of the plan.

(b) (1) In the case of a highly compensated participant, subdivision (a) shall not apply to any benefit attributable to a plan year for which the plan discriminates in favor of—

(A) Highly compensated individuals as to eligibility to participate, or

(B) Highly compensated participants as to contributions and benefits.

(2) For purposes of determining the taxable year of inclusion, any benefit described in paragraph (1) shall be treated as received or accrued in the participant's taxable year in which the plan year ends.

(c) For purposes of subparagraph (B) of paragraph (1) of subdivision (b), a cafeteria plan does not discriminate where nontaxable benefits and total benefits (or employer contributions allocable to nontaxable benefits and employer contributions for total benefits) do not discriminate in favor of highly compensated participants.

(d) For purposes of this section—

(1) The term "cafeteria plan" means a written plan under which—

(A) All participants are employees, and

(B) The participants may choose among two or more benefits. The benefits which may be chosen may be nontaxable benefits, or cash, property, or other taxable benefits.

(2) The term "cafeteria plan" does not include any plan which provides for deferred compensation. The preceding sentence shall

not apply in the case of a profit-sharing or stock bonus plan which includes a qualified cash or deferred arrangement (as defined in subdivision (b) of Section 17502.10) to the extent of amounts which a covered employee may elect to have the employer pay as contributions to a trust under such plan on behalf of the employee.

(e) For purposes of this section—

(1) The term "highly compensated participant" means a participant who is—

(A) An officer,

(B) A shareholder owning more than 5 percent of the voting power or value of all classes of stock of the employer,

(C) Highly compensated, or

(D) A spouse or dependent (within the meaning of Sections 17056 to 17059.5, inclusive) of an individual described in subparagraph (A), (B), or (C).

(2) The term "highly compensated individual" means an individual who is described in subparagraph (A), (B), (C), or (D) of paragraph (1).

(f) For purposes of this section, the term "nontaxable benefit" means any benefit which, with the application of subdivision (a), is not includable in the gross income of the employee.

(g) (1) For purposes of this section, a plan shall not be treated as discriminatory if the plan is maintained under an agreement which the Franchise Tax Board finds to be a collective-bargaining agreement between employee representatives and one or more employers.

(2) For purposes of subparagraph (B) of paragraph (1) of subdivision (b), a cafeteria plan which provides health benefits shall not be treated as discriminatory if—

(A) Contributions under the plan on behalf of each participant include an amount which—

(i) Equals 100 percent of the cost of the health benefit coverage under the plan of the majority of the highly compensated participants similarly situated, or

(ii) Equals or exceeds 75 percent of the cost of the health benefit coverage of the participant (similarly situated) having the highest cost health benefit coverage under the plan, and

(B) Contributions or benefits under the plan in excess of those described in subparagraph (A) bear a uniform relationship to compensation.

(3) For purposes of subparagraph (A) of paragraph (1) of subdivision (b), a classification shall not be treated as discriminatory if the plan—

(A) Benefits a group of employees described in subparagraph (B) of paragraph (1) of subsection (b) of Section 410 of the Internal Revenue Code of 1954 as amended by Public Law 96-613, and

(B) Meets the requirements of clauses (i) and (ii):

(i) No employee is required to complete more than three years of employment with the employer or employers maintaining the plan

as a condition of participation in the plan, and the employment requirement for each employee is the same.

(ii) Any employee who has satisfied the employment requirement of clause (i) and who is otherwise entitled to participate in the plan commences participation no later than the first day of the first plan year beginning after the date the employment requirement was satisfied unless the employee was separated from service before the first day of that plan year.

(4) All employees who are treated as employed by a single employer under subsection (b), (c), or (m) of Section 414 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 shall be treated as employed by a single employer for purposes of this section.

(h) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section.

SEC. 7. Section 17173 of the Revenue and Taxation Code is amended to read:

17173. For purposes of this part—

(a) The determination of whether an individual is married shall be made as of the close of his taxable year; except that if his spouse dies during his taxable year such determination shall be made as of the time of such death; and

(b) An individual legally separated from his spouse under a final decree of divorce or of separate maintenance shall not be considered as married.

(c) If—

(1) An individual who is married (within the meaning of subdivision (a)) and who files a separate return maintains as his home a household which constitutes for more than one-half of the taxable year the principal place of abode of a dependent (A) who (within the meaning of Section 17056 through 17059.5, inclusive) is a son, stepson, daughter, or stepdaughter of the individual, and (B) with respect to whom such individual is entitled to a credit for the taxable year under Section 17054,

(2) Such individual furnishes over half of the cost of maintaining such household during the taxable year, and

(3) During the entire taxable year such individual's spouse is not a member of such household,

such individual shall not be considered as married.

SEC. 7.5. Section 17202 of the Revenue and Taxation Code is amended to read:

17202. (a) There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including—

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered, including, but not limited to, any payments, reimbursements, or contributions to employees for child care. For purposes of this section, "child care" means programs designed to provide or facilitate the provisions of care and nurture

for children under the age of 15 while their parents or guardians are working or in training;

(2) Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.

For purposes of this subdivision, the place of residence of a Member of Congress (including any delegate and resident commissioner) within the state, congressional district, territory, or possession which he represents in Congress shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of three thousand dollars ($3,000).

For purposes of this subdivision, the place of residence of a Member of the Legislature within the district which he represents shall be considered his tax home.

(b) No deduction shall be allowed under subdivision (a) for any contribution or gift which would be allowable as a deduction under Sections 17214, 17215, 17216, and 17216.2 were it not for the percentage limitations, the dollar limitations, or the requirements as to the time of payment, set forth in such sections.

(c) (1) No deduction shall be allowed under subdivision (a) for any payment made, directly or indirectly, to an official or employee of any government, or of any agency or instrumentality of any government, if the payment constitutes an illegal bribe or kickback or, if the payment is to an official or employee of a foreign government, the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee. The burden of proof in respect of the issue, for the purposes of this paragraph, as to whether a payment constitutes an illegal bribe or kickback (or would be unlawful under the laws of the United States) shall be upon the Franchise Tax Board to the same extent as it bears the burden of proof when the issue relates to fraud.

(2) No deduction shall be allowed under subdivision (a) for any payment (other than a payment described in paragraph (1)) made, directly or indirectly, to any person, if the payment constitutes an illegal bribe, illegal kickback, or other illegal payment under any law of the United States, or under any law of a state (but only if such state law is generally enforced), which subjects the payer to a criminal penalty or the loss of license or privilege to engage in a trade or business. For purposes of this paragraph, a kickback includes a payment in consideration of the referral of a client, patient, or customer. The burden of proof in respect of the issue, for purposes of this paragraph, as to whether a payment constitutes an illegal

bribe, illegal kickback, or other illegal payment shall be upon the Franchise Tax Board to the same extent as it bears the burden of proof when the issue relates to fraud. However, a deduction shall not be disallowed under this paragraph, if, with respect to a payment described herein, the taxpayer in a court of competent jurisdiction is acquitted of making an illegal bribe, kickback or payment.

(3) No deduction shall be allowed under subdivision (a) for any kickback, rebate, or bribe made by any provider of services, supplier, physician, or other person who furnishes items or services for which payment is or may be made under the Social Security Act, or in whole or in part out of federal funds under a state plan approved under such act, if such kickback, rebate, or bribe is made in connection with the furnishing of such items or services or the making or receipt of such payments. For purposes of this paragraph, a kickback includes a payment in consideration of the referral of a client, patient, or customer.

(d) No deduction shall be allowed under subdivision (a) for any fine or similar penalty paid to a government for the violation of any law.

(e) If in a criminal proceeding a taxpayer is convicted of a violation of the antitrust laws, or his plea of guilty or nolo contendere to an indictment or information charging such a violation is entered or accepted in such a proceeding, no deduction shall be allowed under subdivision (a) for two-thirds of any amount paid or incurred—

(1) On any judgment for damages entered against the taxpayer under Section 4 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (commonly known as the Clayton Act), on account of such violation or any related violation of the antitrust laws which occurred prior to the date of the final judgment of such conviction, or

(2) In settlement of any action brought under such Section 4 on account of such violation or related violation.

The preceding sentence shall not apply with respect to any conviction or plea before January 1, 1971, or to any conviction or plea on or after such date in a new trial following an appeal of a conviction before such date.

(f) For special rule relating to expenses in connection with subdividing real property for sale, see Sections 18197 to 18199, inclusive.

(g) (1) The deduction allowed by subdivision (a) shall include all the ordinary and necessary expenses (including, but not limited to, traveling expenses described in paragraph (2) of subdivision (a) and the cost of preparing testimony) paid or incurred during the taxable year in carrying on any trade or business—

(A) In direct connection with appearances before, submission of statements to, or sending communications to, the committees, or individual members, of Congress or of any legislative body of state,

a possession of the United States, or a political subdivision of any of the foregoing with respect to legislation or proposed legislation of direct interest to the taxpayer, or

(B) In direct connection with communication of information between the taxpayer and an organization of which he or she is a member with respect to legislation or proposed legislation of direct interest to the taxpayer and to that organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member which is attributable to the expenses of the activities described in subparagraphs (A) and (B) carried on by that organization.

(2) The provisions of paragraph (1) shall not be construed as allowing the deduction of any amount paid or incurred (whether by the way of contribution, gift, or otherwise)—

(A) For participation in, or intervention in, any political campaign on behalf of any candidate for public office, or

(B) In connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters, elections, or referendums.

SEC. 8. Section 17211.4 of the Revenue and Taxation Code is amended to read:

17211.4. (a) (1) In the case of any property in whole or in part constructed, reconstructed, erected, or used on a site which was, on or after December 31, 1976, occupied by a certified historic structure (or by any structure in a registered historic district) which is demolished or substantially altered after such date—

(A) Sections 17208(b), 17211.6, and 17211.7 shall not apply.

(B) The term "reasonable allowance" as used in Section 17208(a) means only an allowance computed under the straight line method.

The preceding sentence shall not apply if the last substantial alteration of the structure is a certified rehabilitation.

(2) The limitations imposed by this section shall not apply—

(A) To personal property, and

(B) In the case of demolition or substantial alteration of a structure located in a registered historic district, if—

(i) Such structure was not a certified historic structure,

(ii) The Secretary of the Interior certified to the Franchise Tax Board that such structure is not of historic significance to the district, and

(iii) If the certification referred to in clause (ii) occurs after the beginning of the demolition or substantial alteration of such structure, the taxpayer certifies to the Franchise Tax Board that, at the beginning of such demolition or substantial alteration, he in good faith was not aware of the requirements of clause (ii).

(3) For purposes of this section, the terms "certified historic structure", "registered historic district", and "certified rehabilitation" have the respective meanings given such terms by Section 17228.5.

This subdivision shall apply to that portion of the basis which is attributable to construction, reconstruction, or erection after December 31, 1976, and before January 1, 1984.

(b) (1) Pursuant to regulations prescribed by the Franchise Tax Board, the taxpayer may elect to compute the depreciation deduction attributable to substantially rehabilitated historic property (other than property with respect to which an amortization deduction has been allowed to the taxpayer under Section 17228.5) as though the original use of such property commenced with him. The election shall be effective with respect to the taxable year referred to in paragraph (2) and all succeeding taxable years.

(2) For purposes of paragraph (1), the term "substantially rehabilitated historic property" means any certified historic structure (as defined in Section 17228.5(d)(1)) with respect to which the additions to capital account for any certified rehabilitation (as defined in Section 17228.5(d)(4)) during the 24-month period ending on the last day of any taxable year, reduced by any amounts allowed or allowable as depreciation or amortization with respect thereto, exceeds the greater of—

(A) The adjusted basis of such property, or

(B) Five thousand dollars ($5,000).

The adjusted basis of the property shall be determined as of the beginning of the first day of such 24-month period, or of the holding period of the property (within the meaning of Section 18216), whichever is later.

(3) This subdivision shall apply with respect to additions to capital account occurring after December 31, 1976, and before July 1, 1984.

SEC. 9. Section 17211.7 of the Revenue and Taxation Code is amended to read:

17211.7. (a) The taxpayer may elect, in accordance with regulations prescribed by the Franchise Tax Board, to compute the depreciation deduction provided by subdivision (a) of Section 17208 attributable to rehabilitation expenditures incurred with respect to low-income rental housing after December 31, 1970, and before January 1, 1984, under the straight line method using a useful life of 60 months and no salvage value. Such method shall be in lieu of any other method of computing the depreciation deduction under subdivision (a) of Section 17208, and in lieu of any deduction for amortization, for such expenditures.

(b) (1) The aggregate amount of rehabilitation expenditures paid or incurred by the taxpayer with respect to any dwelling unit in any low-income rental housing which may be taken into account under subdivision (a) shall not exceed twenty thousand dollars ($20,000).

(2) Rehabilitation expenditures paid or incurred by the taxpayer in any taxable year with respect to any dwelling unit in any low-income rental housing shall be taken into account under subdivision (a) only if over a period of two consecutive years, including the taxable year, the aggregate amount of such

expenditures exceeds three thousand dollars ($3,000).

(c) For purposes of this section:

(1) The term "rehabilitation expenditures" means amounts chargeable to capital account and incurred for property or additions or improvements to property (or related facilities) with a useful life of five years or more, in connection with the rehabilitation of an existing building for low-income rental housing; but such term does not include the cost of acquisition of such building or any interest therein.

(2) The term "low-income rental housing" means any building the dwelling units in which are held for occupancy on a rental basis by families and individuals of low or moderate income, as determined by the Franchise Tax Board in a manner consistent with the Leased Housing Program under Section 8 of the United States Housing Act of 1937 pursuant to regulations prescribed under this section.

(3) The term "dwelling unit" means a house or an apartment used to provide living accommodations in a building or structure, but does not include a unit in a hotel, motel, inn, or other establishment more than one-half of the units in which are used on a transient basis.

(4) Rehabilitation expenditures incurred pursuant to a binding contract entered into before January 1, 1984, and rehabilitation expenditures incurred with respect to low-income rental housing the rehabilitation of which has begun before January 1, 1984, shall be deemed incurred before January 1, 1984.

(d) The amendments made by the 1977–78 Regular Session of the Legislature shall apply to expenditures paid or incurred after December 31, 1976, and before January 1, 1982, and expenditures made pursuant to a binding contract entered into before January 1, 1982. The amendment made in subdivision (b) shall apply to expenditures incurred after December 31, 1976.

SEC. 10. Section 17214.2 of the Revenue and Taxation Code is amended to read:

17214.2. (a) In the case of a contribution (not made by a transfer in trust) of an interest in property which consists of less than the taxpayer's entire interest in such property, a deduction shall be allowed under Section 17214 only to the extent that the value of the interest contributed would be allowable as a deduction under Section 17214 if such interest had been transferred in trust. For purposes of this subdivision, a contribution by a taxpayer of the right to use property shall be treated as a contribution of less than the taxpayer's entire interest in such property.

(b) Subdivision (a) shall not apply to a contribution of—

(1) A remainder interest in a personal residence or farm,

(2) An undivided portion of the taxpayer's entire interest in property,

(3) A qualified conservation contribution (as defined in Section 17214.7).

(c) The amendments made to this section by the 1977–78 Regular

Session of the Legislature shall apply with respect to contributions or transfers made after December 31, 1976, and before June 14, 1977.

(d) The amendments to this section by the 1981–82 Regular Session of the Legislature shall apply with respect to contributions or transfers made in taxable years beginning on and after January 1, 1981.

SEC. 11. Section 17214.7 is added to the Revenue and Taxation Code, to read:

17214.7. (a) For purposes of paragraph (3) of subdivision (b) of Section 17214.2, the term "qualified conservation contribution" means a contribution—

(1) Of a qualified real property interest,

(2) To a qualified organization,

(3) Exclusively for conservation purposes.

(A) For purposes of this subdivision, the term "qualified real property interest" means any of the following interests in real property:

(i) The entire interest of the donor other than a qualified mineral interest.

(ii) A remainder interest.

(iii) A restriction (granted erpetuity) on the use which may be made of the real property.

(b) For purposes of subdivision (a), the term "qualified organization" means an organization which:

(1) Is described in subdivisions (a) or (b) of Section 17214, or

(2) Is described in Section 23701(d) and—

(A) Meets the requirements of Section 509(a)(2) of the Internal Revenue Code, or

(B) Meets the requirements of Section 509(a)(3) of the Internal Revenue Code and is controlled by an organization described in paragraph (1) or in subparagraph (A).

(c) For purposes of this section, the term "conservation purpose" means any of the following:

(1) The preservation of land areas for outdoor recreation by, or the education of, the general public.

(2) The protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem.

(3) The preservation of open space (including farmland and forest land) where such preservation is for any of the following:

(A) For the scenic enjoyment of the general public.

(B) Pursuant to a clearly delineated federal, state, or local governmental conservation policy, and will yield a significant public benefit.

(C) The preservation of an historically important land area or a certified historic structure.

(d) The term "certified structure" means any building, structure, or land area which:

(1) Is listed in the National Register, or

(2) Is located in a registered historic district (as defined in

Section 191 (d) (2) of the Internal Revenue Code and is certified by the Secretary of the Interior to the secretary as being of historic significance to the district.

A building, structure, or land area satisfies the preceding sentence if it satisfies such sentence either at the time of the transfer or on the due date (including extensions) for filing the transferor's return under this chapter for the taxable year in which the transfer is made.

(e) For purposes of this section:

(1) A contribution shall not be treated as exclusively for conservation purposes unless the conservation purpose is protected in perpetuity.

(2) In the case of a contribution of any interest where there is a retention of a qualified mineral interest, this subdivision shall not be treated as met if at any time there may be extraction or removal of minerals by any surface mining method.

(3) For purposes of this subdivision, the term "qualified mineral interest" means—

(A) Subsurface oil, gas or other minerals; and

(B) The right to access to such minerals.

SEC. 12. Section 17228.5 of the Revenue and Taxation Code is amended 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 Sections 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.

(2) The term "registered historic district" means:

(A) Any district listed in the National Register, and

(B) Any district—

(i) Which is 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, and

(ii) Which is certified by the Secretary of the Interior to the Franchise Tax Board as meeting all of the requirements for the listing of districts in the National Register.

(3) The term "amortizable basis" means the portion of the basis attributable to amounts expended in connection with certified rehabilitation.

(4) 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) (1) 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.

(2) (A) In the case of a lessee of a certified historic structure who has expended amounts in connection with the certified rehabilitation of such structure which are properly chargeable to capital account, the deduction under this section shall be allowable to such lessee with respect to such amounts.

(B) For purposes of subdivision (a), the amortizable basis of such

lessee shall not exceed the sum of the amounts described in subparagraph (A).

(C) Subparagraph (A) shall apply only if on the date of the certified rehabilitation is completed, the remaining term of the lease (determined without regard to any renewal periods) extends—

(i) Beyond the last day of the useful life (determined without regard to this section) of the improvements for which the amounts described in subparagraph (A) were expended, and

(ii) For not less than 30 years.

(g) (1) For rules relating to the listing of buildings, structures and historic districts in the National Register, see the act entitled "An act to establish a program for the preservation of additional historic properties throughout the nation and for other purposes", approved October 15, 1966, and contained in 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 Sections 18211 through 18218, inclusive.

(h) This section shall apply with respect to additions to capital account after December 31, 1976, and before January 1, 1984.

SEC. 13. Section 17229.5 of the Revenue and Taxation Code is amended to read:

17229.5. (a) In the case of the demolition of a certified historic structure (as defined in Section 17228.5(d)(1))—

(1) No deduction otherwise allowable under this part shall be allowed to the owner or lessee of such structure for—

(A) Any amount expended for such demolition, or

(B) Any loss sustained on account of such demolition; and

(2) Amounts described in paragraph (1) shall be treated as property chargeable to capital account with respect to the land on which the demolished structure was located.

(b) For purposes of this section, any building or other structure located in a registered historic district (as defined in paragraph (2) of subdivision (d) of Section 17228.5) shall be treated as a certified historic structure unless the Secretary of the Interior has certified that such structure is not a certified historic structure, and that such structure is not of historic significance to the district, and if such certification occurs after the beginning of the demolition of such structure, the taxpayer has certified to the Franchise Tax Board that, at the time of such demolition, he in good faith was not aware of the certification requirement by the Secretary of the Interior.

(c) This section shall apply with respect to demolitions commencing after December 31, 1976, and before January 1, 1984.

SEC. 14. Section 17267 is added to the Revenue and Taxation Code, to read:

17267. (a) Startup expenditures may, at the election of the taxpayer, be treated as deferred expenses. Such deferred expenses shall be allowed as a deduction ratably over such period of not less

than 60 months as may be selected by the taxpayer (beginning with the month in which the business begins).

(b) For purposes of subdivision (a), the term "startup expenditure" means any amount paid or incurred in connection with—

(1) Investigating the creation or acquisition of an active trade or business, or

(2) Creating an active trade or business,

and which, if paid or incurred in connection with the expansion of an existing trade or business (in the same field as the trade or business referred to in paragraph (1) or (2)), would be allowable as a deduction for the taxable year in which paid or incurred.

(c) An election under subdivision (a) shall be made not later than the time prescribed by law for filing the return for the taxable year in which the business begins (including extensions thereof).

(d) The period selected under subdivision (a) shall be adhered to in computing taxable income for the taxable year for which the election is made and all subsequent taxable years.

SEC. 15. Section 17299.4 of the Revenue and Taxation Code is repealed.

SEC. 16. Section 17299.4 is added to the Revenue and Taxation Code, to read:

17299.4. (a) In the case of any individual who attends a convention, seminar, or similar meeting which is held outside the North American area, no deduction shall be allowed under Section 17202 or 17252 for expenses allocable to that meeting unless the taxpayer establishes that the meeting is directly related to the active conduct of his or her trade or business or to an activity described in Section 17252 and that, after taking into account in the manner provided by regulations which may be prescribed by the Franchise Tax Board—

(1) The purpose of the meeting and the activities taking place at the meeting,

(2) The purposes and activities of the sponsoring organizations or groups,

(3) The residences of the active members of the sponsoring organization and the places at which other meetings of the sponsoring organization or groups have been held or will be held,

(4) Such other relevant factors as the taxpayers may present,

it is as reasonable for the meeting to be held outside the North American area as within the North American area.

(b) In the case of any individual who attends a convention, seminar, or other meeting which is held on any cruise ship, no deduction shall be allowed under Section 17202 or 17252 for expenses allocable to that meeting.

(c) For purposes of this section:

(1) "North American area" means the United States, its possessions, and the trust territory of the Pacific Islands, and Canada and Mexico.

(2) "Cruise ship" means any vessel sailing within or without the territorial waters of the United States.

(d) (1) Except as provided in paragraph (2), this section shall apply to deductions otherwise allowable under Section 17202 or 17252 to any person, whether or not that person is the individual attending the convention, seminar, or similar meeting.

(2) This section shall not deny a deduction to any person other than the individual attending the convention, seminar, or similar meeting with respect to any amount paid by that person to or on behalf of that individual if includable in the gross income of that individual. The preceding sentence shall not apply if the amount is required to be included in any information return filed by that person under Sections 17932, 18452, 18801 to 18803, inclusive, and 18806 to 18826, inclusive, and is not so included.

SEC. 17. Section 17299.7 is added to the Revenue and Taxation Code, to read:

17299.7. Expenses paid or incurred by the taxpayer for goods, services, and facilities shall not be disallowed as a deduction to the extent that the expenses are includable in the gross income of a recipient of the entertainment, amusement, or recreation who is not an employee of the taxpayer as compensation for services rendered or as a prize or award under Section 17114. The preceding sentence shall not apply to any amount paid or incurred by the taxpayer if that amount is required to be included (or would be so required except that the amount is less than one thousand dollars ($1,000)) in any information return filed by that taxpayer under Section 18802 and is not so included.

SEC. 18. Section 17445 of the Revenue and Taxation Code is amended to read:

17445. (a) (1) If, in connection with any exchange described in Sections 17431 to 17439, inclusive, there is a transfer of property (other than stock or securities of a foreign corporation which is a party to the exchange or a party to the reorganization) by a United States person to a foreign corporation, for purposes of determining the extent to which gain shall be recognized on such transfer, a foreign corporation shall not be considered to be a corporation unless, pursuant to a request filed in such manner, in such form, and within such time, as the Franchise Tax Board may by regulations prescribe, it is established to the satisfaction of the Franchise Tax Board that such exchange is not in pursuance of a plan having as one of its principal purposes the avoidance of income taxes.

(2) Paragraph (1) shall not apply to any exchange (otherwise within paragraph (1)), or to any type of property, which the Franchise Tax Board by regulations designates as not requiring the filing of a request.

(b) (1) In the case of any exchange described in Sections 17431 to 17439, inclusive, in connection with which there is no transfer of property described in subdivision (a) (1), a foreign corporation shall be considered to be a corporation except to the extent provided in

regulations prescribed by the Franchise Tax Board which are necessary or appropriate to prevent the avoidance of income taxes.

(2) The regulations prescribed pursuant to paragraph (1) shall include, but shall not be limited to, regulations dealing with the sale or exchange of stock or securities in a foreign corporation by a United States person, including regulations providing—

(A) The circumstances under which—

(i) Gain shall be recognized currently, or amounts included in gross income currently as a dividend, or both, or

(ii) Gain or other amounts may be deferred for inclusion in the gross income of a shareholder (or his successor in interest) at a later date, and

(B) The extent to which adjustments shall be made to earnings and profits, basis of stock or securities, and basis of assets.

(c) (1) For purposes of this section any distribution described in Sections 17433 and 17435 (or so much of Sections 17435 to 17439, inclusive, as relates to Sections 17433 and 17435) shall be treated as an exchange whether or not it is an exchange.

(2) For purposes of this part, any transfer of property to a foreign corporation as a contribution to the capital of such corporation by one or more persons who, immediately after the transfer, own (within the meaning of Section 17384) stock possessing at least 80 percent of the total combined voting power of all classes of stock of such corporation entitled to vote shall be treated as an exchange of such property for stock of the foreign corporation equal in value to the fair market value of the property transferred.

(d) In the case of any exchange beginning before January 1, 1978—

(1) Subdivision (a) shall be applied without regard to whether or not there is a transfer of property described in subdivision (a) (1), and

(2) Subdivision (b) shall not apply.

SEC. 19. Section 17501 of the Revenue and Taxation Code is amended to read:

17501. A trust created or organized in the United States and forming part of a stock bonus, pension, or profit-sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries shall constitute a qualified trust under this article—

(a) If contributions are made to the trust by such employer, or employees, or both, or by another employer who is entitled to deduct his contributions under Section 17516(b) (relating to deduction for contributions to profit-sharing and stock bonus plans), for the purpose of distributing to such employees or their beneficiaries the corpus and income of the fund accumulated by the trust in accordance with such plan;

(b) If under the trust instrument it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees and their beneficiaries under the trust, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to,

purposes other than for the exclusive benefit of his employees or their beneficiaries;

(c) If the plan of which such trust is a part satisfies the requirements of Section 410 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to minimum participation standards); and

(d) If the contributions or the benefits provided under the plan do not discriminate in favor of employees who are (1) officers, (2) shareholders, or (3) highly compensated. For purposes of this subdivision, there shall be excluded from consideration employees described in Section 410(b)(2)(A) and (C) of the Internal Revenue Code of 1954 as amended by Public Law 96-613.

(e) A classification shall not be considered discriminatory within the meaning of subdivision (d) or Section 410(b) of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (without regard to paragraph (1)(A) thereof) merely because it excludes employees the whole of whose remuneration constitutes "wages" under Section 3121(a)(1) of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to the Federal Insurance Contribution Act) or merely because it is limited to salaried or clerical employees. Neither shall a plan be considered discriminatory within the meaning of such provisions merely because the contributions or benefits of or on behalf of the employees under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, or merely because the contributions or benefits based on that part of an employee's remuneration which is excluded from "wages" by Section 3121(a)(1) of the Internal Revenue Code of 1954, as amended by Public Law 96-613, or of the California Unemployment Insurance Act differ from the contributions or benefits based on employee's remuneration not so excluded, or differ because of any retirement benefits created under state or federal law.

For purposes of this subdivision and subdivision (j), the total compensation of an individual who is an employee within the meaning of Section 17502.2(a) means such individual's earned income (as defined in Section 17502.2(b)), and the basic or regular rate of compensation of such an individual shall be determined, under regulations prescribed by the Franchise Tax Board, with respect to that portion of his earned income which bears the same ratio to his earned income as the basic or regular compensation of the employees under the plan bears to the total compensation of such employees. For purposes of determining whether two or more plans of an employer satisfy the requirements of subdivision (d) when considered as a single plan, if the amount of contributions on behalf of the employees allowed as a deduction under Sections 17513 to 17525.1, inclusive, for the taxable year with respect to such plans, taken together, bears a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, the plans shall not be considered discriminatory merely

because the rights of employees to, or derived from, the employer contributions under the separate plans do not become nonforfeitable at the same rate. For the purposes of determining whether two or more plans of an employer satisfy the requirements of subdivision (d) when considered as a single plan, if the employees' right to benefits under the separate plans do not become nonforfeitable at the same rate, but the levels of benefits provided by the separate plans satisfy the requirements of regulations prescribed by the Franchise Tax Board to take account of the differences in such rates, the plans shall not be considered discriminatory merely because of the difference in such rates. For purposes of determining whether one or more plans of an employer satisfy the requirements of paragraph (4) and of subsection (b) of Section 410 of the Internal Revenue Code of 1954 as amended by Public Law 96-613, an employer may take into account all simplified employee pensions to which only the employer contributes.

(f) A plan shall be considered as meeting the requirements of subdivision (c) during the whole of any taxable year of the plan if on one day in each quarter it satisfied such requirements.

(g) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part satisfies the requirements of Section 411 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to minimum vesting standards).

(h) A trust forming part of a pension plan shall not constitute a qualified trust under this article unless the plan provides that forfeitures must not be applied to increase the benefits any employee would otherwise receive under the plan.

(i) In the case of a plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of Section 17502.2(a), a trust forming part of such plan shall not constitute a qualified trust under this article unless, under the plan, the entire interest of each employee—

(1) Either will be distributed to him not later than his taxable year in which he attains the age of 70½ years, or, in the case of an employee other than an owner-employee (as defined in Section 17502.2(c)), in which he retires, whichever is the later, or

(2) Will be distributed, commencing not later than such taxable year, (A) in accordance with regulations prescribed by the Franchise Tax Board, over the life of such employee or over the lives of such employee and his spouse, or (B) in accordance with such regulations, over a period not extending beyond the life expectancy of such employee or the life expectancy of such employee and his spouse.

A trust shall not be disqualified under this subdivision by reason of distributions under a designation, prior to the date of the enactment of this subdivision, by any employee under the plan of which such trust is a part, of a method of distribution which does not meet the terms of the preceding sentence.

(j) In the case of a plan which provides contributions or benefits

for employees some or all of whom are owner-employees (as defined in Section 17502.2(c))—

(1) Subdivision (c), the first and second sentences of subdivision (e), and Section 410 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 shall not apply, but—

(A) Such plan shall not be considered discriminatory within the meaning of subdivision (d) merely because the contributions or benefits of or on behalf of employees under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, and

(B) Such plan shall not be considered discriminatory within the meaning of subdivision (d) solely because under the plan contributions described in Section 17502.4 which are in excess of the amounts which may be deducted under Sections 17513 to 17525.1, inclusive, for the taxable year may be made on behalf of any owner-employee; and

(2) A trust forming a part of such plan shall constitute a qualified trust under this section only if the requirements in Section 17502.3 are also met.

(k) (1) A trust shall not constitute a qualified trust under this section if the plan of which such trust is a part provides for the payment of benefits in the form of an annuity unless such plan provides for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity.

(2) Notwithstanding the provisions of paragraph (1), in the case of a plan which provides for the payment of benefits before the normal retirement age (as defined in Section 411(a)(8) of the Internal Revenue Code of 1954 as amended by Public Law 96-613), the plan is not required to provide for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity during the period beginning on the date on which the employee enters into the plan as a participant and ending on the later of—

(A) The date the employee reaches the earliest retirement age under the plan, or

(B) The first day of the 120th month beginning before the date on which the employee reaches normal retirement age.

(3) A plan described in paragraph (2) does not meet the requirements of paragraph (1) unless, under the plan, a participant has a reasonable period during which he may elect the qualified joint and annuity form with respect to the period beginning on the date on which the period described in paragraph (2) ends and ending on the date on which he reaches normal retirement age (as defined in Section 411(a)(8) of the Internal Revenue Code of 1954 as amended by Public Law 96-613) if he continues his employment during that period. A plan does not meet the requirements of this paragraph unless, in the case of such an election, the payments under the survivor annuity are not less than the payments which would have been made under the joint annuity to which the participant would

have been entitled if he made an election described in this paragraph immediately prior to his retirement and if his retirement had occurred on the day before his death and within the period within which an election can be made.

(4) A plan shall not be treated as not satisfying the requirements of this subdivision solely because the spouse of the participant is not entitled to receive a survivor annuity (whether or not an election described in paragraph (3) has been made under paragraph (3)) unless the participant and his spouse have been married throughout the one-year period ending on the date of such participant's death.

(5) A plan shall not be treated as satisfying the requirements of this subdivision unless, under the plan, each participant has a reasonable period (as prescribed by the regulations of the Franchise Tax Board) before the annuity starting date during which he may elect in writing (after having received a written explanation of the terms and conditions of the joint and survivor annuity and the effect of an election under this paragraph) not to take such joint and survivor annuity.

(6) A plan shall not be treated as not satisfying the requirements of this subdivision solely because under the plan there is a provision that any election described in paragraph (3) or (5), and any revocation of any such election, does not become effective (or ceases to be effective) if the participant dies within a period (not in excess of two years) beginning on the date of such election or revocation, as the case may be. The preceding sentence does not apply unless the plan provision described in the preceding sentence also provides that such an election or revocation will be given effect in any case in which—

(A) The participant dies from accidental causes,

(B) A failure to give effect to the election or revocation would deprive the participant's survivor of a survivor annuity, and

(C) Such election or revocation is made before such accident occurred.

(7) For purposes of this subdivision—

(A) The term "annuity starting date" means the first day of the first period for which an amount is received as an annuity (whether by reason of retirement or by reason of disability),

(B) The term "earliest retirement age" means the earliest date on which, under the plan, the participant could elect to receive retirement benefits, and

(C) The term "qualified joint and survivor annuity" means an annuity for the life of the participant with a survivor annuity for the life of his spouse which is not less than one-half of, or greater than, the amount of the annuity payable during the joint lives of the participant and his spouse and which is the actuarial equivalent of a single life annuity for the life of the participant.

For purposes of this subdivision, a plan may take into account in any equitable manner (as determined by the Franchise Tax Board) any increased costs resulting from providing joint and survivor

annuity benefits.

(8) This subdivision shall apply only if—

(A) The annuity starting date did not occur before the effective date of this subdivision, and

(B) The participant was an active participant in the plan on or after such effective date.

(*l*) A trust shall not constitute a qualified trust under this article unless the plan of which such trust is a part provides that in the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan after the date of the enactment of the Employee Retirement Income Security Act of 1974 (P.L. 93-406), each participant in the plan would (if the plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer (if the plan had then terminated). This subdivision shall apply in the case of a multiemployer plan only to the extent determined by the Pension Benefit Guaranty Corporation.

(m) A trust shall not constitute a qualified trust under this article unless the plan of which such trust is a part provides that benefits provided under the plan may not be assigned or alienated. For purposes of the preceding sentence, there shall not be taken into account any voluntary and revocable assignment of not to exceed 10 percent of any benefit payment made by any participant who is receiving benefits under the plan unless the assignment or alienation is made for purposes of defraying plan administration costs. For purposes of this subdivision a loan made to a participant or beneficiary shall not be treated as an assignment or alienation if such loan is secured by the participant's accrued nonforfeitable benefit and is exempt from the tax imposed by Section 4975 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to tax on prohibited transactions) by reason of Section 4975(d)(1) of the Internal Revenue Code of 1954 as amended by Public Law 96-613. This paragraph shall take effect on January 1, 1976, and shall not apply to assignments which were irrevocable on the date of the enactment of the Employee Retirement Income Security Act of 1974 (P.L. 93-406).

(n) A trust shall not constitute a qualified trust under this article unless the plan of which such trust is a part provides that, unless the participant otherwise elects, the payment of benefits under the plan to the participant will begin not later than the 60th day after the latest of the close of the plan year in which—

(1) The date on which the participant attains the earlier of age 65 or the normal retirement age specified under the plan,

(2) Occurs the 10th anniversary of the year in which the participant commenced participation in the plan, or

(3) The participant terminates his service with the employer. In

the case of a plan which provides for the payment of an early retirement benefit, a trust forming a part of such plan shall not constitute a qualified trust under this article unless a participant who satisfied the service requirements for such early retirement benefit, but separated from the service (with any nonforfeitable right to an accrued benefit) before satisfying the age requirement for such early retirement benefit, is entitled upon satisfaction of such age requirement to receive a benefit not less than the benefit to which he would be entitled at the normal retirement age, actuarially reduced under regulations prescribed by the Franchise Tax Board.

(o) A trust shall not constitute a qualified trust under this article unless under the plan of which such trust is a part—

(1) In the case of a participant or beneficiary who is receiving benefits under such plan, or

(2) In the case of a participant who is separated from the service and who has nonforfeitable rights to benefits,

such benefits are not decreased by reason of any increase in the benefit levels payable under Title II of the Social Security Act or any increase in the wage base under such Title II, if such increase takes place after the date of the enactment of the Employee Retirement Income Security Act of 1974 (P.L. 93-406) or (if later) the earlier of the date of first receipt of such benefits or the date of such separation, as the case may be.

(p) A trust shall not constitute a qualified trust under this article if the plan of which such trust is a part provides for benefits or contributions which exceed the limitations of Section 415 of the Internal Revenue Code of 1954 as amended by Public Law 96-613.

(q) In the case of a plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of Section 17502.2, only if the annual compensation of each employee taken into account under the plan does not exceed the first one hundred thousand dollars ($100,000) of such compensation.

(r) In the case of a trust which is part of a plan providing a defined benefit for employees some or all of whom are employees within the meaning of Section 17502.2, only if such plan satisfies the requirements of Section 17502.9.

(s) A trust shall not constitute a qualified trust under this article if under the plan of which such trust is a part any part of a participant's accrued benefit derived from employer contributions (whether or not otherwise nonforfeitable), is forfeitable solely because of withdrawal by such participant of any amount attributable to the benefit derived from contributions made by such participant. The preceding sentence shall not apply to the accrued benefit of any participant unless, at the time of such withdrawal, such participant has a nonforfeitable right to at least 50 percent of such accrued benefit (as determined under Section 411 of the Internal Revenue Code of 1954 as amended by Public Law 96-613). The first sentence of this paragraph shall not apply to the extent that an accrued benefit is permitted to be forfeited in accordance with

Section 411(a)(3)(D)(iii) of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to proportional forfeitures of benefits accrued before enactment of the Employee Retirement Income Security Act of 1974 (P.L. 93-406), in the event of withdrawal of certain mandatory contributions).

(t) A trust forming part of a pension plan shall not be treated as failing to constitute a qualified trust under this section merely because the pension plan of which such trust is a part makes a payment or distribution described in subparagraph (A) of paragraph (1) of subdivision (d) of Section 17503 or subparagraph (A) of paragraph (9) of subdivision (a) of Section 17512. This paragraph shall not apply to a defined benefit plan unless the employer maintaining such plan files a notice with the Pension Benefit Guaranty Corporation (at the time and in the manner prescribed by the Pension Benefit Guaranty Corporation) notifying the corporation of such payment or distribution and the corporation has approved such payment or distribution or, within 90 days after the date on which such notice was filed, has failed to disapprove such payment or distribution.

(u) A trust forming part of an employee stock ownership plan shall not fail to be considered a permanent program merely because employer contributions under the plan are determined solely by reference to the amount of credit which would be allowable under subsection (a) of Section 46 of the Internal Revenue Code of 1954, as amended by Public Law 96-613, if the employer made the transfer described in paragraph (1) of subsection (n) of Section 48 of the Internal Revenue Code of 1954 as amended by Public Law 96-613.

(v) A trust forming part of a defined contribution plan which meets the requirements of subsection (e) of Section 409A of the Internal Revenue Code of 1954, as amended by Public Law 96-613, shall not be disqualified if it—

(1) Is established by an employer whose stock is not publicly traded, and

(2) After acquiring securities of the employer, more than ten (10) percent of the total assets of the plan are securities of the employer.

This subdivision is applicable to the acquisition of securities after December 31, 1979.

(w) A stock bonus plan which otherwise meets the requirements of this section shall not be considered to fail to meet the requirements of this section because it provides a cash distribution option to participants if that option meets the requirements of Section 409A(h)(2) of the Internal Revenue Code of 1954 as amended by Public Law 96-613.

(x) Subdivisions (k), (*l*), (m), (n), (o), and (s) shall apply only in the case of a plan to which Section 411 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (relating to minimum vesting standards) applies without regard to subsection (e)(2) of such section.

SEC. 20. Section 17503 of the Revenue and Taxation Code is amended to read:

17503. (a) Except as provided in subdivision (b), the amount actually distributed or made available to any distributee by any employees' trust described in Section 17501 which is exempt from tax under Section 17631 shall be taxable to him, in the year in which so distributed or made available, under Sections 17101 to 17112.7, inclusive (relating to annuities). The amount actually distributed or made available to any distributee shall not include net unrealized appreciation in securities of the employer corporation attributable to the amount contributed by the employee. Such net unrealized appreciation and the resulting adjustments to basis of such securities shall be determined in accordance with regulations prescribed by the Franchise Tax Board.

(b) In the case of an employee's trust described in Section 17501, which is exempt from tax under Section 17631, if the total distributions payable with respect to any employee are paid to the distributee within one taxable year of the distributee on account of the employee's death or other separation from service, or on account of the death of the employee after his separation from service, so much of such total distribution as is equal to the excess of such total distribution over the amount contributed by the employee (determined by applying Section 17106), which employee contributions shall be reduced by any amount theretofore distributed to him which was not includable in gross income, multiplied by a fraction—

(1) The numerator of which is the number of calendar years of active participation by the employee in such plan before January 1, 1974, and

(2) The denominator of which is the number of calendar years of active participation by the employee in such plan, shall be treated as a gain from the sale or exchange of a capital asset held for more than five years.

Where such total distributions include securities of the employer corporation, there shall be excluded from such total distributions the net unrealized appreciation attributable to that part of the total distributions which consists of the securities of the employer corporation so distributed. The amount of such net unrealized appreciation and the resulting adjustments to basis of the securities of the employer corporation so distributed shall be determined in accordance with regulations prescribed by the Franchise Tax Board.

This subdivision shall not apply to distributions paid to any distributee to the extent such distributions are attributable to contributions made on behalf of the employee while he was an employee within the meaning of subdivision (a) of Section 17502.2.

(c) For purposes of this section—

(1) The term "securities" means only shares of stock and bonds or debentures issued by a corporation with interest coupons or in registered form.

(2) The term "securities of the employer corporation" includes securities of a parent or subsidiary corporation (as defined in subdivisions (e) and (f) of Section 17535) of the employer corporation.

(3) The term "total distributions payable" means the balance to the credit of an employee which becomes payable to a distributee on account of the employee's death or other separation from the service, or on account of his death after separation from the service.

(4) The term "employee contributions," as used in this section, means the amounts contributed by the employee (determined by applying Section 17106), which employee contributions shall be reduced by amounts theretofore distributed to him which were not includable in gross income.

(d) (1) If—

(A) The balance to the credit of an employee in a qualified trust is paid to him in a qualifying rollover distribution,

(B) The employee transfers any portion of the property he receives in such distribution to an eligible retirement plan, and

(C) In the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includable in gross income for the taxable year in which paid.

(2) In the case of any qualifying rollover distribution, the maximum amount transferred to which paragraph (1) applies shall not exceed the fair market value of all the property the employee receives in the distribution, reduced by the employee contributions.

(3) Paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the employee received the property distributed.

(4) For purposes of this subdivision—

(A) The term "qualifying rollover distribution" means one or more distributions—

(i) Within one taxable year of the employee on account of a termination of the plan of which the trust is a part or, in the case of a profit-sharing or stock bonus plan, a complete discontinuance of contributions under such plan, or

(ii) Which constitute a lump-sum distribution within the meaning of paragraph (4) of subsection (e) of Section 402 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 (determined without reference to subparagraphs (B) and (H)).

(B) The term "employee contributions" means—

(i) The excess of the amounts considered contributed by the employee (determined by applying Section 17106), over

(ii) Any amounts theretofore distributed to the employee which were not includable in gross income.

(C) The term "qualified trust" means an employees' trust described in Section 17501 which is exempt from tax under Section 17631.

(D) The term "eligible retirement plan" means—

(i) An individual retirement account described in subdivision (a) of Section 17530,

(ii) An individual retirement annuity described in subdivision (b) of Section 17530 (other than an endowment contract),

(iii) A retirement bond described in Section 17530.1,

(iv) A qualified trust, and

(v) An annuity plan described in Section 17511.

(5) (A) For purposes of this part, a transfer described in paragraph (1) to an eligible retirement plan described in clause (i), (ii), or (iii) of subparagraph (D) of paragraph (4) shall be treated as a rollover contribution described in paragraph (3) of subdivision (d) of Section 17530.

(B) An eligible retirement plan described in clause (iv) or (v) of subparagraph (D) of paragraph (4) shall not be treated as an eligible retirement plan for the transfer of a distribution if any part of the distribution is attributable to a trust forming part of a plan under which the employee was an employee within the meaning of subdivision (a) of Section 17502.2 at the time contributions were made on his behalf under the plan.

(e) (1) For purposes of subparagraph (A) of paragraph (4) of subdivision (d), a complete discontinuance of contributions under a profit-sharing or stock bonus plan shall be deemed to occur on the day the plan administrator notifies the Secretary of the Treasury of the United States (in accordance with regulations prescribed by the secretary) that all contributions to the plan have been completely discontinued. The plan shall be considered to be terminated no later than the day such notice is filed with the secretary.

(2) For purposes of subparagraph (A) of paragraph (4) of subdivision (d)—

(A) A payment of the balance to the credit of an employee of a corporation (hereinafter referred to as the employer corporation) which is a subsidiary corporation (within the meaning of Section 17535) or which is a member of a controlled group of corporations (within the meaning of subsection (a) of Section 1563 of the Internal Revenue Code of 1954 as amended by Public Law 96-613, determined by substituting "50 percent" for "80 percent" each place it appears therein) in connection with the liquidation, sale, or other means of terminating the parent-subsidiary or controlled group relationship of the employer corporation with the parent corporation or controlled group, or

(B) A payment of the balance to the credit of an employee of a corporation (hereinafter referred to as the acquiring corporation) in connection with the sale or other transfer to the acquiring corporation of all or substantially all of the assets used by the previous employer of the employee (hereinafter referred to as the selling corporation) in a trade or business conducted by the selling corporation

shall be treated as a payment or distribution on account of the termination of the plan with respect to such employee if the

employees of the employer corporation or the acquiring corporation (whichever applies) are not active participants in such plan at the time of such payment or distribution. For purposes of this paragraph, in no event shall a payment or distribution be deemed to be in connection with a sale or other transfer of assets, or a liquidation, sale, or other means of terminating such parent-subsidiary or controlled group relationship, if such payment or distribution is made later than the end of the second calendar year after the calendar year in which occurs such sale or other transfer of assets, or such liquidation, sale, or other means of terminating such parent-subsidiary or controlled group relationship.

(3) If any portion of a lump-sum distribution is transferred in a transfer to which paragraph (1) of subdivision (d) applies, subdivision (b) shall not apply with respect to such lump-sum distribution.

(4) For purposes of subdivisions (d) and (f)—

(A) The transfer of an amount equal to any portion of the proceeds from the sale of property received in the distribution shall be treated as the transfer of property received in the distribution.

(B) The excess of fair market value of property on sale over its fair market value on distribution shall be treated as property received in the distribution.

(C) In any case where part or all of the distribution consists of property other than money, the taxpayer may designate—

(i) The portion of the money or other property which is to be treated as attributable to employee contributions, and

(ii) The portion of the money or other property which is to be treated as included in the rollover contribution.

Any designation under this subparagraph for a taxable year shall be made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof). Any such designation, once made, shall be irrevocable.

(D) In any case where part or all of the distribution consists of property other than money and the taxpayer fails to make a designation under subparagraph (C) within the time provided therein, then—

(i) The portion of the money or other property which is to be treated as attributable to employee contributions, and

(ii) The portion of the money or other property which is to be treated as included in the rollover contribution

shall be determined on a ratable basis.

(E) In the case of any sale described in subparagraph (A), to the extent that an amount equal to the proceeds is transferred pursuant to paragraph (2) of subdivision (d) or paragraph (2) of subdivision (f) (as the case may be), neither gain nor loss on such sale shall be recognized.

(F) In the case of any distribution from a money purchase pension plan which is maintained by an employer, for purposes of clause (ii) of subparagraph (A) of paragraph (4) of subdivision (d),

subparagraph (c) of paragraph (4) of subsection (e) of Section 402 of the Internal Revenue Code of 1954 shall be applied by not taking into account any pension plan maintained by that employer which is not a money purchase pension plan. The preceding sentence shall not apply to any distribution which is a qualifying rollover distribution without regard to this subparagraph.

(G) If—

(i) Any distribution of the balance to the credit of an employer from a money purchase pension plan maintained by an employer is treated as a qualifying rollover distribution by reason of subparagraph (F), and

(ii) Any portion of that distribution is transferred in a transfer to which paragraph (1) of subdivision (d) applies,

then subdivision (b), and paragraphs (1) and (3) of subsection (e) of Section 402 of the Internal Revenue Code of 1954, as amended by Public Law 96-613, shall not apply to any distribution (after the taxable year in which the distribution described in paragraph (1) of subdivision (d) is made) of the balance to the credit of that employee from any other pension plan maintained by that employer.

(f) (1) If—

(A) Any portion of a qualifying rollover distribution attributable to an employee is paid to the spouse of the employee after the employee's death,

(B) The spouse transfers any portion of the property which the spouse receives in such distribution to an individual retirement plan, and

(C) In the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includable in gross income for the taxable year in which paid.

(2) Rules similar to the rules of paragraphs (2) through (5), inclusive, of subdivision (d) and of subdivision (e) shall apply for the purposes of this subdivision.

(g) (1) For purposes of this part contributions made by an employer on behalf of an employee to a trust which is a part of a qualified cash or deferred arrangement (as defined in Section 17502.10) shall not be treated as distributed or made available to the employee nor as contributions made to the trust by the employee merely because the arrangement includes provisions under which the employee has an election whether the contribution will be made to the trust or received by the employee in cash.

(2) This subdivision is applicable to plan years beginning after December 31, 1979.

SEC. 21. Section 17525.7 is added to the Revenue and Taxation Code, to read:

17525.7. (a) Amounts paid or accrued by an employer under an unqualified foreign plan—

(1) Shall not be allowable as a deduction under Sections 17202 or 17252 or Section 17513 to 17525.5, inclusive, but

(2) If they satisfy the conditions of Section 17202, shall be allowed as a deduction under this section for the taxable year for which such amounts are properly taken into account under this section.

(b) For purposes of this section—

(1) Except as otherwise provided in this section, in the case of a qualified funded plan, contributions are properly taken into account for the taxable year in which paid.

(2) For purposes of paragraph (1), a payment made after the close of a taxable year shall be treated as made on the last day of that year if the payment is made—

(A) On account of such year, and

(B) Not later than the time prescribed by law for filing the return for that year (including extensions thereof).

(3) In the case of a qualified funded plan, the amount allowable as a deduction for the taxable year shall be subject to—

(A) In the case of—

(i) A plan under which the benefits are fixed or determinable, limitations similar to those contained in paragraphs (2) and (3) of subdivision (a) of Section 17514 (determined without regard to the last sentence of that subdivision (a)), or

(ii) Any other plan, limitations similar to the limitations contained in Section 17516, and

(B) Limitations similar to those contained in Section 17520.

(4) If—

(A) The aggregate of the contributions paid during the taxable year reduced by any contributions not allowable as a deduction under paragraphs (1) and (2) of subdivision (g), exceeds

(B) The amount allowable as a deduction under subdivision (a) (determined without regard to subdivision (d)),

that excess shall be treated as an amount paid in the succeeding taxable year.

(5) In the case of a qualified funded plan, a contribution shall be taken into account only if it is paid—

(A) To a trust (or the equivalent of a trust) which meets the requirements of Section 17501(b),

(B) For a retirement annuity, or

(C) To a participant or beneficiary.

(c) For purposes of this section—

(1) In the case of a qualified reserve plan, the amount properly taken into account for the taxable year is the reasonable addition for that year to a reserve for the taxpayer's liability under the plan. Unless otherwise required or permitted in regulations prescribed by the Franchise Tax Board, the reserve for the taxpayer's liability shall be determined under the unit credit method modified to reflect the requirements of paragraphs (3) and (4). All benefits paid under the plan shall be charged to the reserve.

(2) In the case of a plan which is or has been a qualified reserve plan, an amount equal to that portion of any decrease for the taxable year in the reserve which is not attributable to the payment of

benefits shall be included in gross income.

(3) In the case of a qualified reserve plan, an item shall be taken into account for a taxable year only if—

(A) There is no substantial risk that the rights of the employee will be forfeited, and

(B) That item meets those additional requirements which the Franchise Tax Board may by regulation prescribe as necessary or appropriate to ensure that the liability will be satisfied.

(4) There shall be amortized over a 10-year period any increase or decrease to the reserve on account of—

(A) The adoption of the plan or a plan amendment,

(B) Experience gains and losses,

(C) Any change in actuarial assumptions,

(D) Changes in the interest rate under subparagraph (B) of paragraph (3) of subdivision (g), and

(E) Such other factors as may be prescribed by regulations.

(d) (1) In the case of any plan, the amount allowed as a deduction under subdivision (a) for any taxable year shall equal—

(A) The lesser of—

(i) The cumulative United States amount, or

(ii) The cumulative foreign amount, reduced by

(B) The aggregate amount determined under this section for all prior taxable years.

(2) For purposes of paragraph (1)—

(A) The term "cumulative United States amount" means the aggregate amount determined with respect to the plan under this section for the taxable year and for all prior taxable years to which this section applies. That determination shall be made for each taxable year without regard to the application of paragraph (1).

(B) The term "cumulative foreign amount" means the aggregate amount allowed as a deduction under the appropriate foreign tax laws for the taxable year and all prior taxable years to which this section applies.

(3) In determining the earnings and profits and accumulated profits of any foreign corporation with respect to a qualified foreign plan, the amount determined under paragraph (1) with respect to any plan for any taxable year shall in no event exceed the amount allowed as a deduction under the appropriate foreign tax laws for that taxable year.

(e) For purposes of this section, the term "qualified foreign plan" means any written plan of an employer for deferring the receipt of compensation but only if—

(1) That plan is for the exclusive benefit of the employer's employees or their beneficiaries,

(2) 90 percent or more of the amounts taken into account for the taxable year under the plan are attributable to services—

(A) Performed by nonresident aliens, and

(B) The compensation for which is not subject to tax under this chapter, and

(3) The employer elects (at such time and in such manner as the Franchise Tax Board shall by regulations prescribe) to have this section apply to that plan.

(f) For purposes of this section—

(1) The term "qualified funded plan" means a qualified foreign plan which is not a qualified reserve plan.

(2) The term "qualified reserve plan" means a qualified foreign plan with respect to which an election made by the taxpayer is in effect for the taxable year. An election under the preceding sentence shall be made in that manner and form as the Franchise Tax Board may by regulations prescribe and, once made, may be revoked only with the consent of the Franchise Tax Board.

(g) (1) Except as provided in Section 175..8, no deduction shall be allowed under this section for any item to the extent that item is attributable to services—

(A) Performed by a resident of California who is an officer, shareholder, or highly compensated employee, or

(B) Performed in the United States the compensation for which is subject to tax under this chapter.

(2) (A) No deduction shall be allowed under this section with respect to any plan for any taxable year unless the taxpayer furnishes to the Franchise Tax Board with respect to that plan (at such time as the Franchise Tax Board may by regulations prescribe)—

(i) A statement from the foreign tax authorities specifying the amount of the deduction allowed in computing taxable income under foreign law for that year with respect to that plan,

(ii) If the return under foreign tax law shows the deduction for plan contributions or reserves as a separate, identifiable item, a copy of the foreign tax return for the taxable year, or

(iii) Such other statement, return, or other evidence as the Franchise Tax Board prescribes by regulation as being sufficient to establish the amount of the deduction under foreign law.

(B) If the deduction under foreign tax law is adjusted, the taxpayer shall notify the Franchise Tax Board of that adjustment on or before the date prescribed by regulations, and the Franchise Tax Board shall redetermine the amount of the tax year or years affected. In any case described in the preceding sentence, rules similar to the rules of subsection (c) of Section 905 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 shall apply.

(3) (A) Except as provided in subparagraph (B), principles similar to those set forth in paragraphs (3) and (7) of Section 412(c) of the Internal Revenue Code of 1954 as amended by Public Law 96-613 shall apply for purposes of this section.

(B) (i) In the case of a qualified reserve plan, in lieu of taking rates of interest into account under subparagraph (A), the rate of interest for the plan shall be the rate selected by the taxpayer which is within the permissible range.

(ii) Any rate selected by the taxpayer for the plan under this subparagraph shall remain in effect for that plan until the first

taxable year for which that rate is no longer within the permissible range. At that time, the taxpayer shall select a new rate of interest which is within the permissible range applicable at that time.

(iii) For purposes of this subparagraph, the term "permissible range" means a rate of interest which is not more than 20 percent above, and not more than 20 percent below, the average rate of interest for long-term corporate bonds in the appropriate country for the 15-year period ending on the last day before the beginning of the taxable year.

SEC. 21.5. Section 17530 of the Revenue and Taxation Code is amended to read:

17530. (a) For purposes of this section, the term "individual retirement account" means a trust created or organized in the United States for the exclusive benefit of an individual or his beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

(1) Except in the case of a rollover contribution described in subdivision (d)(3), in Section 17503(d), 17511(e), 17512(a)(9), or 17530.1(b)(3), no contribution will be accepted unless it is in cash, and contributions will not be accepted for the taxable year in excess of two thousand dollars ($2,000) on behalf of any individual.

(2) The trustee is a bank (as defined in Section 17502.3(a)) or such other person who demonstrates to the satisfaction of the Franchise Tax Board that the manner in which such other person will administer the trust will be consistent with the requirements of this section.

(3) No part of the trust funds will be invested in life insurance contracts.

(4) The interest of an individual in the balance in his account is nonforfeitable.

(5) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

(6) The entire interest of an individual for whose benefit the trust is maintained will be distributed to him not later than the close of his taxable year in which he attains age 70½, or will be distributed, commencing before the close of such taxable year, in accordance with regulations prescribed by the Franchise Tax Board, over—

(A) The life of such individual or the lives of such individual and his spouse, or

(B) A period not extending beyond the life expectancy of such individual or the life expectancy of such individual and his spouse.

(7) If an individual for whose benefit the trust is maintained dies before his entire interest has been distributed to him, or if distribution has been commenced as provided in paragraph (6) to his surviving spouse and such surviving spouse dies before the entire interest has been distributed to such spouse, the entire interest (or the remaining part of such interest if distribution thereof has commenced) will, within five years after his death (or the death of

the surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such beneficiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which annuity will be immediately distributed to such beneficiary or beneficiaries. The preceding sentence does not apply if distributions over a term certain commenced before the death of the individual for whose benefit the trust was maintained and the term certain is for a period permitted under paragraph (6).

(b) For purposes of this section, the term "individual retirement annuity" means an annuity contract, or an endowment contract (as determined under regulations prescribed by the Franchise Tax Board), issued by an insurance company which meets the following requirements:

(1) The contract is not transferable by the owner.

(2) Under the contract—

(A) The premiums are not fixed,

(B) The annual premium on behalf of any individual will not exceed two thousand dollars ($2,000), and

(C) Any refund of premiums will be applied before the close of the calendar year following the year of the refund toward the payment of future premiums or the purchase of additional benefits.

(3) The entire interest of the owner will be distributed to him not later than the close of his taxable year in which he attains age 70½, or will be distributed, in accordance with regulations prescribed by the Franchise Tax Board over—

(A) The life of such owner or the lives of such owner and his spouse, or

(B) A period not extending beyond the life expectancy of such owner or the life expectancy of such owner and his spouse.

(4) If the owner dies before his entire interest has been distributed to him, or if distribution has been commenced as provided in paragraph (3) to his surviving spouse and such surviving spouse dies before the entire interest has been distributed to such spouse, the entire interest (or the remaining part of such interest if distribution thereof has commenced) will, within five years after his death (or the death of the surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such beneficiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which annuity will be immediately distributed to such beneficiary or beneficiaries. The preceding sentence shall have no application if distributions over a term certain commenced before the death of the owner and the term certain is for a period permitted under paragraph (3).

(5) The entire interest of the owner is nonforfeitable. Such term does not include such an annuity contract for any taxable year of the

owner in which it is disqualified on the application of subdivision (e) or for any subsequent taxable year. For purposes of this subdivision, no contract shall be treated as an endowment contract if it matures later than the taxable year in which the individual in whose name such contract is purchased attains age 70½; if it is not for the exclusive benefit of the individual in whose name it is purchased or his beneficiaries; or if the aggregate annual premiums under all such contracts purchased in the name of such individual for any taxable year exceed two thousand dollars ($2,000).

(c) A trust created or organized in the United States by an employer for the exclusive benefit of his employees or their beneficiaries, or by an association of employees (which may include employees within the meaning of Section 17502.2(a)) for the exclusive benefit of its members or their beneficiaries, shall be created as an individual retirement account (described in subdivision (a)), but only if the written governing instrument creating the trust meets the following requirements:

(1) The trust satisfies the requirements of paragraphs (1) through (7) of subdivision (a).

(2) There is a separate accounting for the interest of each employee or member (or spouse of an employee or member).

The assets of the trust may be held in a common fund for the account of all individuals who have an interest in the trust.

(d) (1) Except as otherwise provided in this subdivision, any amount paid or distributed out of an individual retirement account or under an individual retirement annuity shall be included in gross income by the payee or distributee, as the case may be, for the taxable year in which the payment or distribution is received. Notwithstanding any other provision of this code (including Parts 8 (commencing with Section 13301) and 9 (commencing with Section 15101) of this division), the basis of any person in such an account or annuity is zero.

(2) Paragraph (1) does not apply to any annuity contract which meets the requirements of paragraphs (1), (3), (4), and (5) of subdivision (b) and which is distributed from an individual retirement account. Sections 17101 to 17112.7, inclusive, apply to any such annuity contract, and for purposes of Sections 17101 to 17112.7, inclusive, the investment in such contract is zero.

(3) An amount is described in this paragraph as a rollover contribution if it meets the requirements of subparagraphs (A) and (B).

(A) Paragraph (1) does not apply to any amount paid or distributed out of an individual retirement account or individual retirement annuity to the individual for whose benefit the account or annuity is maintained if—

(i) The entire amount received (including money and any other property) is paid into an individual retirement account or individual retirement annuity (other than an endowment contract) or retirement bond for the benefit of such individual not later than the

60th day after the day on which he receives the payment or distribution;

(ii) The entire amount received (including money and other property) represents the entire amount in the account or the entire value of the annuity and no amount in the account and no part of the value of the annuity is attributable to any source other than a rollover contribution from an employees' trust described in Section 17501 which is exempt from tax under Section 17631 (other than a trust forming part of a plan under which the individual was an employee within the meaning of Section 17502.2(a) at the time contributions were made on his behalf under the plan), or an annuity plan described in Section 17511 (other than a plan under which the individual was an employee within the meaning of Section 17502.2(a) at the time contributions were made on his behalf under the plan) and any earnings on such sums and the entire amount thereof is paid into another such trust (for the benefit of such individual) or annuity plan not later than the 60th day on which he receives the payment or distribution; or

(iii) (I) The entire amount received (including money and other property) represents the entire interest in the account or the entire value of the annuity,

(II) No amount in the account and no part of the value of the annuity is attributable to any source other than a rollover contribution from an annuity contract described in Section 17512 and any earnings on such rollover, and

(III) The entire amount thereof is paid into another annuity contract described in Section 17512 (for the benefit of such individual) not later than the 60th day after he receives the payment or distribution.

(B) This paragraph does not apply to any amount described in subparagraph (A)(i) received by an individual from an individual retirement account or individual retirement annuity if at any time during the one-year period ending on the day of such receipt such individual received any other amount described in that subparagraph from an individual retirement account, individual retirement annuity, or a retirement bond which was not includable in his gross income because of the application of this paragraph. Clause (ii) of subparagraph (A) shall not apply to any amount paid or distributed out of an individual retirement account or an individual retirement annuity to which an amount was contributed which was treated as a rollover contribution by Section 17503(f) (or in the case of an individual retirement annuity, such section as made applicable by Section 17511(e)(2)).

(4) Paragraph (1) does not apply to the distribution of any contribution paid for a taxable year to an individual retirement account or for an individual retirement annuity to the extent that such contribution exceeds the amount allowable as a deduction under Section 17240 or 17241 if—

(A) Such distribution is received on or before the day

prescribed by law (including extensions of time) for filing such individual's return for such taxable year.

(B) No deduction is allowed under Section 17240 or 17241 with respect to such excess contribution, and

(C) Such distribution is accompanied by the amount of net income attributable to such excess contribution.

In the case of such a distribution, for purposes of Section 17071, any net income described in subparagraph (C) shall be deemed to have been earned and receivable in the taxable year in which such excess contribution is made.

(5) (A) In the case of any individual, if the aggregate contributions (other than rollover contributions) paid for any taxable year to an individual retirement account or for an individual retirement annuity do not exceed two thousand two hundred fifty dollars ($2,250), paragraph (1) shall not apply to the distribution of any such contribution to the extent that such contribution exceeds the amount allowable as a deduction under Section 17240 or 17241 for the taxable year for which the contribution was paid—

(i) If such distribution is received after the date described in paragraph (4),

(ii) But only to the extent that no deduction has been allowed under Section 17240 or 17241 with respect to such excess contribution.

If employer contributions on behalf of the individual are paid for the taxable year to a simplified employee pension, the dollar limitation of the preceding sentence shall be increased by the lesser of the amount of such contributions or fifteen thousand dollars ($15,000).

(B) (i) The taxpayer reasonably relies on information supplied pursuant to this part for determining the amount of a rollover contribution, but

(ii) The information was erroneous, subparagraph (A) shall be applied by increasing the dollar limit set forth therein by that portion of the excess contribution which was attributable to such information.

(6) The transfer of an individual's interest in an individual retirement account, individual retirement annuity, or retirement bond to his former spouse under a divorce decree or under a written instrument incident to such divorce is not to be considered a taxable transfer made by such individual notwithstanding any other provision of this part, and such interest at the time of the transfer is to be treated as an individual retirement account of such spouse, and not of such individual. Thereafter such account, annuity, or bond for purposes of this part is to be treated as maintained for the benefit of such spouse.

(e) (1) Any individual retirement account is exempt from taxation under this part unless such account has ceased to be an individual retirement account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject

to the taxes imposed by Section 17651 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

(2) (A) In the case of such a plan in existence in taxable year 1975 where contributions were made pursuant to and in conformance with Section 408 or 409 of the Internal Revenue Code of 1954 as amended by the Employee's Income Security Act of 1974 (P.L. 93-406), any net income attributable to the 1975 contribution shall not be includable in the gross income, for taxable year 1977 or succeeding taxable years, of the individual for whose benefit the plan was established until distributed pursuant to the provisions of the plan or by operation of law.

(B) In the case of a simplified employee pension, where contributions are also made pursuant to, and in conformance with, the provisions of Section 408(k) of the Internal Revenue Code of 1954, as amended by Public Law 95-600, the net income attributable to the nondeductible portion of such contributions shall not be includable in the gross income of the individual for whose benefit the plan was established for the taxable year or for succeeding taxable years until distributed pursuant to the provisions of the plan or by operation of law.

(3) (A) If, during any taxable year of the individual for whose benefit any individual retirement account is established, that individual or his beneficiary engages in any transaction prohibited by Section 4975 of the Internal Revenue Code of 1954 as amended by Public Law 95-600 with respect to such account, such account ceases to be an individual retirement account as of the first day of such taxable year. For purposes of this paragraph—

(i) The individual for whose benefit any account was established is treated as the creator of such account and

(ii) The separate account for any individual within an individual retirement account maintained by an employer or association of employees is treated as a separate individual retirement account.

(B) In any case in which any account ceases to be an individual retirement account by reason of subparagraph (A) as of the first day of any taxable year, paragraph (1) of subdivision (d) applies as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

(4) If during any taxable year the owner of an individual retirement annuity borrows any money under or by use of such contract, the contract ceases to be an individual retirement annuity as of the first day of such taxable year. Such owner shall include in gross income for such year an amount equal to the fair market value of such contract as of such first day.

(5) If, during any taxable year of the individual for whose benefit an individual retirement account is established, that individual uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual.

(6) If the assets of an individual retirement account or any part of

such assets are used to purchase an endowment contract for the benefit of the individual for whose benefit the account is established—

(A) To the extent that the amount of the assets involved in the purchase are not attributable to the purchase of life insurance, the purchase is treated as a rollover contribution described in subdivision (d) (3), and

(B) To the extent that the amount of the assets involved in the purchase are attributable to the purchase of life, health, accident, or other insurance, such amounts are treated as distributed to that individual (but the provisions of subdivision (f) do not apply).

(7) Any common trust fund or common investment fund of individual retirement account assets which is exempt from taxation under this part does not cease to be exempt on account of the participation or inclusion of assets of a trust exempt from taxation under Section 17631 which is described in Section 17501.

(f) (1) If a distribution from an individual retirement account or under an individual retirement annuity to the individual for whose benefit such account or annuity was established is made before such individual attains age 59½, his tax under this article for the taxable year in which such distribution is received shall be increased by an amount equal to 2.5 percent of the amount of distribution which is includable in his gross income for such taxable year.

(2) If an amount is includable in gross income for a taxable year under subdivision (e) and the taxpayer has not attained age 59½ before the beginning of such taxable year, his tax under this article for such taxable year shall be increased by an amount equal to 2.5 percent of such amount so required to be included in his gross income.

(3) Paragraphs (1) and (2) do not apply if the amount paid or distributed, or the disqualification of the account or annuity under subdivision (e), is attributable to the taxpayer becoming disabled within the meaning of Section 17112.5(f).

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

(h) For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in Section 17502.3(a)) or another person who demonstrates, to the satisfaction of the Franchise Tax Board, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an individual retirement account described in subdivision (a). For purposes of this part, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

(i) The trustee of an individual retirement account and the issuer of an endowment contract described in subdivision (b) or an individual retirement annuity shall make such reports regarding

such account, contract, or annuity to the Franchise Tax Board and to the individuals for whom the account, contract, or annuity is, or is to be, maintained with respect to contributions, distributions, and such other matters as the Franchise Tax Board may require under regulations. The reports required by this subdivision shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.

(j) In the case of a simplified employee pension, this section shall be applied by substituting " fifteen thousand dollars ($15,000)" for "one thousand five hundred dollars ($1,500)" in the following provisions:

(1) Paragraph (1) of subdivision (a), and

(2) Paragraph (2) of subdivision (b).

(k) (1) For purposes of this part, the term "simplified employee pension" means an individual retirement account or individual retirement annuity with respect to which the requirements of paragraphs (2), (3), (4), and (5) of this subdivision are met.

(2) This paragraph is satisfied with respect to a simplified employee pension for a calendar year only if for such year the employer contributes to the simplified employee pension of each employee who—

(A) Has attained age 25, and

(B) Has performed service for the employer during at least three of the immediately preceding five calendar years.

For purposes of this paragraph, there shall be excluded from consideration employees described in subparagraph (A) or (C) of paragraph (1) of subsection (b) of Section 410 of the Internal Revenue Code of 1954 as amended by Public Law 95-600.

(3) (A) The requirements of this paragraph are met with respect to a simplified employee pension for a calendar year if for such year the contributions made by the employer to simplified employee pensions for his employees do not discriminate in favor of any employee who is—

(i) An officer,

(ii) A shareholder,

(iii) A self-employed individual, or

(iv) Highly compensated.

(B) For purposes of subparagraph (A)--

(i) There shall be excluded from consideration employees described in subparagraph (A) or (C) of Section 410(b)(2) of the Internal Revenue Code of 1954, as amended by Public Law 95-600, and

(ii) An individual shall be considered a shareholder if he owns (with the application of Section 17384) more than 10 percent of the value of the stock of the employer.

(C) For purposes of subparagraph (A), employer contributions to simplified employee pensions shall be considered discriminatory unless contributions thereto bear a uniform relationship to the total

compensation (not in excess of the first two hundred thousand dollars ($200,000)) of each employee maintaining a simplified employee pension.

(D) Except as provided in this subparagraph, employer contributions do not meet the requirements of this paragraph unless such contributions meet the requirements of this paragraph without taking into account contributions or benefits relating to tax on self-employment income, relating to Federal Insurance Contributions Act, Title II of the Social Security Act, or any other federal or state law. Taxes paid under Section 3111 of the Internal Revenue Code of 1954, as amended by Public Law 95-600 (relating to tax on employers) with respect to an employee may, for purposes of this paragraph, be taken into account as a contribution by the employer to an employee's simplified employee pension. If contributions are made to the simplified employee pension of an owner-employee, the preceding sentence shall not apply unless taxes paid by all such owner-employees under Chapter 2 of the Internal Revenue Code of 1954, as amended by Public Law 95-600, and the taxes which would be payable under Chapter 2 by such owner-employees but for paragraphs (4) and (5) of Section 1402(c) of the Internal Revenue Code of 1954, as amended by Public Law 95-600, are taken into account as contributions by the employer on behalf of such owner-employees.

(4) A simplified employee pension meets the requirements of this paragraph only if—

(A) Employer contributions thereto are not conditioned on the retention in such pension of any portion of the amount contributed, and

(B) There is no prohibition imposed by the employer on withdrawals from the simplified employee pension.

(5) The requirements of this paragraph are met with respect to a simplified employee pension only if employer contributions to such pension are determined under a definite written allocation formula which specifies—

(A) The requirements which an employee must satisfy to share in an allocation, and

(B) The manner in which the amount allocated is computed.

(6) For purposes of this subdivision and subdivision (*l*)—

(A) The terms "employee", "employer", and "owner-employee" shall have the respective meanings given such terms by Section 17502.2.

(B) The term "compensation" means, in the case of an employee within the meaning of Section 17502.2(a), earned income within the meaning of Section 17502.2(b).

(*l*) An employer who makes a contribution on behalf of an employee to a simplified employee pension shall provide such simplified reports with respect to such contributions as the Franchise Tax Board may require by regulations. The reports required by this

subsection shall be filed at such time and in such manner, and information with respect to such contributions shall be furnished to the employee at such time and in such manner, as may be required by regulations.

SEC. 22. Section 17530.3 of the Revenue and Taxation Code is amended to read:

17530.3. For the purposes of this article, the definitions and special rules set forth in Section 414 of the Internal Revenue Code of 1954 as amended by Public Law 96-613 shall be applied as provided therein.

SEC. 23. Section 17530.5 of the Revenue and Taxation Code is amended to read:

17530.5. An employee stock ownership plan qualified under Section 409A of the Internal Revenue Code of 1954 as amended by Public Law 96-222 shall be a qualified plan within this part.

SEC. 24. Section 18100.1 is added to the Revenue and Taxation Code, to read:

18100.1. The running of any period of time specified in Section 18091 or 18093 (other than the 18 months referred to in subdivision (d) of Section 18093) shall be suspended during any time that the taxpayer (or his or her spouse if the old residence and the new residence are each used by the taxpayer and his or her spouse as their principal residence) has a tax home (as defined in Section 913(j)(1)(B) of the Internal Revenue Code) outside the United States after the date of the sale of the old residence; except that any such period of time as so suspended shall not extend beyond the date four years after the date of the sale of the old residence.

SEC. 24.5. Section 18162.5 of the Revenue and Taxation Code is amended to read:

18162.5. (a) In the case of any taxpayer, only the following percentages of the gain or loss recognized upon the sale or exchange of a capital asset, except gains from small business stock or nonproductive assets, shall be taken into account in computing taxable income:

(1) One hundred percent if the capital asset has been held for not more than one year.

(2) Sixty-five percent if the capital asset has been held for more than one year but not more than five years.

(3) Fifty percent if the capital asset has been held more than five years.

(b) In the case of any taxpayer, only the following percentages of the gain recognized upon the sale or exchange of small business stock shall be taken into account in computing taxable income:

(1) One hundred percent if the small business stock has been held for not more than one year.

(2) Sixty-five percent if the small business stock has been held for more than one year but not more than three years.

(3) Zero percent if the small business stock has been held for more than three years, and if at the time of sale, the fair market value (as

defined in Section 110) of land owned or controlled by the corporation does not exceed 25 percent of the fair market value of the corporation (as reflected in the price at which the stock was sold).

(c) In the case of any taxpayer, only the following percentages of the gain recognized upon the sale or exchange of nonproductive assets shall be taken into account in computing taxable income:

(1) One hundred percent if the nonproductive asset has been held for not more than one year.

(2) Seventy percent if the nonproductive asset has been held for more than one year but not more than five years.

(3) Fifty percent if the nonproductive asset has been held for more than five years.

(d) Subdivision (b) shall apply with respect to small business stock acquired after September 16, 1981.

SEC. 25. Section 18415 of the Revenue and Taxation Code is amended to read:

18415. Except as provided in subdivision (c), for taxable years beginning on and after January 1, 1973, every individual shall make a declaration of estimated tax for the lesser of the amounts stated in subdivision (a) or (b).

(a) The tax imposed under Section 17041 or 17048 for the preceding taxable year, minus the sum of any credits against the tax provided by this part.

(b) A tax computed under Section 17041 or 17048 upon the estimated income for the taxable year minus the sum of any credits against the tax provided by this part.

(c) No declaration is required if:

(1) The tax determined under subdivision (a) or subdivision (b) is less than one hundred dollars ($100) except in the case of a separate return filed by a married person the amount shall be less than fifty dollars ($50); or

(2) Eighty percent or more of the tax imposed under Section 17041 or 17048 for the preceding taxable year minus the sum of any credits against the tax provided by this part, except the credit allowed under Section 18551.1 for tax withheld on wages pursuant to Section 13020 of the Unemployment Insurance Code, was paid, or 80 percent or more of the estimated tax for the current taxable year will be paid, by withholding of tax on wages as provided by Section 13020 of the Unemployment Insurance Code; or

(3) Eighty percent or more of the adjusted gross income for the taxable year consists of wages subject to withholding pursuant to Section 13020 of the Unemployment Insurance Code. However, this paragraph shall not apply if the employee files a false or fraudulent withholding exemption certificate for that taxable year.

(d) The declaration provided by this section shall contain such pertinent information as the Franchise Tax Board may by forms or regulations prescribe.

(e) An individual may make amendments of a declaration filed

during the taxable year under regulations prescribed by the Franchise Tax Board.

(f) If on or before January 31 (or March 1, in the case of an individual referred to in paragraph (2) of subdivision (b) of Section 18435, relating to income from farming or fishing) of the succeeding taxable year the taxpayer files a return, for the taxable year for which the declaration is required, and pays in full the amount computed on the return as payable, then, under regulations prescribed by the Franchise Tax Board—

(1) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before January 15, such return shall be considered as such declaration; and

(2) If the tax shown on the return (reduced by the sum of the credits against tax provided by subdivision (b) of this section) is greater than the estimated tax shown in a declaration previously made, or in the last amendment thereof, such return shall be considered as the amendment of the declaration permitted by subdivision (e) to be filed on or before January 15.

In the application of this subdivision, in the case of a taxable year beginning on any date other than January 1, there shall be substituted, for the 15th or last day of the months specified in this subdivision, the 15th or last day of the months which correspond thereto.

(g) An individual with a taxable year of less than 12 months shall make a declaration in accordance with regulations prescribed by the Franchise Tax Board.

(h) The provisions of this section shall not apply to an estate or trust.

(i) The provisions of this section shall apply to a nonresident individual.

(j) In the case of a husband and wife, a single declaration of estimated tax under this section may be made by them jointly, in which case the liability with respect to the estimated tax shall be joint and several. No joint declaration may be made if either the husband or the wife is a nonresident, if they are separated under a decree of divorce or of separate maintenance or a final judgment of dissolution of marriage, or if they have different taxable years. If a joint declaration is made but a joint return is not made for the taxable year, the estimated tax for such year may be treated as the estimated tax of either the husband or the wife, or may be divided between them.

SEC. 26. Section 18416 of the Revenue and Taxation Code is repealed.

SEC. 27. Section 23114 of the Revenue and Taxation Code is repealed.

SEC. 27.3. Section 23701t of the Revenue and Taxation Code is amended to read:

23701t. (a) A homeowners' association organized and operated to provide for the acquisition, construction, management,

maintenance, and care of residential association property if:

(1) Sixty percent or more of the gross income of such organization for the taxable year consists solely of amounts received as membership dues, fees and assessments from tenant-stockholders or owners of residential units, residences or lots;

(2) Ninety percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance, and care of association property;

(3) No part of the net earnings inures (other than by providing management, maintenance and care of association property or by a rebate of excess membership dues, fees or assessments) to the benefit of any private shareholder or individual; and

(4) Amounts received as membership dues, fees and assessments not expended for association purposes during the taxable year are transferred to and held in trust to provide for the management, maintenance, and care of association property and common areas.

(b) The term "association property" means—

(1) Property held by the organization,

(2) Property held in common by the members of the organization, and

(3) Property within the organization privately held by the members of the organization.

(c) A homeowners association shall be subject to tax under this part with respect to its "homeowners association taxable income," and such income shall be subject to tax as provided by Chapter 3 (commencing with Section 23501) of this part.

(1) For purposes of this section, the term "homeowners association taxable income" of any organization for any taxable year means an amount equal to the excess over one hundred dollars ($100) (if any) of—

(A) The gross income for the taxable year (excluding any exempt function income), over

(B) The deductions allowed by this part which are directly connected with the production of the gross income (excluding exempt function income).

(2) For purposes of this section, the term "exempt function income" means any amount received as membership fees, dues and assessments from tenant-shareholders or owners of residential units, residences or lots.

(d) The term "homeowners' association" includes a condominium management association, a residential real estate management association, and a cooperative housing corporation.

SEC. 27.7. Section 24343 of the Revenue and Taxation Code is amended to read:

24343. (a) There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the income year in carrying on any trade or business, including—

(1) A reasonable allowance for salaries or other compensation for

personal services actually rendered, including, but not limited to, any payments, reimbursements, or contributions to employees for child care. For purposes of this section, "child care" means programs designed to provide or facilitate the provisions of care and nurture for children under the age of 15 while their parents or guardians are working or in training.

(2) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which it has no equity.

(3) Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business.

(b) (1) No deduction shall be allowed under subdivision (a) for any payment made, directly or indirectly, to an official or employee of any government, or of any agency or instrumentality of any government, if the payment constitutes an illegal bribe or kickback or, if the payment is to an official or employee of a foreign government, the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee. The burden of proof in respect of the issue, for the purposes of this paragraph, as to whether a payment constitutes an illegal bribe or kickback (or would be unlawful under the laws of the United States) shall be upon the Franchise Tax Board to the same extent as it bears the burden of proof when the issue relates to fraud.

(2) No deduction shall be allowed under subdivision (a) for any payment (other than a payment described in paragraph (1)) made, directly or indirectly, to any person, if the payment constitutes an illegal bribe, illegal kickback, or other illegal payment under any law of the United States, or under any law of a state (but only if such state law is generally enforced), which subjects the payer to a criminal penalty or the loss of license or privilege to engage in a trade or business. For purposes of this paragraph, a kickback includes a payment in consideration of the referral of a client, patient, or customer. The burden of proof in respect of the issue, for purposes of this paragraph, as to whether a payment constitutes an illegal bribe, illegal kickback, or other illegal payment shall be upon the Franchise Tax Board to the same extent as it bears the burden of proof when the issue relates to fraud. However, a deduction shall not be disallowed under this paragraph, if, with respect to a payment described herein, the taxpayer in a court of competent jurisdiction is acquitted of making an illegal bribe, kickback or payment.

(3) No deduction shall be allowed under subdivision (a) for any kickback, rebate, or bribe made by any provider of services, supplier, physician, or other person who furnishes items or services for which payment is or may be made under the Social Security Act, or in whole or in part out of federal funds under a state plan approved under such

act, if such kickback, rebate, or bribe is made in connection with the furnishing of such items or services or the making or receipt of such payments. For purposes of this paragraph, a kickback includes a payment in consideration of the referral of a client, patient, or customer.

(c) No deduction shall be allowed under subdivision (a) for any contribution or gift which would be allowable as a deduction under Sections 24357, 24358, and 24359 were it not for the percentage limitations, or the requirements as to the time of payment, set forth in such sections.

(d) For purposes of this part, whenever the amount of capital contributions evidenced by a share of stock issued pursuant to Section 303(c) of the Federal National Mortgage Association Charter Act (12 U.S.C., Section 1718) exceeds the fair market value of the stock as of the issue date of such stock, the initial holder of the stock shall treat the excess as ordinary and necessary expenses paid or incurred during the income year in carrying on a trade or business.

(e) No deduction shall be allowed under subdivsion (a) for any fine or similar penalty paid to a government for the violation of any law.

(f) If in a criminal proceeding a taxpayer is convicted of a violation of the antitrust laws, or its plea of guilty or nolo contendere to an indictment or information charging such a violation is entered or accepted in such a proceeding, no deduction shall be allowed under subdivision (a) for two-thirds of any amount paid or incurred—

(1) On any judgment for damages entered against the taxpayer under Section 4 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (commonly known as the Clayton Act), on account of such violation or any related violation of the antitrust laws which occurred prior to the date of the final judgment of such conviction, or

(2) In settlement of any action brought under such Section 4 on account of such violation or related violation.

The preceding sentence shall not apply with respect to any conviction or plea before January 1, 1971, or to any conviction or plea on or after such date in a new trial following an appeal of a conviction before such date.

(g) (1) The deduction allowed by subdivision (a) shall include all the ordinary and necessary expenses (including, but not limited to, traveling expenses described in paragraph (2) of subdivision (a) and the cost of preparing testimony) paid or incurred during the income year in carrying on any trade or business—

(A) In direct connection with appearances before, submission of statements to, or sending communications to, the committees, or individual members, or Congress or of any legislative body of a state, a possession of the United States, or a political subdivision of any of the foregoing with respect to legislation or proposed legislation of

direct interest to the taxpayer, or

(B) In direct connection with communication of information between the taxpayer and an organization of which it is a member with respect to legislation or proposed legislation of direct interest to the taxpayer and to that organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member which is attributable to the expenses of the activities described in subparagraphs (A) and (B) carried on by that organization.

(2) The provisions of paragraph (1) shall not be construed as allowing the deduction of any amount paid or incurred (whether by way of contribution, gift, or otherwise)—

(A) For participation in, or intervention in, any political campaign on behalf of any candidate for public office, or

(B) In connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters, elections, or referendums.

SEC. 28. Section 24354.2 of the Revenue and Taxation Code is amended to read:

24354.2. (a) The taxpayer may elect, in accordance with regulations prescribed by the Franchise Tax Board, to compute the depreciation deduction provided by subdivision (a) of Section 24349 attributable to rehabilitation expenditures incurred with respect to low-income rental housing after December 31, 1970, and before January 1, 1984, under the straight line method using a useful life of 60 months and no salvage value. Such method shall be in lieu of any other method of computing the depreciation deduction under subdivision (a) of Section 24349, and in lieu of any deduction for amortization, for such expenditures.

(b) (1) The aggregate amount of rehabilitation expenditures paid or incurred by the taxpayer with respect to any dwelling unit in any low-income rental housing which may be taken into account under subdivision (a) shall not exceed twenty thousand dollars ($20,000).

(2) Rehabilitation expenditures paid or incurred by the taxpayer in any income year with respect to any dwelling unit in any low-income rental housing shall be taken into account under subdivision (a) only if over a period of two consecutive years, including the income year, the aggregate amount of such expenditures exceeds three thousand dollars ($3,000).

(c) For purposes of this section:

(1) The term "rehabilitation expenditures" means amounts chargeable to capital account and incurred for property or additions or improvements to property (or related facilities) with a useful life of five years or more, in connection with the rehabilitation of an existing building for low-income rental housing; but such term does not include the cost of acquisition of such building or any interest therein.

(2) The term "low-income rental housing" means any building

the dwelling units in which are held for occupancy on a rental basis by families and individuals of low or moderate income, as determined by the Franchise Tax Board in a manner consistent with the Leased Housing Program under Section 8 of the United States Housing Act of 1937 pursuant to regulations prescribed under this section.

(3) The term "dwelling unit" means a house or an apartment used to provide living accommodations in a building or structure, but does not include a unit in a hotel, motel, inn, or other establishment more than one-half of the units in which are used on a transient basis.

(4) Rehabilitation expenditures incurred pursuant to a binding contract entered into before January 1, 1984, and rehabilitation expenditures incurred with respect to low-income rental housing the rehabilitation of which has begun before January 1, 1984, shall be deemed incurred before January 1, 1984.

(d) The amendments made by the 1977–78 Legislature shall apply to expenditures paid or incurred after December 31, 1976, and before January 1, 1982, and expenditures made pursuant to a binding contract entered into before January 1, 1982. The amendment made in subdivision (b) shall apply to expenditures incurred after December 31, 1976.

SEC. 29. Section 24357.2 of the Revenue and Taxation Code is amended to read:

24357.2. (a) In the case of a contribution (not made by a transfer in trust) of an interest in property which consists of less than the taxpayer's entire interest in such property, a deduction shall be allowed under Section 24357 only to the extent that the value of the interest contributed would be allowable as a deduction under Section 24357 if such interest had been transferred in trust. For purposes of this subdivision, a contribution by a taxpayer of the right to use property shall be treated as a contribution of less than the taxpayer's entire interest in such property.

(b) Subdivision (a) shall not apply to a contribution of—

(1) A remainder interest in a personal residence or farm,

(2) An undivided portion of the taxpayer's entire interest in property,

(3) A qualified conservation contribution (as defined in Section 24357.7).

(c) The amendments made to this section by the 1977–78 Legislature shall apply with respect to contributions of transfers made after December 31, 1976, and before June 14, 1977.

(d) The amendments made to this section by the 1981–82 Regular Session of the Legislature shall apply with respect to contributions or transfers made in income years beginning on and after January 1, 1981.

SEC. 30. Section 24357.7 is added to the Revenue and Taxation Code, to read:

24357.7. (a) For purposes of paragraph (3) of subdivision (b) of Section 24357.2, the term "qualified conservation contribution"

means a contribution—

(1) Of a qualified real property interest,

(2) To a qualified organization,

(3) Exclusively for conservation purposes.

(A) For purposes of this subdivision, the term "qualified real property interest" means any of the following interests in real property:

(i) The entire interest of the donor other than a qualified mineral interest.

(ii) A remainder interest.

(iii) A restriction (granted in perpetuity) on the use which may be made of the real property.

(b) For purposes of subdivision (a), the term "qualified organization" means an organization which:

(1) Is described in subdivision (a) or (b) of Section 24359, or

(2) Is described in Section 23701(d), and—

(A) Meets the requirements of Section 509(a)(2) of the Internal Revenue Code, or

(B) Meets the requirements of Section 509(a)(3) of the Internal Revenue Code and is controlled by an organization described in paragraph (1) or in subparagraph (A).

(c) For purposes of this section, the term "conservation purpose" means any of the following:

(1) The preservation of land areas for outdoor recreation by, or the education of, the general public.

(2) The protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem.

(3) The preservation of open space (including farmland and forest land) where such preservation is for any of the following:

(A) For the scenic enjoyment of the general public.

(B) Pursuant to a clearly delineated federal, state, or local governmental conservation policy, and will yield a significant public benefit.

(C) The preservation of an historically important land area or a certified historic structure.

(d) The term "certified structure" means any building, structure, or land area which:

(1) Is listed in the National Register, or

(2) Is located in a registered historic district (as defined in Section 191(d)(2) of the Internal Revenue Code and is certified by the Secretary of the Interior to the secretary as being of historic significance to the district.

A building, structure, or land area satisfies the preceding sentence if it satisfies such sentence either at the time of the transfer or on the due date (including extensions) for filing the transferor's return under this chapter for the taxable year in which the transfer is made.

(e) For purposes of this section:

(1) A contribution shall not be treated as exclusively for conservation purposes unless the conservation purpose is protected

in perpetuity.

(2) In the case of a contribution of any interest where there is a retention of a qualified mineral interest, this subdivision shall not be treated as met if at any time there may be extraction or removal of minerals by any surface mining method.

(3) For purposes of this subdivision, the term "qualified mineral interest" means—

(A) Subsurface oil, gas, or other minerals; and

(B) The right to access to such minerals.

SEC. 31. Section 24381 of the Revenue and Taxation Code is amended to read:

24381. (a) Every taxpayer, at its 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 income 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 24349 to 24354.2, 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 income 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 income year succeeding the income 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 Sections 24349 to 24354.2, 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 24349 to 24354.2, 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.

(2) The term "registered historic district" means:

(A) Any district listed in the National Register, and

(B) Any district—

(i) Which is 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, and

(ii) Which is certified by the Secretary of the Interior to the Franchise Tax Board as meeting all of the requirements for the listing of districts in the National Register.

(3) The term "amortizable basis" means the portion of the basis attributable to amounts expended in connection with certified rehabilitation.

(4) The term "certified rehabilitation" means any rehabilitation of a certified historic structure which the Secretary of the Interior has certified to the Secretary of the Treasury 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 24349 to 24354.2, 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) For rules relating to the listing of buildings, historic districts and structures in the National Register, see the act entitled "An act to establish a program for the preservation of additional historic properties throughout the nation and for other purposes", approved October 15, 1966, and contained in Section 470 et seq. of Title 16 of the United States Code.

(g) This section shall apply with respect to additions to capital account after December 31, 1976, and before January 1, 1984.

SEC. 32. Section 24414 is added to the Revenue and Taxation Code, to read:

24414. (a) Startup expenditures of a bank or corporation may, at the election of the bank or corporation, be treated as deferred expenses. Such deferred expenses shall be allowed as a deduction ratably over such period of not less than 60 months as may be selected by the taxpayer (beginning with the month in which the bank or corporation begins business).

(b) For purposes of subdivision (a), the term "startup expenditure" means any amount paid or incurred in connection with—

(1) Investigating the creation or a acquisition of an active trade or business, or

(2) Creating an active trade or business,

and which, if paid or incurred in connection with the expansion of an existing trade or business (in the same field as the trade or business referred to in paragraph (1) or (2)), would be allowable as a deduction for the income year in which paid or incurred.

(c) An election under subdivision (a) shall be made not later than the time prescribed by law for filing the return for the income year in which the business begins (including extensions thereof).

(d) The period selected under subdivision (a) shall be adhered to in computing net income for the income year for which the election is made and all subsequent income years.

SEC. 33. Section 24442 of the Revenue and Taxation Code is amended to read:

24442. (a) In the case of the demolition of a certified historic structure (as defined in Section 24381(d)(1))—

(1) No deduction otherwise allowable under this part shall be allowed to the owner or lessee of such structure for—

(A) Any amount expended for such demolition, or

(B) Any loss sustained on account of such demolition; and

(2) Amounts described in paragraph (1) shall be treated as property chargeable to capital account with respect to the land on which the demolished structure was located.

(b) For purposes of this section, any building or other structure located in a registered historic district (as defined in paragraph (2) of subdivision (d) of Section 24381) shall be treated as a certified historic structure unless the Secretary of the Interior has certified that such structure is not a certified historic structure, and that such structure is not of historic significance to the district, and if such certification occurs after the beginning of the demolition of such structure, the taxpayer has certified to the Franchise Tax Board that, at the time of such demolition, he in good faith was not aware of the certification requirement by the Secretary of the Interior.

This section shall apply with respect to demolitions commencing after December 31, 1976, and before January 1, 1984.

SEC. 34. Section 24443 of the Revenue and Taxation Code is repealed.

SEC. 35. Section 24443 is added to the Revenue and Taxation Code, to read:

24443. (a) In the case of any individual who attends a convention, seminar, or similar meeting which is held outside the North American area, no deduction shall be allowed under Section 24343 for expenses allocable to that meeting unless the taxpayer establishes that the meeting is directly related to the active conduct of his or her trade or business and that, after taking into account in the manner provided by regulations which may be prescribed by the Franchise Tax Board—

(1) The purpose of the meeting and the activities taking place

at the meeting.

(2) The purposes and activities of the sponsoring organizations or groups.

(3) The residences of the active members of the sponsoring organization and the places at which other meetings of the sponsoring organization or groups have been held or will be held.

(4) Such other relevant factors as the taxpayer may present, it is as reasonable for the meeting to be held outside the North American area as within the North American area.

(b) In the case of any individual who attends a convention, seminar, or other meeting which is held on any cruise ship, no deduction shall be allowed under Section 24343 for expenses allocable to that meeting.

(c) For purposes of this section:

(1) "North American area" means the United States, its possessions, and the trust territory of the Pacific Islands, and Canada and Mexico.

(2) "Cruise ship" means any vessel sailing within or without the territorial waters of the United States.

(d) For purposes of this section:

(1) Except as provided in paragraph (2), this section shall apply to deductions otherwise allowable under Section 24343 to any person, whether or not that person is the individual attending the convention, seminar, or similar meeting.

(2) This section shall not deny a deduction to any person other than the individual attending the convention, seminar, or similar meeting with respect to any amount paid by that person to or on behalf of that individual if includable in the gross income of that individual. The preceding sentence shall not apply if the amount is required to be included in any information return filed by that person under Section 18802 and is not so included.

SEC. 36. Section 24446 is added to the Revenue and Taxation Code, to read:

24446. Expenses paid or incurred by the taxpayer for goods, services, and facilities shall not be disallowed as a deduction to the extent that the expenses are includable in the gross income of a recipient of the entertainment, amusement, or recreation who is not an employee of the taxpayer as compensation for services rendered or as a prize or award under Section 17114. The preceding sentence shall not apply to any amount paid or incurred by the taxpayer if that amount is required to be included (or would be so required except that the amount is less than one thousand dollars ($1,000)) in any information return filed by such taxpayer under Section 18802 and is not so included.

SEC. 37. Section 24561 of the Revenue and Taxation Code is amended to read:

24561. (a) (1) If, in connection with any exchange described in Section 24502, 24521, 24531, 24532, 24533, 24535, 24536, 24537, 24538, 24539, or 24551, there is a transfer of property (other than stock or

securities of a foreign corporation which is a party to the exchange or a party to the reorganization) by a United States person to a foreign corporation, for purposes of determining the extent to which gain shall be recognized on such transfer, a foreign corporation shall not be considered to be a corporation unless, pursuant to a request filed in such manner, in such form, and within such time, as the Franchise Tax Board may by regulations prescribe, it is established to the satisfaction of the Franchise Tax Board that such exchange is not in pursuance of a plan having as one of its principal purposes the avoidance of taxes under this part.

(2) Paragraph (1) shall not apply to any exchange (otherwise within paragraph (1)), or to any type of property, which the Franchise Tax Board by regulations designates as not requiring the filing of a request.

(b) (1) In the case of any exchange described in Section 24502, 24521, 24531, 24532, 24533, 24535, 24536, 24537, 24538, 24539, or 24551 in connection with which there is no transfer of property described in subdivision (a) (1), a foreign corporation shall be considered to be a corporation except to the extent provided in regulations prescribed by the Franchise Tax Board which are necessary or appropriate to prevent the avoidance of taxes under this part.

(2) The regulations prescribed pursuant to paragraph (1) shall include (but shall not be limited to) regulations dealing with the sale or exchange of stock or securities in a foreign corporation by a United States person, including regulations providing—

(A) The circumstances under which—

(i) Gain shall be recognized currently, or amounts included in gross income currently as a dividend, of both, or

(ii) Gain or other amounts may be deferred for inclusion in the gross income of a shareholder (or his successor in interest) at a later date, and

(B) The extent to which adjustments shall be made to earnings and profits, basis of stock or securities, and basis of assets.

(c) (1) For purposes of this section, any distribution described in Sections 24532 and 24533 (or so much of Sections 24535 to 24539, inclusive, as relates to Sections 24532 and 24533) shall be treated as an exchange whether or not it is an exchange.

(2) For purposes of this part, any transfer of property to a foreign corporation as a contribution to the capital of such corporation by one or more persons who immediately after the transfer, own (within the meaning of Section 24497) stock possessing at least 80 percent of the total combined voting power of all classes of stock of such corporation entitled to vote shall be treated as an exchange of such property for stock of the foreign corporation equal in value to the fair market value of the property transferred.

(d) In the case of any exchange beginning before January 1, 1978—

(1) Subdivision (a) shall be applied without regard to whether or not there is a transfer of property described in subdivision (a) (1),

and

(2) Subdivision (b) shall not apply.

SEC. 38. Section 24611 is added to the Revenue and Taxation Code, to read:

24611. The provisions of Section 17525.7 concerned with foreign deferred compensation plans shall apply to such plans under this part.

SEC. 39. Section 13028 of the Unemployment Insurance Code is amended to read:

13028. (a) For purposes of this division (and so much of Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code as relates to this division)--

(1) Any supplemental unemployment compensation benefit paid to an individual,

(2) Any payment of an annuity to an individual, if at the time the payment is made a request that such annuity be subject to withholding under this division is in effect, and

(3) Any payment to an individual of sick pay which does not constitute wages (determined without regard to this subdivision), if at the time the payment is made a request that such sick pay be subject to withholding under this division is in effect,

shall be treated as if it were a payment of wages by an employer to an employee for a payroll period.

(b) (1) For purposes of subdivision (a), "supplemental unemployment compensation benefits" means amounts which are paid to an employee, pursuant to a plan to which the employer is a party, because of an employee's involuntary separation from employment (whether or not such separation is temporary), resulting directly from a reduction in force, the discontinuance of a plant or operation, or other similar conditions, but only to the extent such benefits are includable in the employee's gross income.

(2) For purposes of this section, "annuity" means any amount paid to an individual as a pension or annuity.

(3) For purposes of this subdivision, the term "sick pay" means any amount which—

(A) Is paid to an employee pursuant to a plan to which the employer is a party, and

(B) Constitutes remuneration or a payment in lieu of remuneration for any period during which the employee is temporarily absent from work on account of sickness or personal injuries.

(c) If a payee makes a request that an annuity or any sick pay be subject to withholding under this chapter, the amount to be deducted and withheld under this chapter from any payment to which that request applies shall be an amount (not less than a minimum amount determined by the Franchise Tax Board) specified by the payee in that request. The amount deducted and withheld with respect to a payment which is greater or less than a full payment shall bear the same relation to the specified amount as

that payment bears to a full payment.

(1) A request that an annuity or any sick pay be subject to withholding under this chapter—

(A) Shall be made by the payee in writing to the person making the payments and shall contain the social security number of the payee,

(B) Shall specify the amount to be deducted and withheld from each full payment, and

(C) Shall take effect—

(i) In the case of sick pay, with respect to payments made more than seven days after the date on which that request is furnished to the payer, or

(ii) In the case of an annuity, at such time (after the date on which such request is furnished to the payer) as the department shall by regulations prescribe.

Such a request may be changed or terminated by furnishing to the person making the payments a written statement of change or termination which shall take effect in the same manner as provided in subparagraph (C). At the election of the payer, any such request (or statement of change or revocation) may take effect earlier than as provided in subparagraph (C).

(2) In the case of any sick pay paid pursuant to a collective-bargaining agreement between employee representatives and one or more employers which contains a provision specifying that this paragraph is to apply to sick pay paid pursuant to such agreement and contains a provision for determining the amount to be deducted and withheld from each payment of such sick pay—

(A) The requirement of paragraph (3) of subdivision (a) that a request for withholding be in effect shall not apply, and

(B) Except as provided in Section 13026, the amounts to be deducted and withheld under this chapter shall be determined in accordance with that agreement.

The preceding sentence shall not apply with respect to sick pay paid pursuant to any agreement to any individual unless the social security number of that individual is furnished to the payer and the payer is furnished with such information as is necessary to determine whether the payment is pursuant to the agreement and to determine the amount to be deducted and withheld.

SEC. 40. Section 13050 of the Unemployment Insurance Code is amended to read:

13050. (a) Every employer or person required to deduct and withhold from an employee a tax under Section 13020, or who would have been required to deduct and withhold a tax under Section 13020 (determined without regard to Section 13025) if the employee had claimed no more than one withholding exemption, shall furnish to each such employee in respect of the remuneration paid by such person to such employee during the calendar year, on or before January 31 of the succeeding year, or, if his or her employment is terminated before the close of such calendar year, on the day on

which the last payment of remuneration is made, a written statement showing all of the following:

(1) The name of such person.

(2) The name of the employee (and his or her social security or identifying number if wages have been paid).

(3) The total amount of wages, except that in the case of tips received by an employee in the course of his or her employment, the amounts required shall include only such tips as are included in statements furnished to the employer pursuant to Section 13055.

(4) The total amount deducted and withheld as tax under Section 13020.

(5) The total amount of worker contributions paid by the employee pursuant to Section 986.

(6) The total amount of worker contributions paid by the employee pursuant to Section 3260.

(b) The statement required to be furnished pursuant to this section in respect of any remuneration shall be furnished at such other times, shall contain such other information, and shall be in such form as the department may by authorized regulations prescribe.

(c) A duplicate of any statement made pursuant to this section and in accordance with authorized regulations prescribed by the department shall, when required by such regulations be filed with the department.

(d) If, during any calendar year, any person makes a payment of third-party sick pay to an employee, that person shall, on or before January 15 of the succeeding year, furnish a written statement to the employer in respect of whom such payment was made showing—

(1) The name and, if there is withholding under this division, the social security number of that employee,

(2) The total amount of the third-party sick pay paid to that employee during the calendar year, and

(3) The total amount (if any) deducted and withheld from that sick pay under this division.

For purposes of the preceding sentence, the term "third-party sick pay" means any sick pay (as defined in paragraph (1) of subdivision (c) of Section 13028 which does not constitute wages for purposes of this division (determined without regard to subdivision (a) of Section 13028)).

(A) The reporting requirements of subdivision (a) with respect to any payments shall, with respect to those payments, be in lieu of the requirements of subdivision (a) and of Section 18802 of the Revenue and Taxation Code.

(B) For purposes of Chapter 6 (commencing with Section 13090), the statements required to be furnished by this subdivision shall be treated as statements required under this section to be furnished to employees.

(C) Every employer who receives a statement under subdivision (d) of Section 13028 with respect to sick pay paid to any employee during any calendar year shall, on or before January 31 of the

succeeding year, furnish a written statement to that employee showing—

(i) The information shown on the statement furnished under subdivision (d) of Section 13028, and

(ii) If any portion of the sick pay is excludable from gross income under Section 17138 of the Revenue and Taxation Code, the portion which is not so excludable and the portion which is so excludable.

To the extent practicable, the information required under the preceding sentence shall be furnished on or with the statement (if any) required under subdivision (a).

(e) The Franchise Tax Board shall be allowed access to the information filed with the department pursuant to this section.

SEC. 41. 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 or income 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 or income years beginning on or after the first day of the calendar year following the effective date.

CHAPTER 196

An act relating to the California Mathematics Project, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 5, 1982. Filed with Secretary of State May 5, 1982.]

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

SECTION 1. The Legislature recognizes that our society is becoming increasingly technical and dependent upon mathematical skills, concepts, and thought processes. Many colleges, universities, and vocational-technical programs require mathematics courses for graduation and more and more occupations demand a background in mathematics. Citizens and consumers must frequently be able to draw inferences from quantitative information, to interpret it, and to be alert to misinterpretations.

Despite these trends, complex problems must be overcome if mathematics education is to advance students to a level of competence appropriate for an increasingly technological society. The decline in mathematical skills of students in schools, colleges and

universities in California affects all students, but is particularly acute for women students, minority students, and students from lower-income groups. The problems related to this situation include, but are not limited to:

(a) Inadequate mastery by students of the mathematics techniques taught in high school, resulting in poor comprehension of college course-work and high attrition rates for those students who have these deficiencies.

(b) A tendency among young women to avoid taking advanced mathematics courses in high school, which limits their choice of educational options, and screens them out of future careers in science, engineering, and other mathematically related professions.

(c) Lack of mathematics instruction at the elementary school level to enable all students, including female, minority, and low-income students to develop skills and attitudes which will enable them to pursue mathematics successfully in later grades.

(d) Concentration on minimum computational abilities, at all levels of schooling, with the result that opportunities for students to develop problem-solving skills necessary to advance to college mathematics or to jobs in technical fields may not be available.

While some colleges and universities are improving courses in the teaching of mathematics, this will not fully address the problem, since the number of new teachers to be hired in the future will be relatively small. Therefore, the Legislature recognizes the need to assist existing teachers in gaining skills necessary to increase mathematics proficiency among students. The Legislature further recognizes that the mathematics problem is shared by all segments and levels of California education, and that it can best be addressed by cooperatively planned and funded efforts.

The Legislature finds that appropriate models for a cooperative, intersegmental approach to solving the mathematical skills problem should address the findings of state and national mathematical associations such as the National Council of Teachers of Mathematics and its affiliate, the California Mathematics Council. The comprehensive approach shall give special attention to providing in-service training of classroom teachers, defining more clearly those standards of mathematical competence required at each school level, and developing curricula and instructional strategies to meet these standards. Whenever possible, existing resources shall be pooled to support this comprehensive program. Models for the program could include the California Writing Project, EQUALS project, and the MESA project.

SEC. 2. With funds appropriated therefor, the Regents of the University of California shall establish a cooperative endeavor entitled the California Mathematics Project to be administered jointly by the California State University and Colleges and the University of California. Mathematics projects shall be distributed throughout the state so that elementary, secondary, and postsecondary school personnel located in rural, urban, and

suburban areas may avail themselves of mathematics skills training.

The California Mathematics Project shall establish an advisory committee to assist in selecting proposals to be funded and establishing criteria for project evaluation. The advisory committee shall evaluate the progress of the California Mathematics Project, including an assessment of objective and operations, and recommend appropriate changes. It is the intent of the Legislature that the composition of the advisory committee shall be as follows:

(a) One representative selected by the California Postsecondary Education Commission.

(b) Two representatives selected by the President of the University of California, one of whom has responsibility for teaching mathematics.

(c) One member of the mathematics faculty and one representative selected by the Chancellor of the California State University and Colleges.

(d) One teacher of mathematics and one representative selected by the Chancellor of the California Community Colleges.

(e) One teacher of mathematics and one representative selected by the Superintendent of Public Instruction.

(f) One teacher of mathematics and one representative of an independent postsecondary institution selected by the Association of Independent California Colleges and Universities.

(g) One representative of business and industry, selected by the Industry Education Council of California.

(h) One representative of California labor, selected by the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO).

SEC. 3. The California Mathematics Project shall establish criteria for approval of mathematics projects. These criteria shall include, but not be limited to, the extent to which:

(a) The objectives of the mathematics projects proposed include the following objectives:

(1) The mathematics project proposed addresses the need to clarify standards of mathematical competence at each school level.

(2) The mathematics project proposed addresses the need for women and minorities to continue with those mathematics courses required to enhance future career options.

(b) The strategies incorporated in the mathematics projects proposed include the following strategies:

(1) The mathematics project proposed is designed to improve systematically the mathematics skills of project participants, the teachers to be trained by participants, and ultimately, students attending public elementary, secondary, and postsecondary schools.

(2) Participating districts, colleges, and universities intend to integrate the mathematics project with any staff development programs provided by regional resource centers established in the same geographic area pursuant to Chapter 3.1 (commencing with Section 44670) of Part 25 of the Education Code.

(3) Participating districts, colleges, and universities intend to provide financial and personnel support for the mathematics project.

(4) Participating school districts select project participants so that a person or persons from a secondary school attends the project with a person or persons from that school's feeder elementary school or schools.

(5) The project involves various levels and segments of education in a cooperative approach.

(6) The project uses participants as mathematics skills trainers in school districts, colleges, and universities.

(7) The project provides continuing mathematics skills training to project participants.

(c) Proposals which meet the above criteria shall be submitted to the advisory committee for review and recommendation. Funding shall be provided to projects, which as a group, provide a comprehensive approach to solving the problems identified in Section 1 of this act.

SEC. 4. The resource center policy board of each resource center established pursuant to Article 2 (commencing with Section 44680) of Chapter 3.1 of Part 25 of the Education Code shall have the opportunity to review and comment on any application submitted by a mathematics project applicant located within the geographic region of such center.

SEC. 5. The Legislature recognizes some measurement devices are available to provide an evaluation of limited scope of the California Mathematics Project, including, but not limited to, teacher attitude surveys and pretesting and posttesting of the mathematics skills of those students reached by the program. Such evaluation can serve as a useful tool for ongoing self-assessment and improvement of local mathematics projects.

Therefore, each local mathematics project shall conduct an ongoing evaluation intended to provide some measure of the mathematics skills of students reached by the site program, project site participants' attitudes toward the effectiveness of the local mathematics project, and other information the advisory committee and site directors deem appropriate.

The California Postsecondary Education Commission shall provide the following information to the Legislature:

(a) By January 1, 1984, a summary of the local project evaluations and an assessment of the extent of program implementation and progress toward achieving project goals.

(b) By January 1, 1987, an evaluation of project effectiveness and recommendations for legislative action regarding the California Mathematics Project.

SEC. 6. This act shall be operative, and shall apply to the University of California and the California State University and Colleges, only for such times as the Legislature has appropriated funds therefor and the Regents of the University of California have accepted such funds.

SEC. 7. Any general funds made available, pursuant to provision 11 of Item 644-001-001 of the Budget Act of 1981, as amended by Chapter 169 of the Statutes of 1981, is reappropriated to the Regents of the University of California for purposes of support for the California Mathematics Project in the 1981–82 fiscal year.

SEC. 8. The level of program implementation in the 1981–82 fiscal year pursuant to this act shall be determined by Section 7 of this act and, in the 1982–83 fiscal year and each fiscal year thereafter, the level of program implementation shall be determined by such other funds as are appropriated pursuant to the annual Budget Act.

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

In order to implement this necessary and cost-effective program before the 1981–82 school year, it is necessary that this act take effect immediately.

CHAPTER 197

An act to amend Sections 1185, 1189, 1190, 1190a, 1191, 1192 and 1196 of the Civil Code, and to amend Section 8206 of the Government Code, relating to acknowledgment of instruments, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 12, 1982. Filed with Secretary of State May 12, 1982.]

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

SECTION 1. Section 1185 of the Civil Code is amended to read:

1185. (a) The acknowledgment of an instrument must not be taken unless the officer taking it personally knows, or has satisfactory evidence that the person making the acknowledgment is, the individual who is described in and who executed the instrument.

(b) For purposes of this article, "personally knows" means having an acquaintance, derived from association with the individual in relation to other people and based upon a chain of circumstances surrounding the individual, which establishes the individual's identity with at least reasonable certainty.

(c) For the purposes of this section "satisfactory evidence" means the absence of any information, evidence, or other circumstances which would lead a reasonable person to believe that the person making the acknowledgment is not the individual he or she claims to be and any one of the following:

(1) The oath or affirmation of a credible witness personally known to the officer that the person making the acknowledgment is personally known to the witness.

(2) Reasonable reliance on the presentation to the officer of any one of the following, if the document is current or has been issued within five years:

(A) An identification card or driver's license issued by the California Department of Motor Vehicles.

(B) A passport issued by the Department of State of the United States.

(3) Reasonable reliance on the presentation of any one of the following, if the document is current or has been issued within five years and contains a photograph and description of the person named on it, is signed by the person, bears a serial or other identifying number, and, in the event that the document is a passport, has been stamped by the United States Immigration and Naturalization Service:

(A) A passport issued by a foreign government.

(B) A driver's license issued by a state other than California or by a Canadian or Mexican public agency authorized to issue drivers' licenses.

(C) An identification card issued by a state other than California.

(D) An identification card issued by any branch of the armed forces of the United States.

(d) An officer who has taken an acknowledgment pursuant to this section shall be presumed to have operated in accordance with the provisions of law.

(e) Any party who files an action for damages based on the failure of the officer to establish the proper identity of the person making the acknowledgment shall have the burden of proof in establishing the negligence or misconduct of the officer.

SEC. 2. Section 1189 of the Civil Code is amended to read:

1189. The certificate of acknowledgment, unless it is provided otherwise in this article, shall be substantially in the following form: "State of _____, County of _____, ss. On this _____ day of _____, in the year _____, before me (here insert name and quality of the officer), personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it." However, any acknowledgment taken without this state in accordance with the laws of the place where the acknowledgment is made, shall be sufficient in this state.

SEC. 3. Section 1190 of the Civil Code is amended to read:

1190. The certificate of acknowledgment of an instrument executed by a corporation shall be substantially in the following form:

State of _____ }
County of _____ } ss.

On this _____ day of _____, in the year _____, before me (here insert the name and quality of the officer), personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as president (or secretary) or on behalf of the corporation therein named and acknowledged to me that the corporation executed it.

SEC. 4. Section 1190a of the Civil Code is amended to read:

1190a. The certificate of acknowledgment of an instrument executed by a partnership shall be substantially in the following form:

State of _____ }
County of _____ } ss.

On this _____ day of _____, in the year _____, before me (here insert the name and quality of the officer), personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed this instrument, on behalf of the partnership and acknowledged to me that the partnership executed it.

SEC. 5. Section 1191 of the Civil Code is amended to read:

1191. The certificate of acknowledgment of an instrument by a public corporation, agency or political subdivision of the State of California, shall be substantially in the following form:

State of _____ }
County of _____ } ss.

On this _____ day of _____, in the year _____, before me

_____

_____ ,

(here insert the name and quality of the officer)

personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument as _____

_____ of

(here insert title of officer)

_____

(name of the public corporation, agency or political subdivision)

and acknowledged to me that the _____

_____

(public corporation, agency or political subdivision)

executed it.

SEC. 6. Section 1192 of the Civil Code is amended to read:

1192. The certificate of acknowledgment by an attorney in fact, shall be substantially in the following form:

State of _____ }
County of _____ } ss.

On this _____ day of _____, in the year _____, before me [here insert the name and quality of the officer,] personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument as the attorney in fact of _____, and acknowledged to me that he (she) subscribed the name of _____ thereto as principal, and his (her) own name as attorney in fact.

SEC. 7. Section 1196 of the Civil Code is amended to read:

1196. If by a subscribing witness, that witness shall be personally known to the officer taking the proof to be the person whose name is subscribed to the instrument as a witness, or shall be proved to be such by the oath of a credible witness who is personally known to the officer taking the proof, as defined in subdivision (b) of Section 1185.

SEC. 8. Section 8206 of the Government Code is amended to read:

8206. A notary public shall keep a sequential journal of all official acts performed as a notary public. The journal shall be in addition to and apart from any copies of notarized documents which may be in the possession of the notary public and shall include:

(a) Date, time and type of each official act.

(b) Character of every instrument acknowledged or proved before the notary.

(c) The signature of each person whose signature is being notarized.

(d) A statement as to whether the identity of a person making an acknowledgment was based on personal knowledge or satisfactory evidence. If identity was established by satisfactory evidence pursuant to Section 1185 of the Civil Code, then the journal shall contain the signature of the credible witness swearing or affirming to the identity of the individual or the type of identifying document, the governmental agency issuing the document, the serial or identifying number of the document, and the date of issue or expiration of the document.

(e) The fee charged for the notarial service.

Upon written request of any member of the public, which request shall include the name of the parties, the type of document, and the month and year in which notarized, the notary shall supply a photostatic copy of the line item representing the requested transaction at a cost of not more than thirty cents ($0.30) per page.

SEC. 9. Forms prescribed pursuant to existing Civil Code Sections 1189, 1190, 1190a, 1191, and 1192 may be used by officers taking acknowledgments until December 31, 1982.

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

It is necessary that this act take effect at the earliest possible date in order to end the practical problems created by a recent decision by the court of appeal concerning acknowledgment of instruments.

CHAPTER 198

An act to amend Sections 2553, 2651, 3525, and 6507 of, and to add Section 6509 to, the Elections Code, relating to elections.

[Approved by Governor May 12, 1982 Filed with Secretary of State May 12, 1982.]

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

SECTION 1. Section 2553 of the Elections Code is amended to read:

2553. For each statewide election the Governor shall issue a proclamation calling the election. The proclamation shall be issued by the Governor under his or her hand and the Great Seal of the state no later than the 148th day prior to the election and shall state the time of the election and the offices, if any, to be filled. Copies of the proclamation shall be transmitted by the Governor to the boards of supervisors of the counties.

SEC. 2. Section 2651 of the Elections Code is amended to read:

2651. The Governor shall call all statewide special elections by issuing a proclamation pursuant to Section 2553. In the case of a vacancy in a congressional or legislative office the Governor shall issue a proclamation, within 14 calendar days of the occurrence of the vacancy, calling a special election in accordance with Section 7200.5.

A copy of the proclamation shall be sent to the board of supervisors of every affected county and a notice of election published in accordance with the provisions of Section 2554.

SEC. 3. Section 3525 of the Elections Code is amended to read:

3525. Every measure submitted to the people by the Legislature shall appear on the ballot of the first statewide election occurring at least 131 days after the adoption of the proposal by the Legislature.

SEC. 4. Section 6507 of the Elections Code is amended to read:

6507. All nomination documents which are required to be filed in the office of the Secretary of State shall, within five days after being left with the county clerk in compliance with Section 6490, be forwarded by the clerk to the Secretary of State, who shall receive and file them. The county clerk shall forward with the nomination documents a statement showing the total number of signatures on

the nomination document which have not been marked "not sufficient."

SEC. 5. Section 6509 is added to the Elections Code, to read:

6509. All nomination documents which are delivered for filing to the county clerk in compliance with Section 6490 and which are not required by this chapter to be filed in the office of the Secretary of State shall be filed in the office of the county clerk by the 83rd day before the primary election.

CHAPTER 199

An act to add Section 13007.5 to the Vehicle Code, relating to vehicles.

[Approved by Governor May 12, 1982. Filed with Secretary of State May 12, 1982.]

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

SECTION 1. Section 13007.5 is added to the Vehicle Code, to read:

13007.5. Notwithstanding anything to the contrary in this code or in the regulations adopted thereunder, including specifically the driver's licensing manual, the department may verify the identity of a person applying for an identification card through United States Census records even though the date and month of birth are not included as to any person born prior to the year 1916.

It shall be unlawful for an applicant to knowingly declare to the department, in writing, that no birth certificate exists for the applicant when, in fact, a birth certificate does exist.

CHAPTER 200

An act to amend Section 69140 of the Government Code, relating to courts.

[Approved by Governor May 12, 1982. Filed with Secretary of State May 12, 1982.]

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

SECTION 1. Section 69140 of the Government Code is amended to read:

69140. Each court of appeal shall appoint a clerk who serves at its pleasure. In addition to the duties prescribed by law, each clerk shall perform such duties as are required of him by the rules, orders, and practices of the appointing court. The officers provided for herein

shall receive an annual salary as follows:

(a) Clerk of the First and Second Appellate Districts: twenty-one thousand seven hundred thirty-five dollars ($21,735).

(b) Clerk of the Fourth Appellate District: twenty-thousand eight hundred thirty dollars ($20,830).

(c) Clerk of the Third, Fifth, and Sixth Appellate Districts: nineteen thousand nine hundred twenty-four dollars ($19,924).

CHAPTER 201

An act to amend Section 4052 of the Elections Code, relating to municipal referendum measures.

[Approved by Governor May 17, 1982. Filed with Secretary of State May 17, 1982.]

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

SECTION 1. Section 4052 of the Elections Code is amended to read:

4052. Across the top of each page of the referendum petition there shall be printed the following:

"Referendum Against an Ordinance Passed by the City Council"

Each section of the referendum petition shall contain the identifying number or title and text of the ordinance or the portion of the ordinance which is the subject of the referendum.

The petition sections shall be designed in the same form as specified in Section 3516.

Each section shall have attached thereto the affidavit of the person soliciting the signatures. This affidavit shall be substantially in the same form as set forth in Section 3519, except that the affidavit shall declare that the circulator is a voter of the city and shall state his or her voting address at the time of the execution of the affidavit.

CHAPTER 202

An act to amend, repeal, and add Section 31836.1 of the Government Code, relating to the County Employees Retirement Law of 1937.

[Approved by Governor May 17, 1982. Filed with Secretary of State May 17, 1982.]

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

SECTION 1. 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 before or after March 7, 1973, as an employee of the state, a contracting agency under the Public Employees' Retirement System, another county having a retirement system established under this chapter, or any other public agency if the compensation for the service constitutes compensation earnable by a member under Section 31835.

This section shall apply to a county only after the board of supervisors has approved its application by adopting a resolution.

The amendment of this section made at the 1981–1982 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the existing law.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 2. Section 31836.1 is added to the Government Code, 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, another county having a retirement system established under this chapter, or any other public agency if the compensation for the service constitutes compensation earnable by a member under Section 31835.

This section shall become operative on January 1, 1988.

SEC. 3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 203

An act to add Section 14402 to the Public Utilities Code, relating to municipal utility districts.

[Approved by Governor May 17, 1982. Filed with Secretary of State May 17, 1982.]

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

SECTION 1. Section 14402 is added to the Public Utilities Code, to read:

14402. A district or any interested person may bring an action pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of district rates or charges.

Notwithstanding any other provision of law, any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion fixing or changing rates or charges for the commodities or service furnished by a district shall be commenced within 120 days of the effective date of the ordinance, resolution, or motion.

CHAPTER 204

An act to add Division 9.5 (commencing with Section 10800) to the Health and Safety Code, relating to health, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 18, 1982. Filed with Secretary of State May 18, 1982.]

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

SECTION 1. Division 9.5 (commencing with Section 10800) is added to the Health and Safety Code, to read:

DIVISION 9.5. BIRTH DEFECT MONITORING PROGRAM

10800. The Legislature hereby finds and declares that birth defects, stillbirths, and miscarriages represent problems of public health importance about which too little is known; that such conditions lead to severe mental anguish on the part of parents and relatives and frequently to high medical care costs; and that a system to obtain more information about these conditions could result in development of preventive measures to decrease their incidence in the future. Therefore, it is the intent of the Legislature in enacting this section to accomplish the following:

(a) To provide information on the incidence and trends of birth defects, stillbirths, and miscarriages.

(b) To provide information to determine whether environmental hazards are associated with birth defects, stillbirths, and miscarriages.

(c) To provide information as to other possible causes of birth defects, stillbirths, and miscarriages.

(d) To develop prevention strategies for reducing the incidence of birth defects, stillbirths, and miscarriages.

10801. (a) The director may establish a system for the collection of information concerning birth defects, stillbirths, and miscarriages. In establishing the system, the director may require general acute care hospitals to maintain a list of patients up to age five diagnosed with birth defects incorporated within the ICD-9 diagnostic code categories 740 through 759.9, and all women discharged with a diagnosis of stillbirth or miscarriage. The list shall be made available to departmental staff upon request and shall be used solely for purposes provided for in this division.

(b) The director may require general acute care hospitals to make available to departmental staff the medical records of those patients who have been diagnosed with birth defects, stillbirths, or miscarriages as required in subdivision (a).

10802. The system may cover all or any part of the state depending on funding and other appropriate consideration, including an assessment of the need to obtain the information and the ability of the department to utilize the information for the purposes of this division.

10803. The director shall use the information collected pursuant to Section 10801 and information available from other reporting systems and health providers to conduct studies to investigate the causes of birth defects, stillbirths, and miscarriages and to determine and evaluate measures designed to prevent their occurrence. The department's investigation of poor reproductive outcomes shall not be limited to geographic, temporal, or occupational associations, but may include investigation of past exposure, including diethylstilbesterol (DES), herbicide, or extensive radiation exposure.

10804. (a) The director shall appoint an advisory committee to advise on the implementation of this division. Each of the disciplines of epidemiology, hospital administration, biostatistics, maternal and child health and public health shall be represented on the committee. At least one of the members shall be a representative of the manufacturing industry.

(b) If the department finds it is necessary to collect information from sources other than general acute care hospitals, the department shall first consult with the advisory committee.

10805. (a) All information collected and analyzed pursuant to Sections 10801 and 10803 shall be confidential insofar as the identity of the individual patient is concerned and shall be used solely for the purposes provided in this division. Access to such information shall be limited to State Department of Health Services staff, and persons with a valid scientific interest, and qualifications as determined by the Director of the Department of Health Services, who are engaged in demographic, epidemiological or other similar studies related to health, and who agree, in writing, to maintain confidentiality as prescribed herein.

(b) The State Department of Health Services shall maintain an accurate record of all persons who are given access to the information in the system. The record shall include: the name of the person authorizing access; name, title and organizational affiliation of persons given access; dates of access; and the specific purpose for which information is to be used. The record of access shall be open to public inspection during normal operating hours of the State Department of Health Services.

(c) All research proposed to be conducted using the information in the system shall first be reviewed and approved by the appropriate committee constituted for the protection of human subjects which is approved by the federal Department of Health and Human Services pursuant to Part 46 of Title 45 of the Code of Federal Regulations.

(d) Nothing in this section shall prohibit the publishing by the state department of statistical compilations relating to birth defects, stillbirth, or miscarriage which do not in any way identify individual cases or individual sources of information.

(e) Any person who, in violation of a written agreement to maintain confidentiality, discloses any information provided pursuant to this section, or who uses information provided pursuant to this section in a manner other than that approved by the committee for the protection of human subjects pursuant to subdivision (c), may be denied further access to any confidential information maintained by the department. That person shall also be subject to a civil penalty of five hundred dollars ($500). The penalty provided in this section shall not be construed as restricting any remedy, provisional or otherwise, provided by law for the benefit of the department or any person.

SEC. 2. The sum of eight hundred seventy-five thousand dollars ($875,000) is hereby appropriated from the General Fund, without regard to fiscal years, as follows:

(a) Four hundred fifty thousand dollars ($450,000) to the State Department of Health Services to expand the birth defect monitoring programs to the Counties of San Francisco, Santa Clara and San Mateo.

(b) Two hundred seventy-five thousand dollars ($275,000) to the State Department of Health Services for a two-year study to track pregnant women exposed to malathion in the Santa Clara Valley to determine whether their birth outcomes are significantly different than in pregnant women not exposed to malathion.

(c) One hundred fifty thousand dollars ($150,000) to the Hazard Evaluation System and Information Services located in the State Department of Health Services to administer a study of the effect of exposure to Ethylene di Bromide (EDB) on the reproductive system of persons exposed.

SEC. 3. It is the intent of the Legislature that funding for the birth defects monitoring program in future years be through the normal budgetary process.

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

In order for the State of California to be able immediately to respond to expressions of concern about grave health problems, including the possible environmental origins of birth defects, particularly in, but not limited to, the Santa Clara Valley, it is necessary that this act take effect immediately.

CHAPTER 205

An act to amend Section 54780 of, and to add Section 54780.2 to, the Government Code, relating to local agency formation commissions.

[Approved by Governor May 18, 1982. Filed with Secretary of State May 18, 1982.]

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

SECTION 1. Section 54780 of the Government Code is amended to read:

54780. There is hereby created in each county a local agency formation commission. Except as provided in Sections 54780.1, 54780.2, 54781, and 54782, the commission shall consist of five members, selected as follows:

(a) Two representing the county, appointed by the board of supervisors from their own membership. The board of supervisors shall appoint a third supervisor who shall be an alternate member of the commission. He or she is authorized to serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission.

In the event the office of a regular county member becomes vacant the alternate member is authorized to serve and vote in his or her place until the appointment and qualification of a regular county member to fill the vacancy.

(b) Two representing the cities in the county, each of whom shall be a city officer, appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 54784.

(c) One representing the general public appointed by the other four members of the commission.

SEC. 2. Section 54780.2 is added to the Government Code, to read:

54780.2. In a county of the fifth class, as determined by the 1970 federal census, having more than one city, any one of which has a population exceeding one-third of the total population of the county,

the commission shall consist of five members, selected as follows:

(a) Two representing the county, appointed by the board of supervisors from their own membership. The board of supervisors shall appoint a third supervisor who shall serve as an alternate member of the commission. The alternate may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission. In the event the office of a regular county member becomes vacant the alternate member may serve and vote in place of such regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) One representing the city in the county having the largest population, who shall be a member of the legislative body of the city, appointed by the city council. The city council shall also appoint an alternate member who is a member of the legislative body of the city. The alternate may serve and vote in place of the regular city member if the city member is absent or disqualifies himself or herself from participating in a meeting of the commission. In the event the office of the regular city member becomes vacant, the alternate member may serve and vote in place of such regular city member until the appointment and qualification of a regular city member to fill the vacancy.

(c) One representing cities in the county, who shall be a city officer appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 54784.

(d) One representing the general public, appointed by the other four members of the commission. Such member shall not be a resident of a city which is already represented on the commission. The commission may also appoint an alternate public member, who shall not be a resident of a city represented on the commission, and who may serve and vote in the place of the regular public member if the regular public member is absent or disqualifies himself or herself from participating in a meeting of the commission. In the event the office of the regular public member becomes vacant the alternate member may serve and vote in place of such regular public member until the appointment and qualification of a regular public member to fill the vacancy.

The member initially selected to serve pursuant to subdivision (b) shall commence serving on or after January 1, 1983, on a date determined by the city council of the city referred to in subdivision (b), and shall serve for the remainder of the term of, and in the place of, a member to be designated by the city council, appointed pursuant to subdivision (b) of Section 54780.

SEC. 3. The Legislature finds and declares that a special act is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because special facts and circumstances are applicable to the County of Santa Clara which are not generally applicable statewide.

CHAPTER 206

An act to amend Sections 44252, 44252.5, 44332, 44830, 45344.5, 45361.5, and 51215 of, and to add Sections 44253, 51225.5, and 54425 to, and to repeal Section 44253 of, the Education Code, relating to schools, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 18, 1982. Filed with Secretary of State May 18, 1982.]

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

SECTION 1. Section 44252 of the Education Code is amended to read:

44252. (a) The commission shall establish standards and procedures for the initial issuance and renewal of credentials.

(b) Commencing on February 1, 1983, the Commission for Teacher Preparation and Licensing shall not issue initially any credential, permit, certificate, or renewal of an emergency credential to any person to serve in the public schools unless the person has demonstrated proficiency in basic reading, writing, and mathematics skills in the English language as provided in Section 44252.5. The commission may exempt from the basic skills proficiency test requirement any of the following persons:

(1) A person credentialed solely for the purpose of teaching adults in an apprenticeship program.

(2) An applicant for an adult education designated subject credential for other than academic subject.

(c) By December 31, 1982, the Superintendent of Public Instruction shall adopt an appropriate state assessment instrument to measure proficiency in these basic skills. In adopting the instrument, the superintendent shall seek assistance from the commission and an advisory board. A majority of the members of the advisory board shall be classroom teachers. The board shall also include representatives of local school boards, school administrators, parents, and postsecondary institutions.

The superintendent shall adopt any normed test that the superintendent determines will sufficiently test basic skills for purposes of this section.

The superintendent, in conjunction with the commission and approved teacher training institutions, shall take steps necessary to insure the effective implementation of this provision.

(d) The commission shall compile data regarding the rate of passing the state assessment instrument to measure proficiency in basic skills by persons who have been trained in various institutions of higher education. The data shall be available to members of the public and particularly to persons who intend to enroll in teacher education programs.

SEC. 2. Section 44252.5 of the Education Code is amended to read:

44252.5. (a) The commission shall administer the state basic skills assessment instrument pursuant to Sections 44252 and 44830 in accordance with rules and regulations adopted by the commission. The adopted rules and regulations shall be promulgated by the commission before January 1, 1983, and shall be exempt from the requirements of Section 44232. A fee shall be charged to individuals being assessed to cover the costs of the assessment, including the costs of developing, administering, and grading the test instrument. The commission shall establish the amount of this fee. However, the fee shall not exceed thirty dollars ($30) in the 1982–83 fiscal year, thirty-five dollars ($35) in the 1983–84 fiscal year, and forty dollars ($40) in subsequent fiscal years. The commission shall receive the fee from the individuals being assessed, and reimburse the State Department of Education for any costs the department incurs in the process of adopting the assessment instrument and overseeing the implementation of these provisions.

(b) Any individual who passes the state assessment instrument to measure proficiency in basic reading, writing, and mathematics skills, as adopted by the Superintendent of Public Instruction shall be considered proficient in these skills, and shall not be required to be reassessed by this instrument for purposes of meeting the proficiency requirements of Sections 44252 and 44830.

SEC. 3. Section 44253 of the Education Code is repealed.

SEC. 4. Section 44253 is added to the Education Code, to read:

44253. The commission may issue a preliminary or internship credential, for a period not to exceed one year, to any applicant who is: (1) seeking a vocational designated subject credential or (2) pending the completion of any examination required by the commission other than the state basic skills proficiency test required under Section 44252.5.

SEC. 5. Section 44332 of the Education Code is amended to read:

44332. Except where such service is provided by a school district authorized to register certification documents pursuant to Section 44332.5, each county or city and county board of education may issue temporary certificates for the purpose of authorizing salary payments to certified employees whose credential applications are being processed or to personnel employed in children's centers or other preschool educational programs whose permit applications are being processed. However, the individual must have demonstrated proficiency in basic reading, writing, and mathematic skills pursuant to the requirements of Section 44252.5. The applicant for such a temporary certificate shall make a statement under oath that he has duly filed his application for a credential or permit together with the required fee and that to the best of his knowledge no reason exists why he should not be issued a certificate or permit. Such certificate or permit shall be valid for not more than 120 schooldays, and only until the credential or permit originally requested is either issued or

denied by the commission.

SEC. 6. Section 44830 of the Education Code is amended to read:

44830. (a) Governing boards of school districts shall employ for positions requiring certification qualifications, only persons who possess the qualifications therefor prescribed by law. It shall be contrary to the public policy of this state for any person or persons charged, by the governing boards, with the responsibility of recommending such persons for employment by the boards to refuse or to fail to do so for reasons of race, color, religious creed, sex, or national origin of the applicants for such employment.

(b) Commencing on February 1, 1983, no school district governing board shall initially hire on a permanent, temporary, or substitute basis a certificated person seeking employment in the capacity designated in his or her credential unless that person has demonstrated basic skills proficiency as provided in Section 44252.5 or unless the person is exempted from the requirement by subdivisions (c), (d), (e), and (f).

(1) The governing board of a school district, with the authorization of the Commission on Teacher Preparation and Licensing, may administer the basic skills proficiency test required under the provisions of Sections 44252 and 44252.5.

(2) The superintendent, in conjunction with the commission and local governing boards, shall take steps necessary to insure the effective implementation of this subdivision.

It is the intent of the Legislature that in effectively implementing the provisions of this subdivision, school district governing boards shall direct superintendents of schools to prepare for emergencies by developing a pool of qualified emergency substitute teachers. This preparation shall include public notice of the test requirements and of the dates and locations of administrations of the tests. District governing boards shall make special efforts to encourage individuals who are known to be qualified in other respects as substitutes to take the state basic skills proficiency test at its earliest administration.

(3) Demonstration of proficiency in reading, writing, and mathematics by any person pursuant to Section 44252 shall satisfy the requirements of this subdivision.

(c) A certificated person shall not be required to take the state basic skills proficiency test if he or she has been employed in a position requiring certification in another school district within 39 months prior to employment with the district.

(d) Nothing in this section shall require a person employed solely for purposes of teaching adults in an apprenticeship program, approved by the Apprenticeship Standards Division of the Department of Industrial Relations, to pass the state proficiency assessment instrument as a condition of employment.

(e) If the basic skills proficiency test is not administered at the time of hiring, the holder of a vocational designated subject credential who has not already taken and passed the basic skills proficiency test may be hired on the condition that he or she will take

the test at its next local administration.

(f) Nothing in this section shall be construed as requiring the holder of an adult education designated subject credential for other than academic subjects, who is employed in an instructional setting for 20 hours or less per week, to pass the state proficiency assessment as a condition of employment.

SEC. 7. Section 45344.5 of the Education Code is amended to read:

45344.5. Commencing on March 1, 1982, no person shall be initially assigned to assist in instruction as an instructional aide unless the person has demonstrated proficiency in basic reading, writing and mathematics skills up to or exceeding that required by the employing district for high school seniors under Section 51216 if the employing district educates high school students. If the employing district is an elementary school district, the aide shall demonstrate proficiency in basic reading, writing, and mathematics skills up to or exceeding that required for high school seniors under Section 51216 in the high school district which includes all or the largest portion of the elementary district.

A school district may charge aides, including prospective aides, taking the district's proficiency test, a fee to fund the costs incurred by the district in giving the test. This fee may be subject to negotiation between the district and the exclusive representative of instructional aides, but in no event shall the fee exceed seven dollars ($7).

The school district governing board, at a public meeting, may grant an exemption from this requirement to any person, for a period of one year, if the person is to be assigned as a bilingual-crosscultural aide and the governing board determines that there is no other person available to serve in the same capacity. Upon or prior to the expiration of the one-year period, the bilingual-crosscultural aide shall be required to take and pass the basic skills test required by this section. A bilingual-crosscultural aide who has not demonstrated his or her basic skills proficiency through these means may not be compensated for work as a bilingual-crosscultural aide. A bilingual-crosscultural aide may only be granted one exemption from this requirement. The authority of district governing boards to grant these exemptions shall cease on June 30, 1985.

An instructional aide who passes a district proficiency test as required by this section who transfers to another district and is employed in the same capacity, shall be considered to have met the proficiency standards for purposes of this section unless the district to which he or she has transferred determines that the test taken by the aide is not comparable to the standards required by the employing district.

SEC. 8. Section 45361.5 of the Education Code is amended to read:

45361.5. Commencing on March 1, 1982, no person shall be initially assigned to assist in instruction for work as an aide for

instructional purposes unless the person has demonstrated proficiency in basic reading, writing, and mathematics skills up to or exceeding that required by the employing district for high school seniors under Section 51216 if the employing district educates high school students. If the employing district is an elementary school district, the aide shall demonstrate proficiency in basic reading, writing, and mathematics skills up to or exceeding that required of high school seniors under Section 51216 in the high school district which includes all or the largest portion of the elementary school district.

A school district may charge a fee to aides, including prospective aides, taking the district proficiency test pursuant to the requirements of this section to fund the costs incurred by the district in giving the test. This fee may be subject to negotiation between the district and the exclusive representative of instructional aides, but in no event shall the fee exceed seven dollars ($7).

The school district governing board, at a public meeting, may grant an exemption from this requirement to any person, for a period of one year, if the person is to be assigned as a bilingual-crosscultural aide and the governing board determines that there is no other person available to serve in the same capacity. Upon or prior to the expiration of the one-year period, the bilingual-crosscultural aide shall be required to take and pass the basic skills test required by this section. A bilingual-crosscultural aide who has not demonstrated his or her basic skills proficiency through these means may not be compensated for work as a bilingual-crosscultural aide. A bilingual-crosscultural aide may only be granted one exemption from this requirement. The authority of district governing boards to grant these exemptions shall cease on June 30, 1985.

An aide who passes a district proficiency test as required by this section who transfers to another district and is employed in the same capacity, shall be considered to have met the proficiency standards for purposes of this section unless the district to which he or she has transferred determines that the test taken by the aide is not comparable to the standards required by the employing district.

SEC. 9. Section 51215 of the Education Code is amended to read:

51215. (a) The governing board of each school district maintaining a junior or senior high school shall, by June 1, 1978, adopt standards of proficiency in basic skills for pupils attending school within its school district.

(b) The governing board of each school district maintaining grade 6 or 8, or the equivalent, shall, by June 1, 1979, adopt standards of proficiency in basic skills for pupils attending these grades.

(c) These standards shall include, but need not be limited to, reading comprehension, writing, and computation skills, in the English language, necessary to success in school and life experiences, and shall be such as will enable individual achievement to be ascertained and evaluated.

The standards shall be directly related to the district's instructional

program.

(d) Differential standards and assessment procedures which shall include, but need not be limited to, reading comprehension, writing, and computation skills, shall be adopted pursuant to this subdivision.

(1) Differential standards and assessment procedures shall be adopted for pupils who:

(A) Are enrolled in special education programs pursuant to Part 30 (commencing with Section 56000); or for whom individualized education programs have been developed, and for whom the regular instructional program has been modified, as necessary, under the supervision of a person who holds an appropriate credential in special education; and

(B) Have diagnosed learning handicaps or disabilities such that the individualized education program team determines they have not demonstrated evidence of the ability to attain the district's regular proficiency standards with appropriate educational services and support.

(2) If the team determines that these pupils have not demonstrated evidence of the ability to attain the district's regular proficiency standards with appropriate educational services and support, the team shall develop differential proficiency standards, or modify general differential standards adopted by the governing board, appropriate to the needs and potential of the pupil.

(3) Any differential standards shall be included in the individualized education program developed for the pupil pursuant to Part 30 (commencing with Section 56000).

(4) The determination and the development of differential proficiency standards shall be part of the process of developing, reviewing, and revising a pupil's individualized education program.

(5) In the case where one or more differential standards are developed for a pupil enrolled in special education, the standards may be maintained throughout the pupil's school experience, irrespective of whether the pupil continues to be enrolled in special education.

(6) Nothing in this subdivision shall be construed to require differential proficiency standards for a pupil who a team determines can attain the district's regular proficiency standards with appropriate educational services and support.

(7) The provisions of this subdivision shall apply prospectively and retroactively to pupils enrolled in the 9th grade, or the equivalent thereof, during the 1977–78 school year or any school year thereafter.

(8) Differential standards and assessment procedures adopted pursuant to this subdivision shall permit the pupil for whom they are adopted to attain the standards within a reasonable amount of time but not after the state is no longer required by state or federal law to provide an education to the pupil.

(9) It is the intent of the Legislature that the attainment of a standard of proficiency by a pupil shall also reflect the attainment of

a reasonable level of competence. The Legislature, therefore, recognizes that there may be some pupils who cannot meet regular or differential standards of proficiency, in reading, writing, and mathematics skills, and others who will need to remain in school beyond grade 12 or the equivalent in order to meet a standard which reflects their maximum potential.

(10) For students with diagnosed learning disabilities, as well as for students participating in the regular school program, proficiency assessments may be part of the classroom experience, and teaching materials may be used as assessment materials.

(e) Governing boards maintaining elementary or junior high schools located within a school district maintaining a high school shall adopt standards of proficiency in basic skills which are articulated with those standards adopted by the school district maintaining the high school.

(f) Designated employees of all school districts located within a high school district and one or more designees of the high school district shall meet prior to June 1, 1979, to plan for articulation of elementary and high school proficiency standards, and as necessary thereafter to review the effectiveness of such articulation procedures.

(g) Standards of proficiency shall be adopted by the governing board with the active involvement of parents broadly reflective of the socioeconomic composition of the district, administrators, teachers, counselors, and, with respect to standards in secondary schools, pupils.

SEC. 10. Section 51225.5 is added to the Education Code, to read:

51225.5. The governing board of any school district maintaining a high school may confer honorary high school diplomas upon foreign exchange students from other countries who have not completed the course of study ordinarily required for graduation, and who are returning to their home countries following the completion of one academic school year in a school district in the state. Honorary high school diplomas awarded pursuant to this section shall be clearly distinguishable from the regular diplomas of graduation awarded by the district.

SEC. 11. Section 54425 is added to the Education Code, to read:

54425. (a) Whenever a districtwide school advisory committee on compensatory education programs has been established pursuant to a compensatory education plan, the procedures adopted for the selection of the district advisory committee shall specify that parents shall constitute a majority of the membership of the district advisory committee and shall require that the parent representatives be elected by the parents of pupils participating in a program of compensatory education residing in the district.

(b) Whenever a school advisory committee on compensatory education programs has been established pursuant to a compensatory education plan, the procedures adopted for the selection of the school advisory committee shall specify that parents

shall constitute a majority of the membership of the school advisory committee and shall require that parent representatives be elected by the parents of pupils participating in a program of compensatory education at that school.

For purposes of this subdivision, a school advisory committee on compensatory education programs may designate a school site council established pursuant to Section 52012 or 52851 to function as the school advisory council on compensatory education for all purposes required by applicable statutory provisions and regulations for a period of up to two years.

SEC. 12. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 13. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to apply to the 1981–82 fiscal year, and so clarify the law at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 207

An act to amend Sections 16310 and 16475 of, and to add Section 16475.1 to, the Government Code, and to amend Sections 3, 17, 19, 23, 25, and 63 of Chapter 115 of the Statutes of 1982, relating to fiscal affairs, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 19, 1982. Filed with Secretary of State May 20, 1982.]

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

SECTION 1. Section 16310 of the Government Code is amended to read:

16310. When the General Fund in the Treasury is or will be exhausted, the Controller shall notify the Governor and the Pooled Money Investment Board. The Governor may order the Controller

to direct the transfer of all or any part of the money not needed in other funds or accounts to the General Fund from those funds or accounts, as determined by the Pooled Money Investment Board, including the Surplus Money Investment Fund or the Pooled Money Investment Account. All money so transferred shall be returned to the funds or accounts from which it was transferred as soon as there is sufficient money in the General Fund to return it. No interest shall be charged or paid on any transfer authorized by this section, exclusive of the Pooled Money Investment Account, except as provided herein. This section does not authorize any transfer which will interfere with the object for which a special fund was created nor any transfer from the Central Valley Water Project Construction Fund, the Central Valley Water Project Revenue Fund, or the California Water Resources Development Bond Fund.

Interest shall be paid on all money transferred to the General Fund from the Department of Food and Agriculture Fund and the Acala Cotton Fund pursuant to this section. With respect to all other funds, if the total money transferred to the General Fund in any fiscal year from any special fund pursuant to this section exceeds an amount equal to 10 percent of the total additions to surplus available for appropriation as shown in the statement of operations of the preceding fiscal year as set forth in the annual report of the Controller, interest shall be paid on the excess. Interest payable under this section shall be computed at a rate determined by the Pooled Money Investment Board to be the current earning rate of the fund from which transferred.

SEC. 2. Section 16475 of the Government Code is amended to read:

16475. As of December 31 and June 30 all interest earned and other increment derived from investments made pursuant to this article shall, on order of the Controller, be deposited in the Surplus Money Investment Fund. The Controller, after deducting expenses incurred under this article by the Treasurer in investing in securities or time bank or savings and loan association deposits and in collecting bonds and bond coupons, shall apportion, as of December 31st and June 30th of each year, to the following funds in the Treasury, all interest earned or increment derived from the investments authorized by this article for the six calendar months ending with those dates:

(a) The General Fund.

(b) Each fund into which are deposited or which contains moneys collected from any tax now or hereafter imposed by this state upon the manufacture, sale, distribution, or use of motor vehicle fuel, for use in motor vehicles upon the public streets and highways.

(c) Each fund into which are deposited or which contains moneys collected from motor vehicle and other vehicle registration license fees or from any other tax or license fee now or hereafter imposed by the state upon vehicles, motor vehicles or the operation thereof, except those taxes and license fees which, by the provisions of Section

7 of Article XIX of the Constitution are exempted from the provisions of Section 2 of Article XIX.

(d) Each fund into which are deposited or which contains moneys collected under the provisions of any law of this state relating to the protection, conservation, propagation, or preservation of fish, game, mollusks, or crustaceans, and fines imposed by any court for the violation of any of those laws.

(e) Each fund into which are deposited or which contains moneys available for construction, repair, replacement, maintenance or operation of public works of the state, including, but not limited to, the facilities of the State Water Resources Development System, as defined in Section 12931 of the Water Code, toll facilities financed, built, or acquired pursuant to the California Toll Bridge Authority Act, or moneys available for the payment of principal or interest on bonds issued to provide for the construction of those facilities.

(f) Every other fund in respect to which the Board of Control on the advice of the Attorney General determines that the operation of the California Constitution or the United States Constitution prohibits the expenditure of interest received under this article and allocated on the basis of amounts in that fund for General Fund purposes.

(g) Each fund not included within subdivisions (a) to (f), inclusive.

The apportionments shall be made by the Controller in the following manner:

(1) All money not apportioned to the funds referred to in subdivisions (b), (c), (d), (e), (f), and (g) shall be apportioned to the General Fund.

(2) There shall be apportioned to each of the funds referred to in subdivisions (b), (c), (d), (e), (f), and (g), an amount directly proportionate to the respective amounts transferred from those funds to the Surplus Money Investment Fund and the length of time the amounts remained therein.

SEC. 3. Section 16475.1 is added to the Government Code, to read:

16475.1. Notwithstanding any other provisions of law, the interest earned by governmental cost funds, as determined jointly by the Controller and Director of Finance, for the period January 1, 1982, through June 30, 1982, inclusive, shall be transferred to the unappropriated surplus of the General Fund. This section shall not apply to the Department of Food and Agriculture Fund or to the Acala Cotton Fund. The section shall also not apply to any governmental cost funds if the use of interest from those funds for General Fund purposes is prohibited by the California Constitution or the United States Constitution.

SEC. 4. Section 3 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 3. Notwithstanding the provisions of Section 16310 of the Government Code or any other provisions of law, on the operative

date of this act, twenty million dollars ($20,000,000) in the State Emergency Telephone Number Account in the General Fund shall revert to the unappropriated surplus of the General Fund.

It is the intent of the Legislature that funds will be appropriated to replenish the account in whatever amount, up to a maximum of twenty million dollars ($20,000,000), and at whatever times the funds are needed.

SEC. 5. Section 17 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 17. Notwithstanding any other provisions of law, on the operative date of this act, two hundred thousand dollars ($200,000) of the appropriation made in category (h) of Item 297 of the Budget Act of 1980, as reappropriated by Item 430-490 of the Budget Act of 1981, shall revert to the unappropriated surplus of the fund from which the appropriation was made.

SEC. 6. Section 19 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 19. Notwithstanding any other provisions of law, on the operative date of this act, one million dollars ($1,000,000) of the interest earned on the Rental Housing Construction Incentive Account of the Rental Housing Construction Fund shall be transferred to the unappropriated surplus of the General Fund.

SEC. 7. Section 23 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 23. Notwithstanding any other provisions of law, on the operative date of this act, an amount of up to nine million one hundred thirty-six thousand dollars ($9,136,000) of the funds appropriated in category (a) of Item 610-101-001 of the Budget Act of 1981 for adult education and not transferred to the State School Fund, equal to an amount determined by the Director of Finance, in consultation with the Legislative Analyst, not properly planned for expenditure by school districts pursuant to instructions of the Superintendant of Public Instruction for the English-as-a-second-language program and vocational training programs for the 1981–82 school year prior to the operative date of this act, shall revert to the unappropriated surplus of the General Fund.

SEC. 8. Section 25 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 25. Notwithstanding any other provisions of law, on the operative date of this act, there shall be transferred from the reserve balance of the Stephen P. Teale Data Center Revolving Fund to the unappropriated surplus of the General Fund an amount sufficient to repay the balance owed, including interest, on the General Fund loan provided in Item 197.1 of the Budget Act of 1980. The Department of Finance may transfer to the Stephen P. Teale Data Center Revolving Fund, from any funds budgeted for data processing which were appropriated in the 1981–82 fiscal year to any agency or department which has contracted for services with the

data center, whatever amounts may be necessary to alleviate any cash flow problems that might arise as a result of this loan repayment.

SEC. 9. Section 63 of Chapter 115 of the Statutes of 1982 is amended to read:

Sec. 63. (a) Notwithstanding any other provisions of law, on the operative date of this section, one hundred forty-seven million two hundred thousand dollars ($147,200,000) of the funds appropriated by Section 4 of Chapter 288 of the Statutes of 1980 shall revert to the unappropriated surplus of the General Fund.

(b) Notwithstanding any other provisions of law, on the operative date of this section, fifty-two million eight hundred thousand dollars ($52,800,000) shall be transferred from the State School Building Lease-Purchase Fund to the unappropriated surplus of the General Fund.

SEC. 10. After the transfer of funds to the General Fund pursuant to Section 64 of Chapter 115 of the Statutes of 1982, the Director of Finance may make transfers between the Capital Outlay Fund for Public Higher Education, the Energy and Resources Fund, the Parks and Recreation Fund, and the Special Account for Capital Outlay in any amounts necessary to maintain a positive balance in each of these funds; provided, that the Director of Finance shall notify in writing the chairperson of the fiscal committee in each house not less than 15 days prior to making any transfer.

This transfer authority is limited to the 1981–82 fiscal year and is to ensure that all of the above funds maintain a positive balance.

SEC. 11. (a) The following sums are hereby appropriated in accordance with the following schedule:

SCHEDULE:

(1) From the General Fund, two hundred million dollars ($200,000,000) to the State School Building Lease-Purchase Fund.

(2) From the Elevator Safety Account, an amount equal to the fees collected pursuant to Section 7314 of the Labor Code in the 1981–82 fiscal year, to, and in augmentation of, Item 835-001-001 of the Budget Act of 1981, for administration of the elevator safety program.

(3) From the Pressure Vessel Account, an amount equal to the fees collected pursuant to Section 7721 of the Labor Code in the 1981–82 fiscal year, to, and in augmentation of, Item 835-001-001 of the Budget Act of 1981, for administration of the pressure vessel safety program.

(b) The provisions of paragraph (1) of subdivision (a) shall become operative on July 1, 1982.

SEC. 12. If any provision of this act or the application thereof to any person or circumstances is temporarily stayed or held invalid, the temporary stay or invalidity shall not affect other provisions or applications of the act which can be given effect without the temporarily stayed or invalid provision or application, and to this end the provisions of this act are severable.

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 the necessity are:

This act relates to the 1981-82 fiscal year, and, in order to achieve its intended results, it is necessary that this act take effect immediately.

CHAPTER 208

An act relating to mental health, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 19, 1982. Filed with Secretary of State May 20, 1982.]

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

SECTION 1. The Legislature declares that recent studies in other states have found that up to 46 percent of patients manifesting psychiatric symptoms are suffering from previously undiagnosed organic disease or conditions which either cause or greatly exacerbate the psychiatric symptoms. These organic conditions or diseases had often not been diagnosed by routine medical evaluation and were discovered only with extensive tests. The results of these studies have not yet been shown to apply to California, nor have existing studies yet demonstrated the most cost-beneficial diagnostic procedures to be used for different clinical settings and varying diagnostic categories.

The Legislature recognizes that enormous human suffering could be avoided by the prompt diagnosis and treatment of organic conditions and diseases manifesting as psychiatric symptoms. In addition, very substantial cost savings may be realized by the prevention of inappropriate psychiatric care.

Therefore, the Legislature finds and declares that there is need for a research project to provide and evaluate extensive medical evaluation for a sample of patients in various California community and state hospital settings in order to allow the state and counties to more effectively plan and implement policies for the most appropriate and cost-effective diagnosis and care of psychiatric patients with previously unrecognized organic conditions or disease.

SEC. 2. The Department of Mental Health shall conduct a Special Project for Medical Evaluation in accordance with the provisions of this act, which shall be designed to do all of the following:

(a) Determine the prevalence of undiagnosed and untreated organic conditions or diseases among clients of the mental health system, the degree to which these conditions cause or exacerbate

their psychiatric symptoms, the effectiveness of treatment in reducing or eliminating the psychiatric symptoms, and the cost implications to the mental health and healthy systems of identifying and treating these conditions or diseases.

(b) Provide to the Legislature the following information:

(1) Recommendations for changes on current medical evaluation procedures, staffing and training of mental health workers in county and state mental health programs.

(2) Recommendations to enable state and county programs to design and implement the most appropriate cost-effective levels of medical evaluation for various program settings and client characteristics.

(3) Recommendations which would reduce barriers to obtaining health care for mental health client groups identified in the project.

SEC. 3. All participants in the project shall give an informed consent to participation pursuant to Sections 5326.2 and 5326.3 of the Welfare and Institutions Code, and records shall be confidential pursuant to subdivision (e) of Section 5328 of the Welfare and Institutions Code. All participants shall be afforded the patient rights as specified in Section 5325 of the Welfare and Institutions Code.

SEC. 4. Subjects shall only be selected from among those individuals who are Medi-Cal eligible or have other third party reimbursement available for any medical conditions which may be discovered during the project. The project design shall incorporate the maximum possible use of Medi-Cal and other third party reimbursement for the costs of evaluation and treatment.

SEC. 5. The project teams shall each identify, record, and notify the responsible treating individual or agency when an undiagnosed medical disease or condition is diagnosed. The client shall also be notified.

SEC. 6. The State Department of Mental Health shall directly undertake the part of the project which includes medical evaluation and followup for at least 150 mental health clients in state hospitals serving the mentally disabled, separate from the medical evaluation conducted by the contractor of state hospital clients from counties participating in the other part of the project.

SEC. 7. The State Department of Mental Health, after consultation with the Project Advisory Committee established by Section 12, shall also contract with one or more independent or university based research agencies or service providers with direct or contracted research capabilities, for a study of medical evaluation for at least 300 mental health clients which shall be designed to do all of the following:

(a) Determine the prevalence of undiagnosed and untreated organic conditions or diseases among clients of the mental health system, the degree to which these conditions cause or exacerbate their psychiatric symptoms, the effectiveness of treatment in reducing or eliminating the psychiatric symptoms, and the cost implications to the mental health and health systems of identifying

and treating these conditions or diseases.

(b) Provide to the Legislature the following information:

(1) Recommendations for changes in current medical evaluation procedures, staffing, and training in county and state mental health programs.

(2) Recommendations to enable state and county programs to design and implement the most appropriate cost-effective levels of medical evaluation for various different clinical settings and client characteristics.

(3) Recommendations which would reduce barriers to obtaining health care for mental health client groups identified in the project.

SEC. 8. (a) The department shall issue the request for proposal after consultation with the Project Advisory Committee established by Section 12, within three months of the effective date of this section. The department shall give preference to single contractors who propose to conduct the project in several counties which reflect the urban-rural composition of the state.

(b) If the county in which the project is to be conducted is not also the contractor, then the contractor shall submit to the State Department of Mental Health copies of the memorandum of understanding between the contractor and the county, specifying how the project will be conducted. The Project Advisory Committee shall review the proposals and make their recommendations to the Director of Mental Health who shall award the contract.

(c) Subjects in the study shall include recipients of mental health services in the following settings: crisis intervention, acute inpatient care, outpatient care, skilled nursing facilities providing special care to psychiatric patients, psychiatric health facilities, state hospitals, and community care facilities.

(d) The study design shall ensure, to the extent possible, that subjects in the study shall be representative of statewide proportions of recipients of mental health services along the following dimensions: voluntary-involuntary status: age, race, and sex ratios; major diagnostic classes or clinical syndromes and extent of prior contact with the mental health system.

SEC. 9. The contractor shall submit a preliminary report to the Legislature and the State Department of Mental Health within eight months of the effective date of the contract which includes all of the following:

(a) Preliminary information on the prevalence of undiagnosed organic conditions or diseases discovered by the project's medical evaluation.

(b) Suggestions for changes in the project or the contract based on the preliminary data.

(c) A memorandum of understanding between the contractor and the State Department of Mental Health which specifies how the contractor will conduct medical evaluation using the same protocol used in the county mental health program, for a sampling of the state hospital clients from the counties participating in the project.

The State Department of Mental Health shall submit this report to the Legislature, within one month of receiving it, along with the State Department of Mental Health's and the Project Advisory Committee's analyses of the report.

SEC. 10. The contractor shall submit a final report to the Legislature and the State Department of Mental Health within 15 months of the effective date of the contract which includes all of the following:

(a) The prevalence of undiagnosed and untreated organic conditions or diseases among clients of the county mental health programs participating in the project, the degree to which these conditions cause or exacerbate their psychiatric symptoms, and the effectiveness, as determined by followup after an appropriate interval of treatment in reducing or eliminating the psychiatric symptoms.

(b) Recommendations for changes on current medical evaluation procedures, staffing and training of mental health workers in county and state mental health programs.

(c) How county and state mental health programs can best design and implement the most appropriate cost-effective levels of medical evaluation for various program settings and client characteristics.

(d) Recommendations which would reduce barriers to obtaining health care for mental health client groups identified in the project.

SEC. 11. The State Department of Mental Health shall submit a report on the part of project which they directly undertook in state hospitals to the Legislature within 19 months of the effective date of this act which includes all of the following:

(a) The prevalence of undiagnosed and untreated organic conditions or diseases among state hospital clients served by the project, the degree to which these conditions cause or exacerbate their psychiatric symptoms, and the effectiveness of treatment in reducing or eliminating the psychiatric symptoms.

(b) The implications of the project results on current medical evaluation procedures, staffing and training of mental health workers in county and state mental health programs.

(c) How counties and state mental health programs can best design and implement the most appropriate cost-effective levels of medical evaluation for various program settings and client characteristics.

(d) Recommendations which would reduce barriers to obtaining health care for mental health client groups identified in the project.

SEC. 12. The Director of Mental Health shall appoint a seven person Project Advisory Committee which represents the medical disciplines of psychiatry, nutrition, nursing, neurology, and internal medicine as well as representing persons experienced in research design and in policy analysis of the health and mental health care delivery system. There shall be one member representing the general public. One member shall represent the Conference of Local Mental Health Directors, to be chosen from among those

recommended by the Executive Board. Not more than one of the members may be an employee of the State Department of Mental Health. Representatives of the State Department of Health Services and the Office of Statewide Health Planning and Development shall be ex officio members of the committee. The functions of the advisory committee shall be limited to providing advice to the department in drafting a request for proposals, selecting the contractors and in monitoring the research contracts, and reviewing the contractors results and recommendations.

SEC. 13. The seven hundred thousand dollars ($700,000) appropriated by Proviso 11 of Item 444-101-001 of the Budget Act of 1981 for the purposes of a medical evaluation project is hereby authorized for expenditure for the purposes of this act. No more than two hundred fifty thousand dollars ($250,000) shall be expended for the part of the project conducted in state hospitals directly by the State Department of Mental Health.

The funds for the contracts shall be paid to the contractors according to the following schedule:

(a) One-half of the contracted amount upon the approval of the contract.

(b) One-half of the contracted amount upon the approval of the preliminary report and any proposed modifications in the project by the Project Advisory Committee and the Director of the State Department of Mental Health.

SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to enable the state to plan and implement statewide policies for the most appropriate and cost-effective diagnosis and care of psychiatric patients with previously unrecognized organic conditions or diseases at the earliest possible time, it is necessary that the act take effect immediately.

CHAPTER 209

An act to amend Sections 8208, 8222, 8224, 8225, 8232, 8242, 8250, 8252, 8262, 8263, 8265, 8266, 8266.5, 8272, 8275, 8277.2, 8278, 8279, 8288, 8360, 49501, 49550, and 49552 of, to add Section 8222.1 to, and to repeal and add Section 8265.5 to, and to add and repeal Section 8264.5 of, the Education Code, and to amend Sections 23 and 23.4 of Chapter 798 of the Statutes of 1980, relating to child care and development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 19, 1982. Filed with Secretary of State May 20, 1982]

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

SECTION 1. Section 8208 of the Education Code is amended to read:

8208. As used in this chapter:

(a) "Assigned reimbursement rate" is that rate established by the contract with the agency and is derived by dividing the total dollar amount of the contract by the minimum average daily enrollment level of service required.

(b) "Alternative payments" include payments which are made by one child care agency to another agency or child care provider for the provision of child care and development services, and payments which are made by an agency to a parent for the parent's purchase of child care and development services.

(c) "Applicant or operating agency" means a school district, community college district, college or university, county superintendent of schools, county, city, public agency, private non-tax-exempt agency, private tax-exempt agency, or other entity which is authorized to establish, maintain or operate services pursuant to this chapter. Private agencies and parent cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.

(d) "Attendance" means the number of children present at a child care and development facility. "Attendance," for the purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness or quarantine of their parent, family emergency, or to spend time with a parent or other relative as required by a court of law or which is clearly in the best interest of the child.

(e) "Capital outlay" means the amount paid for the renovation and repair of child care and development facilities to comply with state and local health and safety standards, and the amount paid for the state purchase of relocatable child care and development facilities for lease to qualifying contracting agencies.

(f) "Caregiver" means a person who provides direct care, supervision and guidance to children in a child care and development facility.

(g) "Child care and development facility" means any residence or building or part thereof in which child care and development services are provided.

(h) "Child care and development programs" are those which offer a full range of services for children from infancy to age fourteen, for any part of a day, by a public or private agency, in centers and family child care homes. Such programs include, but are not limited to, the following:

(1) Campus child care and development.
(2) General child care and development.
(3) Intergenerational child care and development.
(4) Migrant child care and development.
(5) School-age parenting and infant development.

(i) "Child care and development services" are those designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services include direct care and supervision, resource and referral programs, and alternative payment arrangements.

(j) "Children at risk of abuse, neglect or exploitation" means children who are identified as such in a written referral from a legal, medical, or social service agency.

(k) "Children with special needs" include infants to the age of two; limited-English-speaking and non-English-speaking children; handicapped children; and children at risk of neglect, abuse, or exploitation.

(*l*) "Close-down costs" means reimbursements for all approved activities associated with the closing of operations at the end of each growing season for migrant child development programs only.

(m) "Contracting agency" means a private nonprofit agency, private proprietary agency, family child care provider, school district, community college district, county superintendent of schools, county welfare department, county, city, or other entity which is authorized to establish, maintain, or operate services pursuant to this chapter. Private agencies and parent cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.

(n) "Cost" includes, but is not limited to, expenditures that are related to the operation of child development programs. "Cost" may include a reasonable amount for state and local contributions to employee benefits, including approved retirement programs, agency administration, and any other reasonable program operational costs.

(o) The term "elementary school," as contained in Section 425 of Title 20 of the United States Code (the National Defense Education Act of 1958, Public Law 85-864, as amended), includes early childhood education programs and all child development programs, for the purpose of the cancellation provisions of loans to students in institutions of higher learning.

(p) "Group" means a cluster of children under the direct supervision of one or more caregivers.

(q) "Group size" means the total number of children assigned to one or more caregivers.

(r) "Handicapped children" means children who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically

impaired, other health impaired, deaf-blind, multihandicapped, or children with specific learning disabilities, who require the special attention of adults in a child care setting.

(s) "Severely handicapped children" means children having a physical, mental, or emotional handicap of such severity that they cannot be adequately or appropriately served in a regular child care and development program, and who require the services of persons with some special training and experience.

(t) "Health services" includes, but is not limited to, the following:

(1) Referral, whenever possible, to appropriate health care providers able to provide continuity of medical care.

(2) Health screening and health treatment, including a full range of immunization recorded on the appropriate state immunization form to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Child Health and Disability Prevention Program (Article 3.4 (commencing with Section 320) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code), but only to the extent that ongoing care cannot be obtained utilizing community resources.

(3) Health education and training for children, parents, staff, and providers.

(4) Follow-up treatment through referral to appropriate health care agencies or individual health care professionals.

(u) "Higher educational institutions" means the Regents of the University of California, the Trustees of the California State University and Colleges, the California Community College Board of Governors, and the governing bodies of any private nonprofit institution of postsecondary education.

(v) "Intergenerational staff" means persons of various generations.

(w) "Limited English-speaking and non-English-speaking children" means children who are unable to benefit fully from an English-only child care and development program as a result of the following:

(1) Having used a language other than English when they first began to speak, or

(2) Having a language other than English predominantly or exclusively spoken at home.

(x) "Parent" means any person living with a child who has responsibility for the care and welfare of the child.

(y) A "proprietary child care agency" means an organization or facility providing child care, which is operated for profit.

(z) "Resource and referral programs" means programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care. Services frequently include, but are not limited to: technical assistance for providers, toy-lending libraries, equipment-lending libraries, toy- and equipment-lending libraries, staff development

programs, health and nutrition education, and referrals to social services.

(aa) "Respite child care" means child care service provided for less than 24 hours per day, to assist families whose children have been identified through referral as being neglected, abused, or exploited, or at risk of being neglected, abused, or exploited.

(bb) "Standard reimbursement rate" means that rate established by the Superintendent of Public Instruction pursuant to Section 8265.

(cc) "Start-up costs" means those expenses an agency incurs in the process of opening a new or additional facility prior to the full enrollment of children.

(dd) "State preschool services" means part-day educational programs for low income or otherwise disadvantaged prekindergarten-age children.

(ee) "Support services" means those services which, when combined with child care and development services, help promote the healthy physical, mental, social, and emotional growth of children. Support services include, but are not limited to: protective services, parent training, provider and staff training, transportation, parent and child counseling, child development resource and referral services, and child placement counseling.

(ff) "Teacher" means a person with the appropriate certificate who provides program supervision and instruction which includes supervision of a number of aides, volunteers, and groups of children.

(gg) "Workday" means the time that the parent requires temporary care for a child for any of the following reasons:

(1) To undertake training in preparation for a job.

(2) To undertake or retain a job.

(3) To undertake other activities which are essential to maintaining or improving the social and economic function of the family, are beneficial to the community, or are required because of health problems in the family.

SEC. 2. Section 8222 of the Education Code is amended to read:

8222. Payments made by alternative payment programs shall be equal to the fee charged to full-cost families in each program. Alternative payment programs may expend more than the standard reimbursement rate for a particular child. However, the aggregate payments for services purchased by the agency during the contract year may not exceed the assigned reimbursable amount as established by the contract for the year.

Currently funded agencies making payments in excess of the fee charged to full-cost families shall come into compliance with this section by January 1, 1981.

This section does not preclude alternative payment programs from using the average daily enrollment adjustment factors for children with special needs as provided in Section 8265.5.

SEC. 2.3. Section 8222.1 is added to the Education Code, to read:

8222.1. In order to maintain the viability of alternative payment programs and to maximize services provided by this program, the

State Department of Education shall establish and maintain a contingency fund for alternative payment programs. This fund shall be used to reimburse for actual and allowable costs incurred for additional services. Applicants may apply for an amount not to exceed five thousand dollars ($5,000) or 2 percent of the contract amount, whichever is greater. This fund shall be established from alternative payment program fund balances. Applicants receiving funds two consecutive years under this section may not apply the following year.

SEC. 2.5. Section 8224 of the Education Code is amended to read:

8224. The audits for such agencies shall include, but not be limited to, a sampling of the evidence of fees charged to, and paid by, families of non-subsidized children, the daily enrollment of subsidized children, the number of days of service provided to subsidized children, the assessment and collection of parent fees, and the availability of support services to subsidized children and their families as needed pursuant to the terms of the contract.

SEC. 3. Section 8225 of the Education Code is amended to read:

8225. (a) Notwithstanding any provision of law to the contrary, higher educational institutions may establish and maintain child development programs on or near their respective campuses. Those higher educational institutions under contract with the State Department of Education for child care and development services pursuant to this chapter shall be subject to the rules and regulations adopted by the Superintendent of Public Instruction.

(b) Children of students of each campus operating a child development program shall have first priority for service in that program.

(c) The higher educational institutions may institutionalize child development programs on their respective campuses for the purpose of incorporating child development programs into the missions and functions of the respective campuses.

(d) The Superintendent of Public Instruction, in cooperation with higher educational institutions, shall establish rules and regulations governing programs operated pursuant to this section.

(e) It is the intention of the Legislature that a consortium composed of higher educational institutions be established by the institutions to improve communication and cooperation and to advise and assist the Superintendent of Public Instruction in the development of rules and regulations and policies and procedures affecting child care and development programs. The Superintendent of Public Instruction in cooperation with the consortium shall be responsible for ongoing communication with and dissemination of information to all campus child care and development agencies under contract with the State Department of Education.

SEC. 4. Section 8232 of the Education Code is amended to read:

8232. The superintendent shall encourage migrant child care programs to include, and shall give priority to funding migrant child

care agencies that include, the following components:

(a) Social services.

(1) Bilingual liaison between migrant parents and the center or family child care home, or both.

(2) Liaison between the agency and the relevant community agencies and organizations, including health and social services.

(3) Identification and documentation of family needs and follow-up referrals as appropriate.

(b) Training emphasis shall begin in the first year with priority for infant caregivers and administrative staff.

(c) Staffing.

(1) Bilingual health personnel shall be available to each program site of a migrant child care and development agency.

(2) Professional and nonprofessional staff shall reflect the linguistic and cultural background of the children being served.

(3) Whenever possible, migrants will be recruited, trained, and hired in child care and development programs. Documentation of training and career ladder opportunities and of recruitment and hiring efforts shall be provided to the Department of Education.

(d) Health services in migrant child care and development programs shall include health and dental screening, follow-up treatment, recording, and tracking for all children enrolled in migrant child care and development programs. These services shall be provided in a timely and adequate manner and the funds for health services and the health records shall follow the child. To achieve these ends, the State Department of Health Services and the Department of Education shall each delegate two members who shall meet on a regular basis, beginning on July 1, 1980, for the following purposes:

(1) To research the problems currently preventing the timely delivery of the above services.

(2) To hold at least two well-publicized public hearings prior to January, 1982, in migrant rural areas to solicit testimony regarding mechanisms to effectively deliver health services to migrant children in child care and development programs.

(3) To develop a plan to ensure state- and local-level coordination of health services, and to eliminate duplication of services for migrant children in child care and development programs.

(4) To report back to the Legislature by February 15, 1982, in a joint written report, on the problems affecting delivery of health services, on any improvement in the delivery of services, and with a plan to increase effective delivery of health services to migrant children in child care and development programs commencing with May 1, 1982.

SEC. 5. Section 8242 of the Education Code is amended to read:

8242. To promote greater program flexibility for center-based programs previously funded under the Alternative Child Care Act pursuant to former Chapter 2.5 (commencing with Section 8400) and for new programs funded pursuant to this chapter, such programs

may operate pursuant to the regulations for child day care facilities under Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code.

Notwithstanding the provisions of Section 8360, these programs are not subject to regulations under Title 5 of the California Administrative Code and the laws upon which those regulations are promulgated if subsidized children comprise less than a majority of their enrollment at any given center.

If there are no facilities in the area able to meet the special needs of particular children, then the department may, upon request, waive its regulations for staffing and group size ratios under Title 5 of the California Administrative Code and the laws upon which those regulations are promulgated for programs in which subsidized children comprise a majority of the enrollment.

SEC. 5.5. Section 8250 of the Education Code is amended to read:

8250. (a) To the greatest extent possible, the Superintendent of Public Instruction shall ensure that children with special needs who can be appropriately served in child care and development programs for nonhandicapped children shall have equal access to such programs. Available federal and state funds for children with special needs above the standard reimbursement amount shall be used to assist agencies in developing and supporting appropriate programs for such children.

(b) Whenever children cannot be served in regular child care and development programs because of severe disabling conditions, the Superintendent of Public Instruction shall establish alternate appropriate placements, such as self-contained programs. These programs shall be started as expansion funds become available, and shall be expanded throughout the implementation of the plan.

(c) Any handicapped child served in child care and development programs shall be afforded all rights and protections guaranteed in state and federal laws and regulations for individuals with exceptional needs.

(d) Notwithstanding any other provision of this chapter, the Superintendent of Public Instruction may develop unique reimbursement rates for, and make reimbursements to, child care and development programs which received state funding during the 1980–81 fiscal year and serve severely handicapped children, as defined in subdivision (s) of Section 8208, when all of the following conditions exist:

(1) Eligibility for enrollment of a severely handicapped child in the program is the sole basis of the child's need for service.

(2) Services are provided to severely handicapped children from birth to 21 years.

(3) No fees are charged to the parents of the severely handicapped children receiving the services.

(e) The Superintendent of Public Instruction shall include child care and development providers in all statewide planning for personnel development for persons providing services for children

with special needs.

SEC. 6. Section 8252 of the Education Code is amended to read:

8252. (a) The Department of Education and the local county welfare department shall enter into contracts which establish the procedures for serving and referring a child in need of care as part of the provision of protective services pursuant to Chapter 5 (commencing with Section 16500) of Part 4 of Division 9 of the Welfare and Institutions Code. The Department of Education, in consultation with the State Department of Social Services, may contract with another appropriate community agency which provides services or referrals, or both, for the prevention or intervention of child abuse or neglect if no such contract for child care services exists between the Department of Education and the county welfare department.

(b) The contracts shall specify the resource and referral program or operating agency or agencies providing child care and development pursuant to this chapter in the county that the local contracting agency shall contact to secure care for a child needing protective services. If an operating agency is unable to enroll the child, the local contracting agency described in subdivision (a) with the assistance of the providers of local resources and referral services shall locate services for the family. Payments for such located services in the absence of other funds shall be made by the local contracting agency.

The need for child care funded pursuant to this section shall be reviewed by the local contracting agency no less than every three months.

SEC. 6.5. Section 8262 of the Education Code is amended to read:

8262. Notwithstanding Sections 14616 and 14780 of the Government Code, the Superintendent of Public Instruction may enter into and execute local contractual agreements with any public or private entity or agency for the delivery of child care and development services or the furnishing of property, facilities, personnel, supplies, equipment, and administrative services related to the delivery of child care development services. Prior to entering into or executing a local agreement, the State Department of Education shall obtain annual approval from the Department of General Services and the Department of Finance as to the form and general content thereof. The agreements may only be made for the delivery of child care and development services, or the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related thereto, which conform with the provisions of this chapter.

The Superintendent of Public Instruction, by authority of an interagency agreement with the state licensing agency for community care facilities, shall license and monitor all facilities in which child care is being provided by an agency under contract with the State Department of Education, unless such facilities have been licensed by the state licensing agency or are exempted from

licensing.

SEC. 7. Section 8263 of the Education Code is amended to read:

8263. (a) The Superintendent of Public Instruction shall adopt such rules and regulations on eligibility, enrollment, and priority of services as needed to implement this chapter. In order to be eligible for federal and state subsidized child development services, families shall meet at least one requirement in each of the following areas:

(1) A family shall be (A) a current aid recipient, (B) income eligible, or (C) one whose children are recipients of protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited; and

(2) A family shall need the child care service because the child is identified by a legal, medical, or social service agency as being (A) a recipient of protective services, (B) being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation, or (C) having a medical or psychiatric special need which cannot be met without provision of child day care, or the parents are (i) engaged in vocational training leading directly to a recognized trade, paraprofession, or profession, (ii) employed or seeking employment, or (iii) incapacitated, including a medical or psychiatric special need which cannot be met without provision of child day care.

(b) Priority for state and federally subsidized child development services shall be as follows:

(1) First priority shall be given to recipients of child protective services for children who are neglected or abused, or at risk of being neglected or abused, upon written referral from a legal, medical, or social service agency. When an agency is unable to enroll a child in the first priority category, the agency shall refer the family to local resource and referral services to locate services for the child.

(2) Second priority shall be equally given to eligible families, regardless of the number of parents in the home, who are income eligible. Within this priority, families with the lowest gross monthly income shall be admitted first. For purposes of determining order of admission, the grants of public assistance recipients shall be counted as income.

(c) A physical examination and evaluation, including age-appropriate immunization, shall be required prior to, or within six weeks of, enrollment. No standard, rule, or regulation shall require medical examination or immunization for admission to a child care and development program of a child whose parent or guardian files a letter with the governing board of the child care and development program stating that such medical examination or immunization is contrary to his or her religious beliefs, or provide for the exclusion of a child from the program because of a parent or guardian having filed such letter. However, whenever there is good cause to believe that a child is suffering from a recognized contagious or infectious disease, the child shall be temporarily excluded from the program until the governing board of the child care and

development program is satisfied that any contagious or infectious disease does not exist.

(d) Regulations formulated and promulgated pursuant to this section shall include the recommendations of the State Department of Health Services relative to health care screening and the provision of health care services. The Superintendent of Public Instruction shall seek the advice and assistance of these health authorities in situations where service under this chapter includes or requires care of ill or disabled children.

(e) The Superintendent of Public Instruction shall establish a fee schedule for families utilizing child care and development services pursuant to this chapter. No recipient of public assistance shall pay a fee. Insofar as federal funds are utilized, this fee schedule shall conform to that allowed by the federal social service regulations as designated in the California State Plan for Social Services.

(f) The Superintendent of Public Instruction shall establish guidelines according to which the director or a duly authorized representative of the child care and development program will certify children as eligible for state reimbursement pursuant to this section.

(g) No public funds shall be paid directly or indirectly to any agency which does not pay at least the minimum wage to each of its employees.

SEC. 7.5. Section 8264.5 is added to the Education Code, to read:

8264.5. The State Department of Education shall continue to contract with the child development program, authorized under former alternative child care programs, which does not meet the age limitations set forth in this chapter. However, this child development program shall reduce its current enrollment through attrition and accept no new placements of children over the age limitation specified in this chapter and shall develop and execute a systematic and orderly plan for termination of state support for any child over the age limitation specified in this chapter on or before June 30, 1983.

This section shall remain in effect only until July 1, 1983, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1983, deletes or extends such date.

SEC. 8. Section 8265 of the Education Code is amended to read:

8265. (a) The Superintendent of Public Instruction shall implement a plan which establishes reasonable standards and assigned reimbursement rates, which vary with the length of the program year and the hours of service.

Actual reimbursement shall not, in any case, exceed actual program costs, and parent fees shall be deducted from the assigned reimbursement rate or actual costs, whichever is less.

When establishing such standards and assigned reimbursement rates, the Superintendent of Public Instruction shall confer with applicant agencies.

The reimbursement system, including standards and rates, shall be submitted to the Joint Legislative Budget Committee.

The Superintendent of Public Instruction may establish such regulations as he or she deems advisable concerning conditions of service and hours of enrollment for children in the programs.

(b) The standard reimbursement rate shall be three thousand five hundred twenty-three dollars ($3,523) per unit of average daily enrollment for a 250-day year, increased by the cost-of-living adjustment granted by the Legislature beginning July 1, 1980.

(c) The plan shall require agencies having an assigned reimbursement rate above the current year standard reimbursement rate to reduce costs on an incremental basis to achieve the standard reimbursement rate.

(d) The plan shall provide for adjusting reimbursement on a case-by-case basis for agencies currently reimbursed at a rate less than the standard reimbursement rate. Assigned reimbursement rates shall be increased only on the basis of one or more of the following:

(1) Loss of program resources from other sources.

(2) Need of an agency to pay the same child care rates as those prevailing in the local community.

(3) Increased costs directly attributable to new or different regulations.

Child care agencies funded at the lowest rates shall be given first priority for increases.

(e) The plan shall provide for expansion of child development programs at no more than the standard reimbursement rate for that fiscal year.

(f) The Superintendent of Public Instruction may reduce the percentage of reduction for any public agency:

(1) Which is currently serving more than 400 children; or

(2) Which has in effect a collective bargaining agreement; or

(3) For which other extenuating circumstances apply as determined by the Superintendent of Public Instruction.

SEC. 9. Section 8265.5 of the Education Code is repealed.

SEC. 10. Section 8265.5 is added to the Education Code, to read:

8265.5. In order to reflect the additional expense of serving children with special needs, the provider agency's reported child days of enrollment for these children shall be multiplied by the adjustment factors listed below.

These adjustment factors shall apply only to those programs whose assigned reimbursement rates are at or below the standard reimbursement rate.

(a) For infants 0 to 2 years, the adjustment factor shall be 1.3.

(b) For handicapped age 0 to 14, the adjustment factor shall be 1.1.

(c) For severely handicapped age 0 to 14, the adjustment factor shall be 1.3.

(d) For a child at risk of neglect, abuse, or exploitation age 0 to 14, the adjustment factor shall be 1.1.

(e) For limited-English speaking and non-English-speaking age 2 through kindergarten, the adjustment factor shall be 1.1.

Use of these adjustment factors shall not increase the provider agency's total annual allocation.

Days of enrollment for children having more than one special need shall not be reported under more than one of the above categories.

Reimbursement resulting from the use of the above adjustment factors shall be used for special and appropriate services for each child.

SEC. 11. Section 8266 of the Education Code is amended to read:

8266. Notwithstanding the provisions of Section 8265, the assigned reimbursement rate of a center-based child care agency (a) contracting with the Department of Education, (b) operating under licensing standards for child care and development facilities specified by Section 1500 et seq. of the Health and Safety Code and by Title 22 of the California Administrative Code, and (c) with less than a majority of subsidized children enrolled in the facility, shall be equivalent to the fee paid for the same service by families of nonsubsidized children.

It is not the intent of the Legislature to preclude an agency with a contract with the department from adjusting the fees charged to nonsubsidized children during the contract year. In no event shall the assigned reimbursement rate exceed the standard reimbursement rate established pursuant to Section 8265.

These agencies shall provide documentation to the department that subsidized children, as necessary and appropriate, shall receive supportive services through county welfare departments, resource and referral programs, or other existing community resources, or all of them.

SEC. 12. Section 8266.5 of the Education Code is amended to read:

8266.5. Notwithstanding the provisions of Section 8265, the payment made to a child care facility (a) with authorization for payments from an alternative payment program or a county welfare department, (b) operating under licensing standards for child day care facilities specified by Sections 1500 et seq. of the Health and Safety Code and by Title 22 of the California Administrative Code, and (c) with less than a majority of subsidized children enrolled in the facility, shall be the same as the fee paid for the same service by families of nonsubsidized children.

Each alternative payment system or county welfare department shall provide documentation that subsidized children, as necessary and appropriate, shall receive supportive services through county welfare departments, resource and referral programs, other existing community resources, or all of them.

SEC. 13. Section 8272 of the Education Code is amended to read:

8272. The Legislature recognizes that school districts which utilized the child development permissive override tax and complied with the more stringent federal regulations have developed programs with higher costs than agencies which did not supplement their programs with the tax.

In order to reduce the disparity in program reimbursements, the Superintendent of Public Instruction shall implement a cost control plan commencing on October 1, 1980, after submission of the plan to the Joint Legislative Budget Committee. Agencies subject to the plan are those whose assigned reimbursement rates in the 1979–80 fiscal year exceeded the standard reimbursement rate. The plan shall be as follows:

(a) By October 1, 1980, the Superintendent of Public Instruction shall implement the staffing ratios specified by Section 8288 for programs subject to federal regulations and the staffing ratios pursuant to Title 5 of the California Administrative Code for programs subject to state regulations. Pursuant to Section 8287, the Superintendent of Public Instruction may allocate reimbursement to programs from the funding source whose associated staffing ratios and group size standards allow the maximum number of children to receive services at the minimum cost per average daily enrollment for each agency.

Each agency shall report to the Superintendent of Public Instruction by October 1, 1980, the extent to which the average daily enrollment can be increased in accordance with implementation of the staffing ratios and within the constraint of facility size with no resultant increase in the agency's annual contract reimbursement amount. First priority shall be to achieve an increase in the average daily enrollment in each facility with no additional state cost.

Agencies which are unable to increase their average daily enrollment to the level specified by the staffing ratios due to facility size constraints shall also report the reduction of staffing and program costs resulting from implementation of the ratios. The Superintendent of Public Instruction shall ensure that the agency's revised fiscal year 1980–81 Budget which accompanies the report reflects the cost reductions resulting from implementation of the new staffing ratios.

Upon implementation of the ratios, the Superintendent of Public Instruction shall recalculate the level of reimbursement per average daily enrollment based on any increase in average daily enrollment or decrease in the agency's cost as verified by the superintendent, or both. The superintendent shall submit to the Joint Legislative Budget Committee previous and recalculated reimbursement and average daily enrollment levels for each agency. The 1982–83 contract for reimbursement of child care services shall reflect changes resulting from implementation of the staffing ratios.

Programs with collective bargaining agreements in existence on June 30, 1980, which specify staffing ratios and prevent the implementation of ratios consistent with this section may delay, if necessary, implementation of the ratios until the expiration of such agreement or June 30, 1981, whichever is earlier.

Agencies which are unable to expand their average daily enrollment to the maximum allowable under implementation of the staffing ratios shall reduce their staffing to a level consistent with the

ratios through staff attrition, including transfer to district programs other than the child development program. Agencies whose facility size limits them solely to reduction in staffing levels to achieve implementation of the staffing ratios may be granted a waiver by the Superintendent of Public Instruction to extend the time for implementation of this section. However, no extension shall be granted beyond July 1, 1982.

Any savings which result to the state from implementation of this section shall be utilized for expansion of child care services at or below the standard reimbursement rate. Savings may also be utilized to increase the assigned reimbursement rates of those agencies below the standard reimbursement rate which the Superintendent of Public Instruction determines, on a case-by-case basis, to be necessary and fiscally appropriate, and which would otherwise result in the agency's termination of its child development program, or a substantial reduction in the quality of the program.

(b) Agencies subject to this cost control plan that have initiated administrative policies implementing compliance or that have complied with the provisions of subdivision (a) shall be eligible for allocation of the cost of living funding provided by the Budget Act as specified in Section 23.5 of the chapter of the Statutes of 1980 by which this section was enacted.

(c) During the 1981–82 fiscal year, the Department of Education, after submission of a plan to the Joint Legislative Budget Committee, shall study the type, scope, and level of the elements of cost of all the programs subject to this cost control plan and of a sample of other state-subsidized child care and development services programs. This study shall establish standardized definitions of the elements of costs, particularly direct service costs, administrative costs, indirect costs, clearly specified labor costs, the cost of providing services to children with special needs, and supplemental service costs. Based upon this study, the department shall adopt accounting procedures to secure reliable reports of the cost of such elements, and report recommendations to the Legislature pursuant to subdivision (f).

(d) The Department of Education shall review its regulations, guidelines, and monitoring procedures of all child care and development programs to assure that programs are provided maximum flexibility to reduce program costs so long as children receive quality care and services. Flexibility may be provided in areas such as, but not limited to, scheduling of staff, encouraging referrals for services, and waiving some program elements so that different services are provided to children receiving after-school care compared to those services required for infants and preschool age children.

(e) The Department of Education, after submitting its plan to the Joint Legislative Budget Committee, and subject to the provisions of Section 8287, may utilize federal funds for certain program types in order to maximize provision of the child care and developmental services.

(f) The Legislative Analyst shall develop and report to the Legislature by March 1, 1982, findings and recommendations on the need to provide reimbursement to agencies above the standard reimbursement rate to reflect the impact of collective bargaining, wage rates necessary to provide adequate income for all caregivers, and differences in regional costs.

For the 1982–83 fiscal year and subsequent fiscal years, the Department of Education shall recommend to the budget committees of the Legislature: (1) limitations on, or expansion of, the type and level of reimbursement (in terms of cost per average daily enrollment or percentage of total agency budget) of various cost elements identified in the study in subdivision (c), (2) continuation of the provision of cost of living as specified by subdivision (b), and (3) recommendations for reimbursement above the standard reimbursement rate as specified in subdivision (f).

SEC. 13.4. Section 8275 of the Education Code is amended to read:

8275. (a) The Superintendent of Public Instruction may reimburse approvable start-up costs of child development agencies or facilities in an amount not to exceed 15 percent of the expansion or increase of each such agency's total contract amount. Under no circumstances shall reimbursement for start-up costs result in an increase in the agency's total contract amount. Such funds shall be available for all of the following:

(1) The employment and orientation of necessary staff.

(2) The setting up of the program and facility.

(3) The finalization of rental agreements and the making of necessary deposits.

(4) The purchase of a reasonable inventory of materials and supplies.

(5) The purchase of an initial premium for insurance.

(b) Agencies shall submit claims for start-up costs with their first quarterly reports.

(c) The Legislature recognizes that allowances for startup costs are necessary for the establishment and stability of new child development programs. Programs initially funded in the 1978–79 fiscal year and 1979–80 fiscal year are included in the provisions of this section.

SEC. 13.5. Section 8277.2 of the Education Code is amended to read:

8277.2. The Superintendent of Public Instruction shall establish a revolving loan fund to provide loans to child care and development contracting agencies for capital outlay not to exceed 2 percent or two thousand dollars ($2,000), whichever is greater, of the agency's contract amount. These loans shall be available with no interest and shall be used to renovate and repair child care facilities to meet state and local health and safety standards.

SEC. 13.6. Section 8278 of the Education Code is amended to

read:

8278. (a) Any child development funds allocated to provider agencies, but unspent by such agencies at the close of a fiscal year, shall be carried over by the State Department of Education into the next fiscal year.

(b) The Superintendent of Public Instruction shall redistribute carried-over funds among ongoing provider agencies, for reimbursement rate increases, for the purchase of State Department of Education approved materials, or for one-time only services, or for any combination of the above, that will directly benefit the children enrolled in the programs during the new fiscal year.

(c) First priority for the redistribution of carried-over funds shall be given to those agencies which are reimbursed at a rate less than the standard reimbursement rate in accordance with the provisions of subdivision (d) of Section 8265.

(d) Second priority for the redistribution of carried-over funds shall be given to other ongoing provider agencies.

SEC. 13.7. Section 8279 of the Education Code is amended to read:

8279. Each county shall, as a minimum, maintain the level of expenditure for child development services provided by the county during the 1970–71 fiscal year. These funds shall be used exclusively for child development programs and shall be considered unrestricted funds unless restricted by the county granting the funds.

SEC. 13.8. Section 8288 of the Education Code is amended to read:

8288. Until the Superintendent of Public Instruction promulgates regulations for center-based programs that provide for staffing ratios and group size standards, the following staffing ratios and group size standards shall apply:

(a) Infants, 0 to 2 years old—1:3 adult-child ratio, 1:18 teacher-child ratio, with a maximum group size of 6.

(b) Infants and toddlers, 0 through 2 years old—1:4 adult-child ratio, 1:16 teacher-child ratio, with a maximum group size of 12.

(c) Three to six years old—1:8 adult-child ratio, 1:24 teacher-child ratio, with a maximum group size of 16.

(d) Six to ten years old—1:14 adult-child ratio, 1:28 teacher-child ratio, with a maximum group size of 14.

(e) Ten to fourteen years old—1:18 adult-child ratio, 1:36 teacher-child ratio, with a maximum group size of 18.

The Superintendent of Public Instruction may authorize variances in the maximum group size when variances will result in greater utilization of available space without having an adverse effect on the group.

The Superintendent of Public Instruction shall apply for such waivers of federal requirements as are necessary to carry out this section.

The effective date of the requirements under this section shall be

October 1, 1980.

This section shall remain in effect only until the operative date of the Superintendent of Public Instruction's regulations establishing staffing ratios and group size standards for center-based programs, and on that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends such date.

SEC. 14. Section 8360 of the Education Code is amended to read:

8360. (a) Except as waived under Section 8242 the governing board of a public or private agency as defined within Section 8208 shall employ as teachers or supervisors in a child care and development program only such persons who hold child care and development permits issued by the Commission for Teacher Preparation and Licensing. Any person holding a credential authorizing teaching service in elementary schools issued by the State Board of Education or the commission with either 12 units of training or at least two years' experience in early childhood education or a child care and development program, or holding a single subject credential in home economics with either 12 units of training or at least two years' experience in early childhood education or a child care and development program is deemed to hold a regular child care and development permit that will authorize supervision and instruction of children or supervision of a child development program. The filing with the county superintendent of schools of a regulation of a governing board or a public health agency requiring a physical examination of persons employed in programs shall be deemed to be the issuance of a valid permit except for persons employed in positions pertaining to the supervision and instruction of children or supervision of a program. Each person employed by the governing board of a public or private agency as defined within Section 8208 for a position requiring a permit shall, not later than 95 days after the date fixed by the governing board of the agency for the commencement of his or her service, file with the county superintendent of schools a valid permit issued on or before such date, authorizing him or her to serve in a position for which he or she was employed, and shall, not later than 95 days after the renewal thereof, file the renewed permit in the same manner.

(b) Any teacher employed in a child care and development program immediately prior to July 28, 1980, who continues to be so employed on and after July 28, 1980, and who does not possess the qualifications contained in subdivision (a), shall, notwithstanding subdivision (a), also be deemed to hold a regular child care and development permit and may continue his or her employment, provided that he or she demonstrates progress toward attainment of the qualifications and meets the requirements under subdivision (a) by January 1, 1983. Notwithstanding any other provision of law the continued employment of any teacher described in this subdivision after July 28, 1980, and before the effective date of the act which amended this section at the 1981 portion of the 1981–82 Regular Session of the Legislature is hereby validated, ratified, confirmed,

and declared legally effective if the continued employment would have been authorized by this subdivision had it been effective during that time. This authorization shall apply to all acts, all contracts, and all funds expended in the continued employment of teachers to which this subdivision applies. The requirements under subdivision (a) shall be met for any teacher employed in a child care and development program that is hired on or after July 28, 1980.

SEC. 14.4. Section 49501 of the Education Code is amended to read:

49501. The governing board of any school district may, for purposes of Section 49500, establish rules by which to determine which pupils are needy except for family day care homes which shall be reimbursed for 75 percent of the meals served. For purposes of this article, any pupil within the category of children eligible for aid or services under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code shall be deemed needy.

The amendments to this section enacted by the Legislature in the 1981 portion of the 1981–82 Regular Session of the Legislature shall apply retroactively to July 1, 1981, to the extent that they may legally do so.

SEC. 14.5. Section 49550 of the Education Code is amended to read:

49550. Notwithstanding any other provision of law, each school district and county superintendent of schools maintaining any kindergarten or any of grades 1 to 12 shall, commencing on July 1, 1977, provide for each needy pupil enrolled therein, one nutritionally adequate free or reduced-price meal during each schoolday except for family day care homes which shall be reimbursed for 75 percent of the meals served.

The amendments to this section enacted by the Legislature in the 1981 portion of the 1981–82 Regular Session of the Legislature shall apply retroactively to July 1, 1981, to the extent that they may legally do so.

SEC. 14.6. Section 49552 of the Education Code is amended to read:

49552. For the purposes of this article, needy children shall be defined as those children who meet federal eligibility criteria for free and reduced price meals as defined in Section 49531, except for family day care homes which shall be reimbursed for 75 percent of the meals.

The amendments to this section enacted by the Legislature in the 1982 portion of the 1981–82 Regular Session of the Legislature shall apply retroactively to July 1, 1981, to the extent that they may legally do so.

SEC. 15. Section 23 of Chapter 798 of the Statutes of 1980 is amended to read:

Sec. 23. There is hereby appropriated from the General Fund to the Department of Education nine million dollars ($9,000,000) for

the 1980–81 fiscal year, in addition to, and in augmentation of, any other appropriations for such purposes, for expenditure for the purposes of Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code, as follows:

(a) For the last nine months of the 1980–81 fiscal year, the sum of nine million dollars ($9,000,000) in augmentation to the base allocation for child care and development services to implement the expansion plan for child care and development services through public or private agencies; provided that funds allocated for child care expansion to individual programs shall be limited to a pro rata share of full-year funding plus startup costs pursuant to Section 8275 of the Education Code, depending upon when a program becomes operational. Any part of the nine million dollars ($9,000,000) unused during the last nine months shall be available for expenditure for such purposes during the 1981–82 fiscal year. No agency shall receive expansion funds in excess of the standard reimbursement rate.

(b) For subsequent fiscal years, further augmentation to the base allocation for the expansion of such services may be sought by the Department of Education through the normal budgetary process.

(c) A portion of the allocation under subdivision (a) may be expended without regard to fiscal year for payments for services located by an agency unable to enroll a child in need of protective services.

(d) Not less than 25 percent of funds allocated under subdivision (a) shall be allocated to local community-based and local governmental organizations without present child care and development contracts. Such allocations may include alternative payment programs.

(e) To ensure the ability of the Department of Education to promote new ways of delivering child development services, which may emerge from changing local conditions, innovative programs may be considered for funding within the 25 percent of subdivision (d). "Innovative programs" are those which fall outside the definitions contained in Section 8208 of the Education Code and for which the Superintendent of Public Instruction may waive provisions in Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code and regulations contained in Title 5 of the California Administrative Code.

(f) Resource and referral agencies shall receive not less than 3 percent of the funds allocated under subdivision (a) until such agencies are present in every area of the state.

The Superintendent of Public Instruction shall report to the Legislature if there is a variance with regard to these provisions.

Not more than 3 percent of the amount appropriated under this section shall be used for administrative costs of the Department of Education. The Department of Finance shall approve the actual amount allocated for administration based upon the administrative expenses anticipated by the Department of Education under this act.

SEC. 15.5. Section 23.4 of Chapter 798 of the Statutes of 1980 is

amended to read:

Sec. 23.4. There is hereby appropriated without regard to fiscal year from the Special Account for Capital Outlay created under the provisions of Article 1.8 (commencing with Section 16368) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, the sum of four million dollars ($4,000,000) to be allocated as follows:

(1) The first five hundred thousand dollars ($500,000) shall be allocated for the purposes of Section 8277.1 of the Education Code.

(2) After allocating funds for the purposes of paragraph (1), one-third of the remaining funds shall be allocated for the purposes of Section 8277.2 of the Education Code and two-thirds shall be allocated by the State Allocation Board for the purposes of Section 8277.7 of the Education Code. Any unused funds may be used for any of the purposes specified in this paragraph. Not more than one quarter of the funds allocated for capital outlay shall be expended for facilities for children currently receiving child care and development services. The remaining funds allocated for capital outlay shall be expended for facilities for child care and development services for children not currently receiving such services. Capital outlay funding for support in subsequent fiscal years may be sought by the Department of Education through the normal budgetary process.

Not more than 3 percent of the amount appropriated under this section shall be used for administrative costs of the Department of Education. The Department of Finance shall approve the actual amount allocated for administration based upon the administrative expenses anticipated by the Department of Education under this act.

SEC. 16. Notwithstanding proviso 33 of the provisions applicable to Items 610-101-001 through 610-101-890 of the Budget Act of 1981, as amended by Section 19 of Chapter 169 of the Statutes of 1981, or any other provision of law, the amount allocated for child development programs pursuant to category (k) of proviso 24 of the provisions applicable to Items 610-101-001 through 610-101-890 of the Budget Act of 1981, as amended by Section 19 of Chapter 169 of the Statutes of 1981, and as augmented by Section 36 of Chapter 100 of the Statutes of 1981, as amended by Section 18 of Chapter 133 of the Statutes of 1981 and Section 19 of Chapter 1063 of the Statutes of 1981, shall be distributed to school districts and other eligible agencies based on their average daily enrollment as follows:

(a) Agencies with a fiscal year 1981–82 assigned reimbursement rate which is at or below the fiscal year 1981–82 standard reimbursement rate shall receive the full inflation adjustment. Such agencies may also apply for, and the Superintendent of Public Instruction may grant, on a case-by-case basis, increases in their assigned reimbursement rates not to exceed the fiscal year 1981–82 standard reimbursement rate, from funds set aside for that purpose in subdivision (c).

(b) Agencies with a fiscal year 1981–82 assigned reimbursement rate which is greater than the fiscal year 1981–82 standard

reimbursement rate, but not greater than 125 percent of the fiscal year 1981–82 standard reimbursement rate, shall receive the full inflation adjustment. Such agencies shall not apply for, and the Superintendent of Public Instruction shall not grant, any increase in their assigned reimbursement rates.

(c) Agencies with a fiscal year 1981–82 assigned reimbursement rate which is greater than 125 percent of the fiscal year 1981–82 standard reimbursement rate shall receive 75 percent of the full inflation adjustment. An amount equal to the remaining 25 percent of the full inflation adjustment for such agencies is hereby set aside for the purpose of allocation by the Superintendant of Public Instruction to increase assigned reimbursement rates of agencies as specified in subdivision (a).

(d) For purposes of allocation to child development agencies, the provisions of this section shall be deemed to have been in effect for the entire 1981–82 fiscal year.

(e) The Legislature recognizes the fact that the provisions of this section, while applying for the entire 1981–82 fiscal year pursuant to subdivision (d), represent a modification of the requirements in effect prior to the effective date of this act. Under such previously existing requirements, child development agencies with fiscal year 1981–82 assigned reimbursement rates in excess of the fiscal year 1981–82 standard reimbursement rate, depending upon the extent of such excess, were required to use part or all of any additional allocations over and above their fiscal year 1980–81 assigned reimbursement rate to increase average daily enrollment. Pursuant to the provisions of this section, such increases in average daily enrollment are not required. To the extent that child development agencies increased their average daily enrollment during the fiscal year 1981–82 pursuant to such previously existing requirements, they shall not be eligible for reimbursement for such additional average daily enrollment.

SEC. 17. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that certain corrections and conforming changes to Chapter 798 of the Statutes of 1980 may take effect at the earliest possible time, it is necessary that this act go into immediate effect.

CHAPTER 210

An act to amend Sections 20151, 20222, 20751, 20754, 20756, 20757, 20758, 21051, 21059, 21289, 21563, and 21563.5 of, to amend Section 21059, as added by Section 2 of Chapter 868 of the Statutes of 1980, of, to add Sections 20021, 20022, 20023, 20024, 20025, 20026, 20027, 21141, 21141.5, and 21288.5 to, to repeal Sections 21111 and 21141 of,

to amend and repeal Sections 21288 and 21291 of, and to add and repeal Sections 21111 and 21283.5 of, the Food and Agricultural Code, relating to agriculture, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1982. Filed with Secretary of State May 24, 1982.]

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

SECTION 1. Section 20021 is added to the Food and Agricultural Code, to read:

20021. "Modified point of origin inspection," as provided in Sections 21111 and 21112, pertains only to the inspection of cattle within a designated modified point of origin inspection area prior to movement for pasture-to-pasture purposes when crossing the area boundary.

SEC. 2. Section 20022 is added to the Food and Agricultural Code, to read:

20022. "Full point of origin inspection area" means any area designated by the director, by regulation, pursuant to Sections 21141 and 21141.5.

SEC. 3. Section 20023 is added to the Food and Agricultural Code, to read:

20023. "Full point of origin inspection" as provided in Sections 21141 and 21141.5 means the inspection of all cattle, except as herein excepted, prior to transportation or movement across the area boundary. However, pasture-to-pasture movement within the area is permitted without inspection, and cattle moving to a destination point within the area shall pay the destination inspection fee only.

SEC. 4. Section 20024 is added to the Food and Agricultural Code, to read:

20024. "Destination point inspection" means the inspection of cattle within the California borders after shipment directly to a posted stockyard, public salesyard, private cattle sales market, licensed slaughterhouse, or registered feedlot, without prior inspection.

SEC. 5. Section 20025 is added to the Food and Agricultural Code, to read:

20025. "Cattle movement" means the transportation of cattle by vehicle or herding, such as a drive of an animal herd.

SEC. 6. Section 20026 is added to the Food and Agricultural Code, to read:

20026. "Private treaty transaction," as used in this division, means the transfer of ownership of cattle or livestock by agreement or contract, at a point other than a destination point.

SEC. 7. Section 20027 is added to the Food and Agricultural Code, to read:

20027. "Pasture-to-pasture movement" means transportation of

cattle, or leading or herding from one feeding or pasture premise to another feeding or pasture premise with no change of ownership.

SEC. 8. Section 20151 of the Food and Agricultural Code is amended to read:

20151. (a) The Legislature finds and declares that the provisions of this division are enacted in the exercise of the police power of this state for the purpose of protecting the cattle industry of this state from losses of livestock by theft and straying.

(b) The Legislature further finds and declares that such protection should be afforded through a system of brand inspection of cattle as such cattle are moved and marketed within this state, and that an investigative unit be maintained within the department for the purpose of assisting local law enforcement agencies in combating cattle theft in this state.

(c) The department shall develop a surveillance patrol program to assist in the detection and apprehension of persons involved in cattle theft.

SEC. 8.5. 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 one hundred dollars ($100) which is in addition to any other penalty which is provided by law.

SEC. 9. Section 20751 of the Food and Agricultural Code is amended to read:

20751. The fee for each application for recording a brand is fifty dollars ($50).

SEC. 10. 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 fifty dollars ($50) for the right to continue to use the brand.

SEC. 11. 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 fifty dollars ($50).

SEC. 12. 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 one hundred dollars ($100). This amount shall accompany the application to rerecord.

(b) When a one hundred dollar ($100) 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 fifty dollars ($50).

SEC. 13. 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 fifty dollars ($50).

SEC. 14. 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 or movement out of any designated modified point-of-origin inspection area, for purposes other than sale or slaughter and no change of ownership is involved, as provided in Section 21111.

(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 or movement out of a full point-of-origin area, as provided in Section 21141.

(i) Prior to transportation or movement from premises designated as quarantine, restriction, or isolated areas pursuant to Section 9565.

SEC. 15. Section 21059 of the Food and Agricultural Code is amended to read:

21059. Inspection is not required in the following cases when cattle are shipped for pasture or feeding purposes and there is no change of ownership:

(a) When the cattle are moved only between points in the same modified point-of-origin inspection area.

(b) When the cattle are only moved across a modified point-of-origin inspection area boundary which bisects the ranch or property of the owner and shipper of the cattle.

(c) When cattle are moved only between points within a point-of-origin area.

(d) When cattle are moved across a modified point-of-origin inspection area boundary in accordance with regulations adopted by the director which specifically allow such cattle to move under a permit for a distance not to exceed 40 miles from loading point to destination. The director may establish a fee for such permit on a graduated scale based on the number of head of cattle moved in a 12-month period, but not to exceed two hundred dollars ($200).

(e) When female cattle of the dairy breeds are moved from one grazing or pasture area to another grazing or pasture area and the areas are owned or controlled by the same person. However, this movement must be accompanied by a certificate of ownership or other proof of ownership document.

The provisions of subdivision (i) of Section 21051 shall take

precedence over this section.

This section does not apply to cattle entering a registered feedlot.

This section shall remain in effect only until June 30, 1984, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends such date.

SEC. 16. Section 21059, as added by Section 2 of Chapter 868 of the Statutes of 1980, of the Food and Agricultural Code is amended to read:

21059. Inspection is not required in the following cases when cattle are shipped for pasture or feeding purposes and there is no change of ownership:

(a) When the cattle are moved only between points in the same modified point-of-origin inspection area.

(b) When the cattle are only moved across a modified point-of-origin inspection area boundary which bisects the ranch or property of the owner and shipper of the cattle.

(c) When cattle are moved only between points within a point-of-origin area.

This section does not apply to cattle entering a registered feedlot.

This section shall become operative on June 30, 1984.

SEC. 17. Section 21111 of the Food and Agricultural Code is repealed.

SEC. 18. Section 21111 is added to the Food and Agricultural Code, to read:

21111. The director shall, by regulation, establish and maintain a modified point-of-origin inspection area whenever the cattlemen owning cattle in the affected area request such action by a two-thirds vote of those present at a public hearing held at a central location in the area. The director shall hold a statewide hearing within sixty days of the passage of this act, and once a year thereafter, to determine what areas wish to consider establishing a modified point-of-origin inspection area. Based on the testimony presented at these hearings, the director shall conduct local hearings in those areas where significant interest exists. The cost of each local hearing shall be borne by the producers in the area based on a written agreement between producers in the area and the director. Notice of the local hearing shall be publicized by the department at least 30 days prior to the hearing date through local publications and radio; shall be posted at all sales yards, slaughter plants and feedlots in the area; and shall be circulated to all known beef cattle and dairy cattle associations having producer members in the areas. The two-thirds vote of those attending pertains to these local hearings.

This section shall remain in effect only until June 30, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends that date.

SEC. 19. Section 21141 of the Food and Agricultural Code is repealed.

SEC. 20. Section 21141 is added to the Food and Agricultural Code, to read:

21141. The director shall, by regulation, establish and maintain a full point-of-origin inspection area whenever the cattlemen owning cattle in the affected area request this action by a two-thirds vote of those present at a public hearing held at a central location in the area. The director shall hold the local public hearing upon the receipt of written requests or petitions signed by at least twenty-five (25) cattle producers in the affected area.

SEC. 21. Section 21141.5 is added to the Food and Agricultural Code, to read:

21141.5. A full point-of-origin inspection area may consist of one or more counties or geographical areas.

SEC. 22. Section 21283.5 is added to the Food and Agricultural Code, to read:

21283.5. Except as otherwise provided in this article, on all private treaty transaction inspections, as defined in Section 20023, regardless of destination, the fee of seventy-five cents ($0.75) shall be paid at the point of inspection for each animal which is inspected.

This section shall remain in effect only until June 30, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends that date.

SEC. 23. Section 21288 of the Food and Agricultural Code is amended to read:

21288. In a modified point-of-origin inspection area, as provided for in Section 21111, the fee for the inspection of cattle, other than suckling calves which are accompanying their mothers, is sixty cents ($0.60) per head if the cattle are transported out of the area for purposes other than sale or slaughter and no change of ownership is involved.

This section shall remain in effect only until June 30, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends that date.

SEC. 24. Section 21288.5 is added to the Food and Agricultural Code, to read:

21288.5. On cattle, other than suckling calves accompanying their mothers, transported out of the state for purposes other than sale or slaughter and where no change of ownership is involved the inspection fee shall be sixty cents ($0.60) per head.

SEC. 25. Section 21289 of the Food and Agricultural Code is amended to read:

21289. The fee for the inspection of cattle is one dollar ($1.00) 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. Cattle moving out of a full point-of-origin area to a destination inspection point are exempt from the destination inspection fee. However, these cattle are subject to further inspection.

SEC. 26. Section 21291 of the Food and Agricultural Code is amended to read:

21291. The fees which are provided in Article 9 (commencing with Section 21281) and Article 5 (commencing with Section 21561) may be:

(a) Lowered by the director, based upon a finding and recommendation of the Livestock Identification Advisory Board, whenever they determine that the cost of administering and enforcing the provisions of this division may be maintained with a lower fee.

(b) Increased, by an amount not to exceed 20 percent of the statutory fee, by the director upon the recommendation of the Livestock Identification Advisory Board whenever they determine that the costs of administering and enforcing the provisions of this division require a greater fee. The advisory board must approve any increase in fees by a two-thirds vote of its entire membership.

This section shall remain in effect only until June 30, 1984, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends that date.

SEC. 27. 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 one dollar ($1.00) for each carcass or hide which is inspected.

SEC. 28. 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 one dollar ($1.00) 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. 29. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The cattle inspection services provided by the Department of Food and Agriculture are totally funded by inspection fees paid by cattle producers or feeders. Due to reduced collections because of fewer cattle being inspected, and increased costs due to inflation, available funds are rapidly being exhausted. Thus, to continue offering inspection services and to protect the cattle industry from theft losses, it is necessary that this act take effect immediately.

CHAPTER 211

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

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Notwithstanding Section 35759 of the Education Code or any other provision of law, the cost, or any portion of the cost, of preparation and distribution of the statement setting forth the arguments in favor of, and those opposed to, the recommendations of the county board of education for an election held pursuant to Section 7 of Chapter 539 of the Statutes of 1981, and the cost of any election held pursuant to Section 7 of Chapter 539 of the Statutes of 1981, is a permitted expenditure of the general funds of school districts affected by such an election. For purposes of this paragraph, the cost that any school district or combination of school districts affected by the election may pay shall not exceed an amount equal to the difference of the estimated cost over and above the estimated cost of preparation and distribution of the statement setting forth the arguments in favor of, and those opposed to, the recommendations of the county board, and the cost of the election held pursuant to Chapter 539 of the Statutes of 1981, had the election not been called pursuant to Section 7 of Chapter 539 of the Statutes of 1981.

This section shall remain operative only until January 1, 1983, and as of that date is repealed, unless a later enacted statute which is chaptered before January 1, 1983, deletes or amends that date.

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

In order that counties which incurred extra costs as a result of a special election concerning school districts held pursuant to Section 7 of Chapter 539 of the Statutes of 1981 may receive, at the earliest time possible, reimbursement from the school districts which incurred those extra costs, it is necessary that this act take effect immediately.

CHAPTER 212

An act to add and repeal Section 41701.5 of the Health and Safety Code, relating to air pollution.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 41701.5 is added to the Health and Safety Code, to read:

41701.5. Neither the state board nor any district shall impose a discharge requirement on emissions of visible smoke from diesel pile driving hammers which is more stringent than the requirements specified in Section 41701.

This section shall remain in effect only until December 31, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered on or before December 31, 1986, deletes or extends that date.

CHAPTER 213

An act to amend Section 44010 of the Education Code, relating to school employees.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 44010 of the Education Code is amended to read:

44010. "Sex offense," as used in Sections 44346, 44425, 44436, 44836, 45123, and 45304, means any one or more of the offenses listed below:

(a) Any offense defined in Section 261.5, 266, 267, 285, 286, 288, 288a, 647a, subdivision 1, 2, 3, or 4 of Section 261, or subdivision (a) or (d) of Section 647 of the Penal Code.

(b) Any offense defined in former subdivision 5 of former Section 647 of the Penal Code repealed by Chapter 560 of the Statutes of 1961, or any offense defined in former subdivision 2 of former Section 311 of the Penal Code repealed by Chapter 2147 of the Statutes of 1961, if the offense defined in such sections was committed prior to September 15, 1961, to the same extent that such an offense committed prior to such date was a sex offense for the purposes of this section prior to September 15, 1961.

(c) Any offense defined in Section 314 of the Penal Code committed on or after September 15, 1961.

(d) Any offense defined in former subdivision 1 of former Section 311 of the Penal Code repealed by Chapter 2147 of the Statutes of 1961 committed on or after September 7, 1955, and prior to September 15, 1961.

(e) Any offense involving lewd and lascivious conduct under

Section 272 of the Penal Code committed on or after September 15, 1961.

(f) Any offense involving lewd and lascivious conduct under former Section 702 of the Welfare and Institutions Code repealed by Chapter 1616 of the Statutes of 1961, if such offense was committed prior to September 15, 1961, to the same extent that such an offense committed prior to such date was a sex offense for the purposes of this section prior to September 15, 1961.

(g) Any offense defined in Section 286 or 288a of the Penal Code prior to the effective date of the amendment of either section enacted at the 1975–76 Regular Session of the Legislature committed prior to the effective date of the amendment.

(h) Any attempt to commit any of the above-mentioned offenses.

(i) Any offense committed or attempted in any other state which, if committed or attempted in this state, would have been punishable as one or more of the above-mentioned offenses.

CHAPTER 214

An act to amend Section 27909 of the Vehicle Code, relating to vehicles.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 27909 of the Vehicle Code is amended to read:

27909. Any vehicle which carries liquified petroleum gas fuel or natural gas, in a tank attached to a vehicle, in any concealed area, including trunks, compartments, or under the vehicle, shall display on the exterior of the vehicle the letters "CNG," "LNG," or "LPG," whichever type fuel is utilized, in block letters at least one inch high. The letters shall be of contrasting color and shall be placed as near as possible to the area of the location of the tank. Any vehicle fueled by liquified petroleum gas fuel or by natural gas may also comply with this section by displaying on each side of the vehicle words or letters at least 0.25 inches high indicating that the vehicle is fueled by liquified petroleum gas or natural gas. It shall be unlawful, after January 1, 1983, to dispense liquified petroleum gas fuel or natural gas into any tank in a concealed area of any vehicle registered in California, unless the vehicle complies with the requirements of this section.

CHAPTER 215

An act to amend Sections 25997.3 and 25997.4 of, and to repeal and add Section 25997 of, the Health and Safety Code, relating to glazing material, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 25997 of the Health and Safety Code is repealed.

SEC. 2. Section 25997 is added to the Health and Safety Code, to read:

25997. Glazing materials subject to human impact in residential, commercial, and public buildings shall, to the extent not preempted by federal law, comply with the provisions of Section 5406 of the 1982 edition of the Uniform Building Code. Those glazing materials shall be subject to the requirements specified in Standard No. 54-2 of the 1982 edition of the Uniform Building Code Standards, or subject to comparative requirements which are determined by the local building official, responsible for enforcement of such standards, to produce at least equivalent performance.

SEC. 3. Section 25997.3 of the Health and Safety Code is amended to read:

25997.3. Each light of safety glazing material installed in hazardous locations, as specified by subdivision (d) of Section 5406 of the 1982 edition of the Uniform Building Code, shall be identified by a label, as specified by subdivision (b) of Section 5406 of that code.

SEC. 4. Section 25997.4 of the Health and Safety Code is amended to read:

25997.4. It shall be unlawful within the state to knowingly install, consent, or cause to be installed, glazing materials in any hazardous location other than as permitted by this chapter.

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

The Consumer Product Safety Commission, effective August 28, 1981, revoked the safety standard for architectural glazing materials that are used or intended for use in "glazed panels" (see 45 F.R. No. 169, p. 57383, dated August 28, 1980). It is, therefore, necessary for the state standard for certain glazing materials, which had been preempted by the federal standard, to be revised as soon as possible in order to reflect the latest revision by the 1982 version of the Uniform Building Code.

CHAPTER 216

An act to amend Sections 1241.5 and 35200.5 of the Education Code, relating to schools.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 1241.5 of the Education Code is amended to read:

1241.5. The superintendent of schools of each county, in considering contracts for personal consulting services, except services provided directly to students in a classroom setting for less than two hundred dollars ($200) per day, and for a total amount not to exceed five hundred dollars ($500) per year per individual contractor, legal services or services for the fiscal audit of county office finances by a private auditing firm, shall do all of the following:

(a) Examine the abilities of employees of the office of the county superintendent of schools in that particular county to provide the services, and identify those employees who are qualified to provide the services.

(b) Examine the abilities of employees of the school districts of that particular county to provide the services, and identify those employees who are qualified to provide the services.

(c) Enter into the minutes of a meeting of the board of education of the county a finding that the county superintendent has followed steps (a) and (b) above, and has determined that the services available from those sources will not meet the needs of the county.

SEC. 2. Section 35200.5 of the Education Code is amended to read:

35200.5. The superintendent of any school district, in considering any contracts for personal consulting services, except services provided directly to students in a classroom setting for less than two hundred dollars ($200) per day, and for a total amount not to exceed five hundred dollars ($500) per year per individual contractor, legal services or services for the fiscal audit of the school district finances by a private auditing firm, shall do all of the following:

(a) Examine the abilities of employees of the district to provide the services.

(b) Examine the abilities of employees identified by the office of the county superintendent of schools in that particular county, pursuant to subdivisions (a) and (b) of Section 1241.5, as being qualified to provide the services.

(c) Enter into the minutes of a meeting of the governing board of the district a finding that the district has followed steps (a) and (b) above, and has determined that the services available from those sources will not meet the needs of the district.

CHAPTER 217

An act to add Section 25806 to the Vehicle Code, relating to vehicles.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 25806 is added to the Vehicle Code, to read:

25806. Sections 24003 and 27002 shall not apply to the installation of warning lamps and sirens on ambulances or firetrucks which are used solely for demonstration purposes in the sales work of a licensed dealer, distributor, or vehicle manufacturer and shall not apply to ambulances or firetrucks being operated on a highway solely for the purpose of delivery from the licensee to a purchaser. Warning lamps shall be removed or covered with opaque material and the siren controls disabled whenever the vehicle is upon a highway.

CHAPTER 218

An act to amend Sections 36503 and 36503.5 of the Government Code, relating to municipal elections.

[Approved by Governor May 26, 1982 Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 36503 of the Government Code is amended to read:

36503. Unless otherwise required by Section 35443 and except as authorized by Section 36503.5 or 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, all elective city offices shall be filled by the city electorate at a general municipal election. City officers holding elective city office shall hold office for their prescribed terms from the Tuesday succeeding their election and until their successors are elected and qualified.

SEC. 2. Section 36503.5 of the Government Code is amended to read:

36503.5. (a) A city council may enact an ordinance requiring its general municipal election to be held on the same day as the statewide direct primary election, the day of the statewide general election, or on the day of school district elections, as set forth in Section 2602 of the Elections Code. Any ordinance adopted pursuant to this subdivision shall become operative upon the approval of the

board of supervisors. An ordinance shall be approved by the board of supervisors unless the ballot style, voting equipment, or computer capability is such that additional elections or materials cannot be handled.

(b) As the result of the adoption of an ordinance pursuant to this section, no term of office shall be increased or decreased by more than 10 months.

(c) If an election is held pursuant to subdivision (a), and the election is consolidated with another election, the provisions contained in Part 2.5 (commencing with Section 23300) of Division 14, except Section 23302, of the Elections Code shall govern the consolidation, and, if the county clerk is requested to conduct the municipal election, Section 22003 of the Elections Code shall be applicable to that election.

(d) If, pursuant to subdivision (a), a general municipal election is held on the same day as a statewide election or the same day as a school district election, those city officers whose terms of office would have, prior to the adoption of the ordinance, expired on the Tuesday succeeding the second Tuesday in April of an even-numbered year, shall, instead, continue in their offices until no later than the fourth Tuesday after the day of the general municipal election, and until their successors are elected and qualified.

(e) Within 30 days after the ordinance becomes operative pursuant to subdivision (a), the city clerk shall cause a notice to be mailed to all registered voters informing the voters of the change in the election date. The 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 changed.

(f) If a city adopts an ordinance pursuant to subdivision (a), the municipal election following the adoption of the ordinance and each municipal election thereafter shall be conducted on the date specified by the city council, in accordance with subdivision (a), unless the ordinance in question is later repealed by the city council.

If the date of a general municipal election is changed pursuant to this section, at least one election shall be held before the ordinance, as approved by the board of supervisors, may be subsequently repealed or amended.

CHAPTER 219

An act to amend Section 15000 of the Financial Code, relating to credit unions.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 15000 of the Financial Code is amended to read:

15000. The interest rate on loans shall be determined by the board of directors from time to time. Any interest rate established pursuant to this section and applied to any loan may be decreased, but shall not be increased during the term of the loan or pursuant to an open-end loan agreement, until a further advance is made, unless otherwise provided in the loan agreement. 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 results in a loan advance, provided that the same charge is applied to the share account whether or not an extension of credit occurs.

CHAPTER 220

An act to amend Sections 1662 and 1662.5 of the Financial Code, to amend Section 7306 of the Government Code, and to amend Sections 13311.5, 14324, 14345, 14371, 14511, and 14734 of, and to add Section 14104.5 to, the Revenue and Taxation Code, relating to inheritance and gift taxes.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 1662 of the Financial Code is amended to read:

1662. At any time after the date specified in such notice, if the rental for such safe-deposit box to the date of payment and the cost of giving such notice have not been paid, the bank, in the presence of two of its employees, one of whom shall be an officer of the bank, may cause such box to be opened and the contents thereof to be removed and inventoried. The inventory shall be signed by such persons.

SEC. 2. Section 1662.5 of the Financial Code is amended to read:

1662.5. The following persons, and no others, are entitled to receive from the bank a copy of the inventory:

(a) An executor of the decedent's will.

(b) The administrator of the decedent's estate.

(c) The attorney for the executor or administrator.

(d) A tenant of the safe-deposit box.

(e) Any heir of the decedent or beneficiary under the decedent's will.

(f) Any person whom the superior court having jurisdiction by order directs should be allowed to obtain a copy of the inventory.

SEC. 3. Section 7306 of the Government Code is amended to read:

7306. Upon acceptance of an offer of land pursuant to this chapter, the secretary shall forward appropriate certification of such acceptance to the Controller.

SEC. 3.5. Section 13311.5 of the Revenue and Taxation Code is amended to read:

13311.5. (a) Certain qualified real property shall be valued based on use in accordance with this section.

(1) If—

(A) The decedent was (at the time of his or her death) a citizen or resident of the United States, and

(B) The executor elects the application of this section and files the agreement referred to in paragraph (2) of subdivision (d), then, for purposes of this part, the value of qualified real property shall be its value for the use under which it qualifies, under subdivision (b), as qualified real property.

(2) The aggregate decrease in the value of qualified real property taken into account for purposes of this part which results from the application of paragraph (1) with respect to any decedent shall not exceed five hundred thousand dollars ($500,000).

(b) Qualified real property is as follows:

(1) For purposes of this section, the term "qualified real property" means real property located in the United States which was acquired from or passed from the decedent to a qualified heir of the decedent and which, on the date of the decedent's death, was being used for a qualified use, but only if—

(A) Fifty percent or more of the adjusted value of the estate consists of the adjusted value of real or personal property which—

(i) On the date of the decedent's death, was being used for a qualified use, and

(ii) Was acquired from or passed from the decedent to a qualified heir of the decedent.

(B) Twenty-five percent or more of the adjusted value of the estate consists of the adjusted value of real property which meets the requirements of subparagraphs (A) (ii) and (C),

(C) During the eight-year period ending on the date of the decedent's death there have been periods aggregating five years or more during which—

(i) That real property was owned by the decedent or a member of the decedent's family and used for a qualified use, and

(ii) There was material participation by the decedent or a member of the decedent's family in the operation of the farm or

other business, and

(D) That real property is designated in the agreement referred to in paragraph (2) of subdivision (d).

(2) For purposes of this section, the term "qualified use" means the devotion of the property to any of the following:

(A) Use as a farm for farming purposes, or

(B) Use in a trade or business other than the trade or business of farming.

(3) For purposes of paragraph (1), the term "adjusted value" means—

(A) The value of the estate for purposes of this part (determined without regard to this section), reduced by any amounts allowable as a deduction for unpaid mortgages on, or any indebtedness in respect of, property where the value of the decedent's interest therein, undiminished by those mortgages or indebtedness, is included in the value of the estate, or

(B) In the case of any real or personal property, the value of that property for purposes of this part (determined without regard to this section), reduced by any amounts allowable as a deduction in respect of that property for unpaid mortgages on, or any indebtedness in respect of, property where the value of the decedent's interest therein, undiminished by those mortgages or indebtedness, is included in the value of the estate.

(c) Tax treatment of dispositions and failures to use for a qualified use are as follows:

(1) If, within 15 years after the decedent's death and before the death of the qualified heir—

(A) The qualified heir disposes of any interest in qualified real property (other than by a disposition to a member of his or her family), or

(B) The qualified heir ceases to use for the qualified use the qualified real property which was acquired (or passed) from the decedent,

then there is hereby imposed an additional tax.

(2) Amount of additional tax—

(A) The amount of the additional tax imposed by paragraph (1) with respect to any interest shall be the amount equal to the lesser of—

(i) The adjusted tax difference attributable to that interest, or

(ii) The excess of the amount realized with respect to the interest (or, in any case other than a sale or exchange at arm's length, the fair market value of the interest) over the value of the interest determined under subdivision (a).

(B) For purposes of subparagraph (A), the adjusted tax difference attributable to an interest is the amount which bears the same ratio to the adjusted tax difference with respect to the estate (determined under subparagraph (C)) as—

(i) The excess of the value of that interest for purposes of this part (determined without regard to subdivision (a)) over the value of

that interest determined under subdivision (a), bears to

(ii) A similar excess determined for all qualified real property.

(C) For purposes of subparagraph (B), the term "adjusted tax difference with respect to the estate" means the excess of what would have been the tax liability but for subdivision (a) over the tax liablity. For purposes of this subparagraph, the term "tax liability" means the tax imposed by this part reduced by the credits allowable against the tax.

(D) For purposes of this paragraph, where the qualified heir disposes of a portion of the interest acquired by (or passing to) that heir (or a predecessor qualified heir) or there is a cessation of use of that portion—

(i) The value determined under subdivision (a) taken into account under clause (ii) of subparagraph (A) with respect to that portion shall be its pro rata share of the value of that interest, and

(ii) The adjusted tax difference attributable to the interest taken into account with respect to the transaction involving the second or any succeeding portion shall be reduced by the amount of the tax imposed by this subdivision with respect to all prior transactions involving portions of that interest.

(3) If the date of the disposition or cessation referred to in paragraph (1) occurs more than 120 months and less than 180 months after the date of the death of the decedent, the amount of the tax imposed by this subdivision shall be reduced (but not below zero) by an amount determined by multiplying the amount of the tax (determined without regard to this paragraph) by a fraction—

(A) The numerator of which is the number of full months after the death in excess of 120, and

(B) The denominator of which is 60.

(4) In the case of an interest acquired from (or passing from) any decedent, if subparagraph (A) or (B) of paragraph (1) applies to any portion of an interest, subparagraph (A) or (B), as the case may be, of paragraph (1) shall not apply with respect to the same portion of that interest.

(5) The additional tax imposed by this subdivision shall become due and payable on the day which is six months after the date of the disposition or cessation referred to in paragraph (1).

(6) The qualified heir shall be personally liable for the additional tax imposed by this subdivision with respect to his or her interest unless the heir has furnished a bond which meets the requirements of paragraph (11) of subdivision (e).

(7) For purposes of subparagraph (B) of paragraph (1), real property shall cease to be used for the qualified use if—

(A) That property ceases to be used for the qualified use set forth in subparagraph (A) or (B) of paragraph (2) of subdivision (b) under which the property qualified under subdivision (b), or

(B) During any period of eight years ending after the date of the decedent's death and before the date of the death of the qualified heir, there had been periods aggregating three years or more during

which—

(i) In the case of periods during which the property was held by the decedent, there was no material participation by the decedent or any member of his or her family in the operation of the farm or other business, and

(ii) In the case of periods during which the property was held by any qualified heir, there was no material participation by the qualified heir or any member of his or her family in the operation of the farm or other business.

(d) Elections and agreements are as follows—

(1) The election under this section shall be made not later than the time prescribed by Section 14103 (including extensions thereof), and shall be made in the manner which the Controller shall by regulations prescribe.

(2) The agreement referred to in this paragraph is a written agreement signed by each person in being who has an interest (whether or not in possession) in any property designated in the agreement consenting to the application of subdivision (c) with respect to the property.

(e) For purposes of this section—

(1) The term "qualified heir" means, with respect to any property, a member of the decedent's family who acquired the property (or to whom the property passed) from the decedent. If a qualified heir disposes of any interest in qualified real property to any member of his or her family, the member shall thereafter be treated as the qualified heir with respect to the interest.

(2) The term "member of the family" means, with respect to any individual, only the individual's ancestor or lineal descendant, a lineal descendant of a grandparent of the individual, the spouse of the individual, or the spouse of that descendant. For purposes of the preceding sentence, a legally adopted child of an individual shall be treated as a child of the individual by blood.

(3) In the case of real property which meets the requirements of subparagraph (C) of paragraph (1) of subdivision (b), residential buildings and related improvements on the real property occupied on a regular basis by the owner or lessee of the real property or by persons employed by the owner or lessee for the purpose of operating or maintaining the real property, and roads, buildings, and other structures and improvements functionally related to the qualified use shall be treated as real property devoted to the qualified use.

(4) The term "farm" includes stock, dairy, poultry, fruit, furbearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards and woodlands.

(5) The term "farming purposes" means—

(A) Cultivating the soil or raising or harvesting any agricultural or horticultural commodity (including the raising, shearing, feeding,

caring for, training, and management of animals) on a farm;

(B) Handling, drying, packing, grading, or storing on a farm any agricultural or horticultural commodity in its unmanufactured state, but only if the owner, tenant, or operator of the farm regularly produces more than one-half of the commodity so treated; and

(C) (i) The planting, cultivating, caring for, or cutting of trees, or

(ii) The preparation (other than milling) of trees for market.

(6) Material participation shall be determined in a manner similar to the manner used for purposes of paragraph (1) of Section 1402(a) of the Internal Revenue Code (relating to net earnings from self-employment).

(7) Method of valuing farms as follows—

(A) Except as provided in subparagraph (B), the value of a farm for farming purposes shall be determined by dividing—

(i) The excess of the average annual gross cash rental for comparable land used for farming purposes and located in the locality of the farm over the average annual state and local real estate taxes for that comparable land, by

(ii) The average annual effective interest rate for all new Federal Land Bank loans.

For purposes of the preceding sentence, each average annual computation shall be made on the basis of the five most recent calendar years ending before the date of the decedent's death.

(B) The formula provided by subparagraph (A) shall not be used—

(i) Where it is established that there is no comparable land from which the average annual gross cash rental may be determined, or

(ii) Where the executor elects to have the value of the farm for farming purposes determined under paragraph (8).

(8) In any case to which subparagraph (A) of paragraph (7) does not apply, the following factors shall apply in determining the value of any qualified real property:

(A) The capitalization of income which the property can be expected to yield for farming or closely held business purposes over a reasonable period of time under prudent management using traditional cropping patterns for the area, taking into account soil capacity, terrain configuration, and similar factors.

(B) The capitalization of the fair rental value of the land for farmland or closely held business purposes.

(C) Assessed land values in a state which provides a differential or use value assessment law for farmland or closely held business.

(D) Comparable sales of other farm or closely held business land in the same geographical area far enough removed from a metropolitan or resort area so that nonagricultural use is not a significant factor in the sales price.

(E) Any other factor which fairly values the farm or closely held business value of the property.

(9) Property shall be considered to have been acquired from or to have passed from the decedent if—

(A) The property is so considered under Section 1014(b) of the Internal Revenue Code (relating to basis of property acquired from a decedent),

(B) The property is acquired by any person from the estate in satisfaction of the right of that person to a pecuniary bequest, or

(C) The property is acquired by any person from a trust in satisfaction of a right (which that person has by reason of the death of the decedent) to receive from the trust a specific dollar amount which is the equivalent of a pecuniary bequest.

(10) If the decedent and his or her surviving spouse at any time held qualified real property as community property, the interest of the surviving spouse in the property shall be taken into account under this section to the extent necessary to provide a result under this section with respect to the property which is consistent with the result which would have obtained under this section if the property had not been community property.

(11) If the qualified heir makes written application to the Controller for determination of the maximum amount of the additional tax which may be imposed by subdivision (c) with respect to the qualified heir's interest, the Controller (as soon as possible, and in any event within one year after the making of the application) shall notify the heir of the maximum amount. The qualified heir, on furnishing a bond in an amount and for that period as may be required, shall be discharged from personal liability for any additional tax imposed by subdivision (c) and shall be entitled to a receipt or writing showing the discharge.

(f) If qualified real property is disposed of or ceases to be used for a qualified use, then—

(1) The statutory period for the assessment of any additional tax under subdivision (c) attributable to the disposition or cessation shall not expire before the expiration of three years from the date the Controller is notified (in the manner which the Controller may by regulations prescribe) of the disposition or cessation (or if later in the case of an involuntary conversion to which an election under subdivision (h) applies, three years from the date the Controller is notified of the replacement of the converted property or of an intention not to replace); and

(2) The additional tax may be assessed before the expiration of the three-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent the assessment.

(h) Special rules for involuntary conversion of qualified real property are as follows:

(1) (A) If there is an involuntary conversion of an interest in qualified real property and the qualified heir makes an election under this subdivision—

(i) No tax shall be imposed by subdivision (c) on the conversion if the cost of the qualified replacement property equals or exceeds the amount realized on the conversion, or

(ii) If clause (i) does not apply, the amount of the tax imposed by

subdivision (c) on the conversion shall be the amount determined under subparagraph (B).

(B) The amount determined under this subparagraph with respect to any involuntary conversion is the amount of the tax which (but for this subdivision) would have been imposed on the conversion reduced by an amount which--

(i) Bears the same ratio to the tax, as

(ii) The cost of the qualified replacement property bears to the amount realized on the conversion.

(2) For purposes of subdivision (c)—

(A) Any qualified replacement property shall be treated in the same manner as if it were a portion of the interest in qualified real property which was involuntarily converted, except that with respect to the qualified replacement property—

(i) The 15-year period under paragraph (1) of subdivision (c) shall be extended by any period, beyond the two-year period referred to in Section 1033(a)(2)(B)(i) of the Internal Revenue Code, during which the qualified heir was allowed to replace the qualified real property, and

(ii) The phaseout period under paragraph (3) of subdivision (c) shall be appropriately adjusted to take into account the extension referred to in clause (i).

(B) Any tax imposed by subdivision (c) on the involuntary conversion shall be treated as a tax imposed on a partial disposition, and

(C) Paragraph (7) of subdivision (c) shall be applied—

(i) By not taking into account periods after the involuntary conversion and before the acquisition of the qualified replacement property, and

(ii) By treating material participation with respect to the converted property as material participation with respect to the qualified replacement property.

(3) For purposes of this subdivision—

(A) "Involuntary conversion" means a compulsory or involuntary conversion within the meaning of Section 1033 of the Internal Revenue Code.

(B) The term "qualified replacement property" means—

(i) In the case of an involuntary conversion described in Section 1033(a)(1) of the Internal Revenue Code, any real property into which the qualified real property is converted, or

(ii) In the case of an involuntary conversion described in Section 1033(a)(2) of the Internal Revenue Code, any real property purchased by the qualified heir during the period specified in Section 1033(a)(2)(B) of the Internal Revenue Code for purposes of replacing the qualified real property.

The term only includes property which is to be used for the qualified use set forth in subparagraph (A) or (B) of paragraph (2) of subdivision (b) under which the qualified real property qualified under subdivision (a).

(4) The rules of the last sentence of Section 1033(a)(2)(A) of the Internal Revenue Code shall apply for purposes of paragraph (3)(b)(ii).

(5) Any election under this subdivision shall be made at that time and in that manner as the Controller may by regulations prescribe.

SEC. 4. Section 14104.5 is added to the Revenue and Taxation Code, to read:

14104.5. The Controller shall accept a certification of acceptance issued under Section 7306 of the Government Code as payment of any taxes or other amounts due under this part by a transferee to whom the certification of acceptance has been issued up to the amount in the certification. However, there shall be no refund for any excess of the amount certified as the appraised value of the land under Section 7303 of the Government Code over the amount due under this part.

SEC. 5. Section 14324 of the Revenue and Taxation Code is amended to read:

14324. The proceeds of the execution shall be paid by the officer levying the writ to the Controller by a remittance made payable to the State Treasurer.

For the purpose of computing discount or interest on the tax, the proceeds of the execution are deemed paid to the Controller as of the date the proceeds are received by the officer levying the writ.

SEC. 6. Section 14345 of the Revenue and Taxation Code is amended to read:

14345. No trust company, corporation, bank, other institution, or person in possession, control, custody, partial control, or partial custody of any securities, deposits, or other property, including shares of the capital stock of or other interest in any such organization or institution, belonging to or standing in the name of a decedent, whether resident or nonresident, shall deliver or transfer any such property to or upon the order or request of any executor of the will, administrator of the estate, legatee or heir of the decedent; nor deliver or transfer any such property to or upon the order of any agent, deputy, attorney, trustee or successor in interest of the decedent after receipt of actual notice of the death of the decedent; nor deliver or transfer any securities or other property, including any shares of the capital stock or other interest in any such organization or institution, standing in the joint names of the decedent and one or more other persons, to or upon the order or request of such other person or persons after receipt of actual notice of the death of the decedent; and no bank or other institution having custody of any deposit standing in the joint names of a decedent and any other person or persons or standing in the name of the decedent subject to the right of any other person or persons to draw upon or withdraw the same shall pay or deliver such deposit to or upon the order of such other person or persons after receipt of actual notice of the death of the decedent by the officer or manager in charge of the office or branch of such bank or other institution at which such

deposit is carried or by the employee thereof who pays or delivers said deposit:

(a) Without retaining a sufficient portion or amount of the property to pay any tax and interest which may thereafter be assessed pursuant to this part; and

(b) Without first giving notice of the time and place of the delivery or transfer to the Controller at least 10 days prior to the delivery or transfer.

The Controller, or any person authorized in writing by the Controller, may consent in writing to the delivery or transfer, in which event compliance with this section is not required.

The Controller or his or her authorized agent may examine any property specified in this section at the time of its delivery or at any other time.

SEC. 7. Section 14371 of the Revenue and Taxation Code is amended to read:

14371. Any person who has made a payment of tax to the Treasurer in excess of the amount specified in the order or orders fixing tax or the Controller's determination of tax as finally amended or modified, and as that amount is adjusted pursuant to discount and interest provisions of this part, is entitled to a refund in the amount erroneously paid.

In the case of a payment of tax for an estate where there is no order fixing tax, the person making payment shall be entitled to a refund of the amount erroneously paid on presentation of proof satisfactory to the Controller that he or she is entitled to a refund.

SEC. 8. Section 14511 of the Revenue and Taxation Code is amended to read:

14511. If an objection is filed, the clerk of the superior court shall fix a time, not less than 10 days after the filing, for a hearing on the objection, and shall give notice of the hearing by posting a notice of hearing at the courthouse in the county where the court holds its sessions, and by forthwith mailing a copy of the objection and of the notice to the Controller and the inheritance tax referee.

SEC. 9. Section 14734 of the Revenue and Taxation Code is amended to read:

14734. The department shall cooperate with, advise, and assist inheritance tax referees and other officers and persons in the administration and enforcement of this part and of Part 9 of this division.

SEC. 10. Section 3.5 of this act shall be effective with respect to estates of decedents dying on or after January 1, 1983.

CHAPTER 221

An act to add Section 613 to the Public Resources Code, relating to natural resources.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 613 is added to the Public Resources Code, to read:

613. The department, through the California Resources Information System and as budgetary resources permit, may provide informational assistance to local agencies in the development of geobased natural resource information systems. In addition, the department may assist local agencies in securing geobased natural resource information from state agencies.

Local agencies requesting assistance shall reimburse the department for identifiable costs incurred by the department pursuant to this section.

CHAPTER 222

An act to amend Section 48909 of the Education Code, relating to school property.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 48909 of the Education Code is amended to read:

48909. (a) Notwithstanding Section 1714.1 of the Civil Code, the parent or guardian of any minor whose willful misconduct results in injury or death to any pupil or any person employed by or performing volunteer services for a school district or private school or who willfully cuts, defaces, or otherwise injures in any way any property, real or personal, belonging to a school district or private school, or personal property of any school employee shall be liable for all damages so caused by the minor. The liability of the parent or guardian shall not exceed five thousand dollars ($5,000). The parent or guardian shall also be liable for the amount of any reward not exceeding five thousand dollars ($5,000) paid pursuant to Section 53069.5 of the Government Code. The parent or guardian of a minor shall be liable to a school district or private school for all property belonging to the school district or private school loaned to the minor

and not returned upon demand of an employee of the district or private school authorized to make the demand.

(b) Any school district or private school whose real or personal property has been willfully cut, defaced, or otherwise injured, or whose property is loaned to a pupil and willfully not returned upon demand of an employee or the district or private school authorized to make the demand may, after affording the pupil his or her due process rights, withhold the grades, diploma, and transcripts of the pupil responsible for the damage until the pupil or the pupil's parent or guardian has paid for the damages thereto, as provided in subdivision (a).

The school district or private school shall notify the parent or guardian of the pupil in writing of the pupil's alleged misconduct before withholding the pupil's grades, diploma, or transcripts pursuant to this subdivision. When the minor and parent are unable to pay for the damages, or to return the property, the school district or private school shall provide a program of voluntary work for the minor in lieu of the payment of monetary damages. Upon completion of the voluntary work, the grades, diploma, and transcripts of the pupil shall be released.

The governing board of each school district or governing body of each private school shall establish rules and regulations governing procedures for the implementation of this subdivision. The procedures shall conform to, but are not necessarily limited to, those procedures established in this code for the expulsion of pupils.

CHAPTER 223

An act to add Section 52616.5 to the Education Code, relating to schools, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 52616.5 is added to the Education Code, to read:

52616.5. (a) For the 1981–82 fiscal year, the Superintendent of Public Instruction shall determine an adult education block entitlement for each school district participating in the Lassen Regional Occupational Program according to the following procedure:

(1) Compute the statewide average adult revenue limit per unit of average daily attendance for the 1981–82 fiscal year. This shall be each participating district's amount per unit of adult average daily attendance for the 1981–82 fiscal year.

(2) Multiply the amount computed in paragraph (1) by the adult average daily attendance for the programs specified in Section 41976 for the 1981–82 fiscal year, but in no event shall the sum of the adult average daily attendance of the participating districts used to compute the block entitlement exceed 15.

(b) For the 1982–83 fiscal year, the superintendent shall determine an adult education block entitlement for each school district participating in the Lassen Regional Occupational Program pursuant to Section 52616 by multiplying the amount computed in paragraph (1) of subdivision (a) by the adult average daily attendance for the programs specified in Section 41976 for the 1982–83 fiscal year, but in no event shall the sum of the adult average daily attendance of the participating districts in the Lassen Regional Occupational Program used to compute the block entitlements exceed 15 increased by the amount allowed in paragraph (1) of subdivision (b) of Section 52616.

(c) For the 1983–84 fiscal year and each fiscal year thereafter, the 1982–83 fiscal year adult average daily attendance for the programs specified in Section 41976 pursuant to subdivision (b) shall be increased by the amount allowed in paragraph (1) of subdivision (b) of Section 52616.

SEC. 2. There is hereby appropriated a sum not to exceed fourteen thousand three hundred sixty dollars ($14,360) from the General Fund to the Superintendent of Public Instruction for the purpose of funding the provision of subdivision (a) of Section 52616.5 of the Education Code for the 1981–82 fiscal year.

SEC. 3. Due to the unique circumstances concerning the lack of funding for the Lassen Regional Occupational Program, 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 the necessity are:

In order to provide sufficient funding for the Lassen Regional Occupational Program for as much of the 1981–82 fiscal year as possible, and so facilitate the orderly operation of the program, it is necessary that this act take effect immediately.

CHAPTER 224

An act to amend Section 26802.5 of the Government Code, relating to county officers.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 26802.5 of the Government Code is amended to read:

26802.5. In a county of the 11th or the 17th class, as ascertained and determined by Section 28020, a registrar of voters may be appointed by the board of supervisors in the same manner as other county officers are appointed. In those counties, the county clerk is not ex officio registrar of voters, and the registrar of voters shall discharge all duties vested by law in the county clerk which duties relate to and are a part of the election procedure.

CHAPTER 225

An act to amend Section 9010 of the Elections Code, relating to presidential electors.

[Approved by Governor May 26, 1982. Filed with Secretary of State May 26, 1982.]

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

SECTION 1. Section 9010 of the Elections Code is amended to read:

9010. In each year of the general election at which electors of President and Vice President of the United States are to be chosen, the Republican nominees for Governor, Lieutenant Governor, Treasurer, Controller, Attorney General, and Secretary of State, the Republican nominees for United States Senator at the last two United States senatorial elections, the Assembly Republican leader, the Senate Republican leader, all elected officers of the Republican State Central Committee, the National Committeeman and National Committeewoman, the President of the Republican County Central Committee Chairmen's Association, and the chairman or president of each Republican volunteer organization officially recognized by the Republican State Central Committee shall act as presidential electors, except that Senators, Representatives, and persons holding an office of trust or profit of the United States shall not act as electors. The remaining presidential elector positions, and any vacant positions, shall be filled by appointment of the Chairman of the Republican State Central Committee in accordance with the bylaws of the committee. The name, residence and business address of each such appointee shall be filed with the Secretary of State by October 1st of the presidential election year. The Republican State Central Committee shall adopt bylaws implementing the provisions of this section.

CHAPTER 226

An act to add and repeal Chapter 2.8 (commencing with Section 9950) of Part 1 of Division 3 of the Unemployment Insurance Code, relating to retraining of employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982 Filed with Secretary of State June 2, 1982]

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

SECTION 1 Chapter 2.8 (commencing with Section 9950) is added to Part 1 of Division 3 of the Unemployment Insurance Code, to read:

CHAPTER 2.8. DISPLACED WORKER EDUCATION AND TRAINING ACT OF 1982

9950. This chapter shall be known and may be cited as the Displaced Worker Education and Training Act of 1982.

9951. (a) The Legislature hereby declares that it is the policy of the State of California to provide occupational transfer and retraining services to displaced workers to prepare them for jobs in demand occupations and thus mitigate the adverse effects of plant closures, mass layoffs, job loss and long-term unemployment.

The Legislature intends that education and training programs undertaken for displaced workers pursuant to this chapter shall build upon existing delivery systems and not unnecessarily duplicate or compete with current vocational courses and existing employment and training programs. Additionally, the Legislature intends that a program for displaced workers shall, to the maximum extent feasible, be undertaken through coordination and efficient utilization of existing federal and state financial resources.

(b) The Employment Development Department, working in concert with the State Department of Education, the Chancellor's Office of the California Community Colleges, the Department of Economic and Business Development, and the State Department of Industrial Relations shall assist and encourage local educational and training agencies, city and county governments, employee organizations, employers, and other applicable entities to participate in and coordinate their activities to achieve these purposes.

9952. As used in this chapter:

(a) "Demand occupation" means an occupation in a labor market area in which the director determines that work opportunities are available and that there is not a surplus of qualified applicants.

(b) "Displaced workers" include the following:

(1) Those workers unemployed due to plant closures or substantial plant layoffs.

(2) Workers eligible for benefits under California's unemployment insurance-retraining programs established pursuant to Article 1.5 (commencing with Section 1266) and Article 1.8 (commencing with Section 1274) of Chapter 5 of Part 1 of Division 1 of this code.

(3) Workers eligible for retraining under the Federal Trade Adjustment Assistance Act.

(4) Workers eligible for retraining under the Redwood Employee Protection Program.

(5) Employees whose hours have been permanently reduced under a work-sharing unemployment insurance plan pursuant to Section 1279.5.

(6) Unemployed workers otherwise affected by economic or industrial changes which have resulted in loss or reduction of their employment opportunities, as determined by the director.

(c) "Local education or training agency" means any of the following:

(1) A board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision of the state.

(2) A regional occupational center or program.

(3) A public or private educational institution or agency having administrative control and direction of a vocational education program.

(4) A community college district.

(5) A prime sponsor or community-based organization eligible for funding under the federal Comprehensive Employment and Training Act.

(6) Any entity involved in the provision of apprenticeship programs approved by the Department of Industrial Relations.

(d) "Occupational transfer programs and retraining services" include the following:

(1) Services necessary to assist displaced workers in identifying those skills they possess which are transferable to other related demand occupations.

(2) Education and training activities necessary to prepare displaced workers for occupations to which their preexisting skills are readily transferable.

(e) "Education and training program" means a course or program of instruction which relates to an occupation or skill for which there are, or are expected to be in the immediate future, reasonable employment opportunities in the labor market area or areas in the state in which the participating individual intends to seek work and for which there is not a surplus of workers with requisite skills in that area, as determined by the director. "Education and training program" also means a course or program of instruction which ordinarily can be completed within one year and which is intended for the primary purpose of enabling participants to obtain immediate

employment in a demand occupation. The training shall not be primarily intended to meet the requirements of any degree from a college, community college, or university.

9953. Contingent upon funding in the 1982 Budget Act, the Employment Development Department shall, in conjunction with the Chancellor's Office of the California Community Colleges, the State Department of Education, the Department of Economic and Business Development, and the State Department of Industrial Relations, submit to the policy and fiscal committees of both houses of the Legislature within 90 days of the effective date of the 1982 Budget Act a plan for the implementation of occupational transfer and retraining programs and services for displaced workers to fulfill the provisions of this chapter. The plan shall designate all of the following:

(a) Responsibilities of state agencies in administering this chapter.

(b) Procedures for coordination between the state and local agencies and existing employment, training, education, and other occupationally related activities and resources in the state.

(c) Procedures to encourage involvement on the part of labor, management, local government, and local education and training agencies in the establishment, operation, and ongoing direction of programs to assist displaced workers.

9954. (a) In order to provide for the implementation of cost-effective occupational transfer and retraining programs and services which are responsive to the immediate needs of displaced workers and which promote reemployment as quickly as possible, the State Board of Education or the Board of Governors of the California Community Colleges, as appropriate, may grant waivers, in whole, in part, or with conditions as deemed appropriate by the waiving authority, from the requirements of the following sections of the Education Code upon the request of a high school, unified, or community college district or the request of a regional occupational center or regional occupational program established pursuant to Section 52301 of the Education Code and upon presentation of evidence by the requesting agency that the section or sections from which a waiver is requested would inhibit the design or implementation of programs or the delivery of services as specified in this chapter:

(1) Sections 46600 and 46617.5 and Article 2 (commencing with Section 78030) of Chapter 1 of Part 48 of the Education Code, which limit interdistrict attendance.

(2) Section 87274 of the Education Code, which restricts the immediate hiring of instructors.

(3) Sections 52517 and 84500.1 of the Education Code, which require districts to offer only those courses which are open to the public.

(4) Sections 46300 and 87295 of the Education Code, which require courses to be taught by teachers holding a valid certification document.

(b) Notwithstanding the provisions of subdivision (a), neither the State Board of Education nor the Board of Governors of the California Community Colleges may grant a waiver, partial waiver, or conditional waiver of the sections of the Education Code specified therein which would result in costs to the state beyond those costs funded by specific appropriations made for the purpose of this chapter.

(c) To accomplish the purposes specified in subdivision (a), the Employment Development Department, the Chancellor's Office of the California Community Colleges, the State Department of Education, the Department of Economic and Business Development, and the State Department of Industrial Relations shall identify existing state and federal statutory provisions and regulations which warrant waiver in order to allow for the design of cost-effective, short-term occupational transfer or retraining programs and services for displaced workers. The implementation plan submitted pursuant to Section 9953 shall include recommendations for seeking and granting of necessary waivers by the appropriate state agencies.

9955. The programs established pursuant to this chapter shall, to the maximum extent feasible, be funded through existing federal, state, and local resources and through such other public and private resources as may be available. The implementation plan to be submitted in accordance with Section 9953 shall include an estimate of the amount of resources to be utilized from these sources, including, but not limited to, the following:

(a) The federal Comprehensive Employment and Training Act or any successor to that act.

(b) The California Worksite Education and Training Act.

(c) Federal, state, and local education funds.

(d) Federal grant-in-aid programs or other federal financial assistance.

(e) State and federal student aid programs.

(f) Public and private funds, including those available through such government agencies, private foundations, and other entities which administer funds available for the administration and evaluation of the programs and services which are authorized pursuant to this chapter.

9956. (a) The Employment Development Department shall, in conjunction with the State Department of Education, the Chancellor's Office of the California Community Colleges, the Department of Economic and Business Development and the State Department of Industrial Relations, submit to the Legislature in 1983 and each year thereafter on or before the 1st day of November, an evaluation of the Displaced Worker Education and Training Program established pursuant to this chapter. The evaluation of the effectiveness of this chapter shall rely on readily available data and shall measure the economic and social impact reasonably attributable to this chapter.

(b) The evaluations required pursuant to subdivision (a) shall include reports on programs and services provided and on the progress in implementing the provisions of this chapter. The evaluations shall include recommendations, as deemed appropriate, for facilitating program implementation, including any recommended statutory or regulatory changes at the state or federal levels.

(c) The Employment Development Department shall, in conjunction with the State Department of Education, the Chancellor's Office of the California Community Colleges, and the State Department of Industrial Relations, submit a research design to the Joint Legislative Budget Committee by February 1, 1983, for review and comment of the committee, which describes the proposed scope, procedure, content, and methodology of the evaluation.

9957. (a) The State Department of Education may allocate funds appropriated for the purposes of this chapter on a project basis to districts for specialized training and related services, including vocational English as a second language, in areas of high unemployment due to plant closures and other reductions in force.

(b) If the demand for services provided through programs authorized by this chapter exceeds the amount specified pursuant to Section 9955 and any amount appropriated in the Budget Act for purposes of this chapter, the Employment Development Department shall, in conjunction with the Chancellor's Office of the Community Colleges, the State Department of Education, the Department of Economic and Business Development, and the State Department of Industrial Relations, submit a report to the fiscal and policy committees of both houses of the Legislature recommending alternatives for additional funding. However, nothing in this chapter shall be interpreted as requiring any local education or training agency to provide funding for these programs beyond the amounts specified pursuant to Section 9955 or appropriated in the Budget Act.

9958. Except for the provisions of Section 9954, which shall become operative immediately, this chapter shall become operative only if the Budget Act of 1982 appropriates funds for the purposes of this chapter, and shall remain operative only so long as each annual budget act appropriates funds for the purposes of this chapter.

9959. This chapter shall remain in effect only until January 1, 1988, and on that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends this date.

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

In order to provide for the immediate reemployment of displaced workers and to prevent the adverse consequences to workers, families, and communities and the costs to the state of long-term

unemployment, it is necessary that this act take effect immediately.

CHAPTER 227

An act to amend Section 44270 of the Education Code, as amended by Chapter 100 of the Statutes of 1981, relating to school employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 44270 of the Education Code, as amended by Chapter 100 of the Statutes of 1981, is amended to read:

44270. (a) The minimum requirements for the preliminary services credential with a specialization in administrative services are all of the following:

(1) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services credential with a specialization in pupil personnel, health, clinical or rehabilitative, or librarian services as specified in Sections 44266, 44267, 44268, and 44269.

(2) A minimum of three years of successful, full-time classroom teaching experience in the public schools, or in private schools of equivalent status or three years of experience in the fields of pupil personnel, health, clinical or rehabilitative, or librarian services.

(3) An entry level program of specialized and professional preparation in administrative services approved by the commission or a one-year internship in a program of supervised training in administrative services, approved by the commission as satisfying the requirements for the preliminary services credential with a specialization in administrative services.

(b) The preliminary administrative services credential shall be valid for a period of five years from date of issuance or three years from date of initial employment in a position requiring the credential, whichever date is later, and shall not be renewable.

(c) A candidate formally enrolled prior to July 1, 1982, in a commission-approved program for the services credential with a specialization in administrative services shall have until June 30, 1984, to complete those requirements for the credential which are in effect on and before June 30, 1982. Candidates initially enrolled in a commission-approved program on or after July 1, 1982, shall satisfy all the requirements for the credential set forth in this section.

SEC. 2. Section 1 of this act shall become operative on July 1, 1982.

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

In order to ensure that persons who are currently enrolled in an administrative services credential program are not adversely affected by legislation enacted in 1981 which would otherwise require that their training be unduly prolonged, it is necessary that this act take effect immediately.

SEC. 4. This act shall become operative on July 1, 1982.

CHAPTER 228

An act to amend Sections 16367 and 16367.5 of the Government Code, relating to fiscal affairs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 16367 of the Government Code is amended to read:

16367. (a) There is hereby established a block grant advisory task force, referred to in this article as the task force, which shall remain in existence until July 1, 1984.

(b) The membership of the task force shall be comprised of the following persons:

(1) The Chairperson of the Senate Committee on Finance.

(2) The Chairperson of the Assembly Committee on Ways and Means.

(3) The Director of Finance.

(4) Five persons appointed by the Senate Committee on Rules. Two of the persons appointed shall be registered with the majority political party of the membership of the Senate and one person appointed shall be registered with the largest minority political party of the membership of the Senate. One person shall be appointed who is disabled.

(5) Five persons appointed by the Speaker of the Assembly. Two of the persons appointed shall be registered with the majority political party of the membership of the Assembly and one person appointed shall be registered with the largest minority political party of the membership of the Assembly. One person shall be appointed who is over the age of 55.

(6) Five persons appointed by the Governor. Two of the persons appointed shall be registered with the same political party as the Governor and one person appointed shall be registered with the

same political party of the candidate who received the second highest number of votes for Governor in the last gubernatorial election. One person shall be appointed who is an American Indian.

Three of each of the five appointments to be made by the Speaker of the Assembly, the Senate Committee on Rules, and the Governor shall be members of the populations currently served by categorical programs or board members of private nonprofit community-based organizations currently serving categorical populations, or both. The appointing powers shall ensure that the interests of counties are represented on the task force and may appoint county representatives to three of the remaining positions. Each appointee shall be knowledgeable in the administration and operation of the programs consolidated into block grants. In addition, each appointee shall be selected on the basis of expertise in a substantive area covered by block grants, so that each area is represented. The appointing powers shall ensure that there is geographic balance in determining the composition of the task force. Each appointed member of the task force shall serve at the pleasure of the respective appointing power of the member. Appointments made pursuant to paragraphs (4), (5), and (6) shall be made within 30 days of the effective date of the statute which enacted this section, or in the case of an amendment to this subdivision, 30 days from the effective date of the amendment.

(c) Within 30 days of the effective date of this article, the task force shall meet and elect a chairperson.

(d) The task force shall do all of the following:

(1) Monitor state and local agency compliance with this article.

(2) Gather information and hold public hearings on program performance, service, population needs, delivery systems, and fiscal management.

(3) Prepare recommendations for legislative policy deliberations no later than February 1, 1982, which include all of the following:

(A) Integration of block grant programs with existing state and local programs.

(B) Decisionmaking responsibility at both the state and local level, including involvement of community nonprofit agencies.

(C) Method of funding allocations.

(D) Coordinate the transfer of responsibility for administration of categorical programs from the federal to state government which shall include the transfer to the state of all information related to program management and categorical population needs.

(E) Proposed use of block grant funds to be received by the state, pursuant to the requirement of Section 1742(a) of the federal Omnibus Budget Reconciliation Act of 1981 or subsequent federal block grant legislation, including all of the following:

(i) A statement of goals and objectives.

(ii) Information on the types of activities to be supported, geographic areas to be served, and categories or characteristics of individuals to be served.

(iii) The criteria and method established for the distribution of the funds, including details of how the distribution of funds will be targeted on the basis of need to achieve the purposes of the block grant funds and yearend reports regarding the expansion in which block grant funds were expended.

SEC. 2. Section 16367.5 of the Government Code, as added by Chapter 3 of the 1981–82 First Extraordinary Session, is amended to read:

16367.5. The State Office of Economic Opportunity shall receive and administer the federal Low Income Home Energy Assistance Block Grants, and shall allocate funds received as follows:

(a) An amount not to exceed 7.5 percent of the total federal allocation for crisis intervention, plus any supplemental federal allocation and any money remaining from the direct benefit payments as a result of undeliverable, returned, or voided warrants, and if administrative costs makes the distribution of additional remaining funds economically infeasible. The use of supplemental money shall be requested by means of a Section 28 budget process letter. Crisis intervention shall consist solely of emergency assistance to eligible individuals for programs specified in this subdivision who give evidence of the following conditions: (1) proof of utility shutoff notice, (2) proof of energy termination, (3) insufficient funds to establish a new energy account, and insufficient funds to pay a current or delinquent utility bill. The crisis intervention program shall not include advocacy, community mobilization or community planning and education. The program shall include activities to enroll eligible individuals.

An amount not to exceed 10 percent of the total federal allocation for weatherization services for eligible individuals for programs specified in this subdivision, subject to reduction in the Budget Act.

For the purposes of this subdivision these services shall be available only to recipients of aid or persons eligible for aid under Chapter 2 (commencing with Section 11200) and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code, county general assistance recipients under Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code, of the Food Stamp Program.

(b) Five percent of the total federal allocation for purposes of administration. An additional 2.5 percent of the total federal allocation shall be set aside for administrative purposes and made available upon request of the Department of Finance and pursuant to Section 28 of Chapter 99 of the Statutes of 1981.

(c) An amount not to exceed 10 percent of the total federal allocation to the State Department of Social Services for social service programs under Chapter 5 (commencing with Section 13000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(d) The remainder of the total federal allocation of aid to recipients of Aid to Families with Dependent Children and the Supplemental Security Income/State Supplementary Program for

home energy costs.

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

In order to maximize the use of federal funds available under federal Low Income Home Energy Assistance Block Grants during the 1981–82 and 1982–83 fiscal years, it is necessary for this act to take effect immediately.

CHAPTER 229

An act to amend Section 1298 of the Penal Code, relating to bail security.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 1298 of the Penal Code is amended to read:

1298. In lieu of a deposit of money, the defendant or any other person may deposit bonds of the United States or of the State of California of the face value of the cash deposit required, and these bonds shall be treated in the same manner as a deposit of money or the defendant or any other person may give as security any equity in real property which he or she owns, provided, that no charge is made to the defendant for the giving as security of any equity in real property. A hearing, at which witnesses may be called or examined, shall be held before the magistrate to determine the value of such equity and if the magistrate finds that the value of the equity is equal to twice the amount of the cash deposit required he shall allow such bail. The clerk shall, under order of the court, when occasion arises therefor, sell the bonds or the equity and apply the proceeds of the sale in the manner that a deposit of cash may be required to be applied.

The county treasurer shall, upon request of the judge, keep the deposit and return it to the clerk on order of the judge.

CHAPTER 230

An act to amend Section 41804.5 of the Health and Safety Code, relating to air pollution.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 41804.5 of the Health and Safety Code is amended to read:

41804.5. (a) Notwithstanding Section 41800, a district board may authorize, subject to the limitations in Section 41803 and this section, the use of open outdoor fires by a city or county to dispose of nonindustrial wood waste from trees, vines, and brush at disposal sites located above 1,500 feet elevation mean sea level anywhere in the state, or at any elevation in the area designated as the North Coast Air Basin by the state board pursuant to Section 39606.

(b) Authorization for such burning, if granted, shall be in the form of permits issued by the district and by the fire protection agency having jurisdiction over the area in which the disposal site is located. The permits shall allow burning only on days during which agricultural burning is not prohibited by the state board pursuant to Section 41855.

(c) No permit shall be issued until there is filed with the district a written statement by the owner of the land on which the disposal site is located, or his agent, or if some other person is lawfully in possession of such land, by such other person, approving the burning on such land by the city or county.

(d) Prior to issuing a permit, the district may inspect the wood waste to be burned to verify that it is exclusively nonindustrial wood waste from trees, vines, and brush.

(e) The state board shall approve the use of open outdoor fires at a designated disposal site to dispose of such wood waste if such an operation of the disposal site will not prevent the achievement and maintenance of ambient air quality standards. The approval shall be granted for a minimum of one year.

(f) In seeking approval from the state board to use open outdoor fires at disposal sites throughout the county to dispose of such wood waste, a county may submit its plan for the disposal of such wood waste in the county by the use of open outdoor fires at the disposal sites.

CHAPTER 231

An act to amend Section 1391.1 of the Labor Code, relating to minors.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 1391.1 of the Labor Code is amended to read:

1391.1. Minors 16 years of age or older and under the age of 18 years enrolled in work experience or cooperative vocational education programs approved by the State Department of Education or in work experience education programs conducted by private schools may work after 10 p.m. but not later than 12:30 a.m., providing such employment is not detrimental to the health, education, or welfare of the minor and the approval of the parent and the work experience coordinator has been obtained. However, if any such minor works any time during the hours from 10 p.m. to 12:30 a.m., he or she shall be paid for work during that time at a rate which is not less than the minimum wage paid to adults.

CHAPTER 232

An act to add Section 61601.4 to the Government Code, and to amend Section 61 of the Antelope Valley-East Kern Water Agency Law (Chapter 2146 of the Statutes of 1959), relating to local agencies.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 61601.4 is added to the Government Code, to read:

61601.4. Notwithstanding the provisions of Sections 61600 and 6101, whenever the Board of Directors of the Willow Creek Community Services District determines by resolution that it is feasible, economically sound, and in the public interest for that district to exercise its power for the purpose of constructing, installing, owning, maintaining, or operating hydroelectric power generating facilities, which facilities are constructed after the effective date of this section, and transmission lines for the conveyance thereof, the board shall adopt that additional purpose by resolution entered in the minutes, and that power of the district may be exercised thereafter.

The board may, thereafter, divest the district of the power to carry on those activities in the same manner as it may acquire the power.

The facilities shall be operated in a manner consistent with the district's storage, transmission, and distribution of domestic and irrigation water and in accordance with the provisions of Chapter 2.95 (commencing with Section 35580) of Part 5 of Division 13 of the Water Code.

SEC. 2. The Willow Creek Community Services District has a

potential source of hydroelectric power in its district water development facilities which can be generated in conjunction with the operation, storage, and transmission of domestic and irrigation waters of the district. This source is not common to other community services districts. The Legislature, therefore, finds and declares that a special law is necessary with respect to the Willow Creek Community Services District, that the provisions of this act are needed to meet the special circumstances within the district, and that a general law cannot be made applicable.

SEC. 3. Section 6i of the Antelope Valley-East Kern Water Agency Law (Chapter 2146 of the Statutes of 1959) is amended to read:

Sec. 6i. The Antelope Valley-East Kern Water Agency, incorporated as herein provided, shall have power:

1. To have perpetual succession;

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

3. To adopt a seal and alter it at pleasure;

4. To take by grant, purchase, gift, devise, lease, or lease with option to purchase, hold, use, enjoy, and to lease or dispose of real and personal property of every kind, within or without the Antelope Valley-East Kern Water Agency;

5. To acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights and privileges and construct, maintain and operate conduits, pipelines, reservoirs, works, machinery, and other property useful or necessary to store, convey, supply, or otherwise make use of water for a waterworks plant or system for the benefit of the agency, and to complete, extend, add to, repair, or otherwise improve any waterworks or waterworks system acquired by it as herein authorized;

5a. To construct, maintain, improve, and operate public recreational facilities appurtenant to any water reservoir operated or contracted to be operated by the Antelope Valley-East Kern Water Agency, and to provide by ordinance regulations binding upon all persons to govern the use of such facilities including regulations imposing reasonable charges for the use thereof. Violation of any such regulation shall be a misdemeanor;

6. To lease of and from any person, firm or public or private corporation, or public agency, with the privilege of purchasing or otherwise, all or any part of water storage, transportation or distribution facilities, existing waterworks or a waterworks system, and to carry on and conduct waterworks or a waterworks system; also to sell water under the control of the agency to cities, and to other public corporations and public agencies within the agency, and to the inhabitants of such cities and of other territory within the agency, and to persons, corporations, and other private agencies within the agency for use within said agency without any preference, and it may, whenever the board shall find that there is a surplus of water

above that which may be required by such consumers within the agency, sell or otherwise dispose of such surplus water to any persons, firms, public, or private corporations or public agencies or other consumers;

6a. To supply and deliver water to publicly owned and operated golf courses and other publicly owned and operated recreational facilities and to public schools, school districts and public school properties, and to fix and establish special rates, terms, and conditions for the use and sale of water for each of these purposes; provided, however, that this provision shall not be construed to indicate legislative intent either for or against the existence of any power of the agency to furnish water to other persons, firms or corporations at just and reasonable rates;

7. To exercise the right of eminent domain to take any property necessary to supply the agency or any portion thereof with water, and to carry out any other powers of the agency. The agency, in exercising such power, shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility which is required to be removed to a new location. The agency may exercise the power of eminent domain with respect to property situated outside the boundaries of the agency if it first obtains the consent thereto of the board of supervisors of the county in which such property is located;

8. To issue bonds, borrow money, and incur indebtedness as authorized by law or in this act provided; also to refund (by the issuance of the same obligations following the same procedure) or retire any indebtedness or lien that may exist against the agency or property thereof.

8a. To issue negotiable promissory notes bearing interest at a rate not exceeding 8 percent per annum; provided, however, that the notes shall be payable from revenues and taxes legally derived subject to any maximum property tax rate procedure; and provided further, that the maturity shall not be later than five years from the date thereof and that 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 the Antelope Valley-East Kern Water Agency but shall not otherwise exceed the lesser of either two million dollars ($2,000,000) or 2 percent of the assessed valuation of the taxable property in the Antelope Valley-East Kern Water Agency or, if the assessed valuation is not obtainable, 2 percent of the county auditor's estimate of the assessed valuation of the taxable property in the agency evidenced by his certificate;

9. To cause taxes to be levied, in the manner hereinafter provided, for the purpose of paying any obligation of the agency, including its formation expenses and any warrants issued therefor;

9a. To restrict the use of agency water during any emergency caused by drought, or other threatened or existing water shortage, and to prohibit the wastage of agency water or the use of agency

water during such periods, for any purpose other than household uses or such other restricted uses as may be determined to be necessary by the agency; to prohibit use of such water during such periods for specific uses which the agency may from time to time find to be nonessential;

10. To prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in subdivision 9a hereof. Every ordinance relating to the matters referred to in this subdivision shall be in full force and effect forthwith upon adoption, but shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation, printed, published, and circulated in the agency within 10 days after adoption, or if there be no such newspaper it shall be posted within that time in three public places within the agency;

11. To make contracts, to employ labor, and do all acts necessary for the full exercise of the agency's powers;

12. To provide by ordinance of its board of directors for the pensioning of officers or employees and the creation of a special fund for the purpose of paying such pensions, and the accumulation of contributions to said fund from the revenues of the agency, the wages of officers or employees, voluntary contributions, gifts, donations, or any source of revenue not inconsistent with the general powers of the board, and to contract with any insurance corporation or any other insurance carrier for the maintenance of a service covering the pension of such officers or employees, and to provide in such ordinance for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them;

13. To acquire, control, distribute, store, spread, sink, treat, purify, reclaim, recapture, and salvage any water, including sewage and storm waters, for the beneficial use or uses and protection of the agency or its inhabitants or the owners of rights to water therein.

14. To join with one or more public agencies, private corporations or other persons for the purpose of carrying out any of the powers of the agency, and for that purpose to contract with such other public agencies or private corporations or persons for the purpose of financing such acquisitions, constructions, and operations. Such contracts may provide for contributions to be made by each party thereto and for the division and apportionment of the expenses of such acquisitions and operations, and the division and apportionment of the benefits, the services and products therefrom, and may provide for any agency to effect such acquisitions and to carry on such operations, and shall provide in the powers and methods of procedure for such agency the method by which such agency may contract. Such contracts with other public agencies or private corporations or persons may contain such other and further covenants and agreements as may be necessary or convenient to accomplish the purposes thereof. The term "public agency," as used in this subdivision, shall be deemed to mean and include the United

States of America or any department or agency thereof, the State of California or any department or agency thereof, a county, city, public corporation, the Metropolitan Water District of Southern California, or public district of this state. The term "private corporation," as used in this subdivision, shall be deemed to mean and include any private corporation organized under the laws of the United States of America or of this or any other state thereof. Contracts mentioned herein include those made with the United States, under the Federal Reclamation Act of June 17, 1902, and all acts amendatory thereof or supplementary thereto or any other act of Congress heretofore or hereafter enacted permitting cooperation. Any such contract with the United States of America or any department or agency thereof, or with any private corporation organized under the laws of the United States of America, by which the Antelope Valley-East Kern Water Agency incurs an indebtedness or liability exceeding in any year the income and revenue for such year shall not be executed without the assent of two-thirds of the qualified electors of the agency voting at a special election to be held for that purpose, such election to be called and held, so far as practicable, in the same manner as bond elections for the agency.

15. To commence, maintain, intervene in, and compromise, in the name of the agency, any action or proceeding involving or affecting the ownership or use of water or water rights within the agency, used or useful for any purpose of the agency, or a common benefit to lands within the agency or its inhabitants.

16. Distribute water to persons in exchange for ceasing or reducing groundwater extractions and to fix the terms and conditions of any contract under which producers may agree voluntarily to use water from a nontributary source in lieu of groundwater, and to such end the agency may become a party to such contract and pay from agency funds such portion of the cost of such waters as will encourage the purchase and use of such water in lieu of pumping so long as the persons or property within the agency are directly or indirectly benefited.

17. To issue bonds under Section 68 of this act for the purpose of providing money required to be paid to the agency organized under the Metropolitan Water District Act by the board of directors of the agency as all or part of the terms and conditions upon which the corporate area of the Antelope Valley-East Kern Water Agency may be annexed to and become a part of that metropolitan water district. The amount of the bonds may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.

18. To issue revenue bonds for any purpose for which such bonds could be issued under the provisions of the Revenue Bond Law of 1941 or any other law which by its terms is applicable to the agency formed under this act.

19. To use the Improvement Act of 1911 for the construction of any facilities authorized to be constructed under the provisions of this act. The powers and duties conferred by the Improvement Act of

1911 on the various boards, officers, and agents of cities shall be exercised by the respective boards, officers, and agents of the Antelope Valley-East Kern Water Agency. In the application of said Improvement Act of 1911 to proceedings instituted by the Antelope Valley-East Kern Water Agency, the terms used in said Improvement Act of 1911 shall have the following meanings:

(a) "City council" and "council" shall mean the Board of Directors of the Antelope Valley-East Kern Water Agency.

(b) "Municipality" and "city" shall mean the Antelope Valley-East Kern Water Agency.

(c) "Clerk" and "city clerk" shall mean the secretary.

(d) "Superintendent of streets," "street superintendent" and "city engineer" shall mean the chief engineer of the agency.

(e) "Tax collector" shall mean the county tax collector.

(f) "Treasurer" and "city treasurer" shall mean the treasurer of the Antelope Valley-East Kern Water Agency.

(g) "Mayor" shall mean the president of the board of directors of the Antelope Valley-East Kern Water Agency.

(h) "Right-of-way" shall mean any parcel of land in, on, under or through which a right-of-way or easement has been granted to the agency for the purpose of constructing and maintaining any works or improvements of the Antelope Valley-East Kern Water Agency.

Any certificates or documents required to be filed or recorded in the office of the superintendent of streets or street superintendent shall be filed or recorded in the office of the secretary of the Antelope Valley-East Kern Water Agency.

20. To disseminate information concerning the rights, properties, and activities of the agency.

21. To construct, maintain, improve, and operate one or more plants for the generation of hydroelectric power and transmission lines for the conveyance thereof. The plant or plants so constructed shall be operated in a manner consistent with the agency's storage, transmission, and distribution of water. Construction of the plant or plants and transmission lines may be financed as provided herein for other agency works. The plant or plants and transmission lines so constructed may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity.

The power generated may be used by the agency for its own purposes, or for the production or transmission of water, but shall not be offered for sale directly by the agency to customers other than a public utility or public agency for any use other than the production or transmission of water.

CHAPTER 233

An act to amend Sections 24055 and 24466 of the Financial Code, relating to loans, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 24055 of the Financial Code is amended to read:

24055. This division does not apply to any loans made or arranged by any person licensed as a real estate broker by the State of California and secured by liens on real property, or to any licensed real estate broker. A licensed real estate broker may make a loan secured by a lien on real property for sale to a consumer finance lender or arrange for a loan secured by a lien on real property to be made by a consumer finance lender without obtaining a license under this division.

SEC. 2. Section 24466 of the Financial Code is amended to read:

24466. No licensee shall take a deed of trust, mortgage or lien upon real property as security for any loan of a principal amount of less than five thousand dollars ($5,000) made under this division, except such lien as is created by law upon the recording of an abstract of judgment. A loan that is secured by a lien on real property may not be secured by a lien on personal property as well, with the exception of an assignment of rents in a mortgage or deed of trust.

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

In order to rectify inadvertent errors in Sections 24055 and 24466 of the Financial Code as added by Chapter 724 of the Statutes of 1981 which may raise serious questions as to the ability of licensed real estate brokers to make loans secured by liens on real property for sale to consumer finance lenders or to arrange such loans to be made by consumer finance lenders, and to clarify the legality of normal forms of mortgages and deeds of trust which are used by consumer finance lenders, which include an assignment of rents, it is necessary that this act go into immediate effect.

CHAPTER 234

An act to amend Sections 43.7 and 43.8 of the Civil Code, to add Sections 1156.1 and 1157.6 to the Evidence Code, and to amend Sections 5328, 16706, and 16707 of, and to add Sections 16707.2 and 16707.3 to, and to add and repeal Section 16707.1 of, the Welfare and Institutions Code, relating to health, and making an appropriation therefor and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982]

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

SECTION 1. The Legislature in enacting Chapter 1393 of the Statutes of 1978 recognized the vital importance of maintaining the quality, appropriateness, and effectiveness of our publicly supported mental health services. Chapter 1393 established a quality assurance system for each county mental health program including requirements for site visits, utilization review, peer review, and medication monitoring.

The Legislature finds and declares that substantial progress has been made in implementing the site visits and the utilization review components of the evaluation system established by Chapter 1393. The peer review and medication monitoring requirements are complex, and most counties have not yet developed programs in these areas.

The Legislature further finds that implementation of quality assurance has been impeded in part because of concerns by county mental health professionals over the current status of their immunity while serving on official quality assurance committees.

It is, therefore, the intent of the Legislature in enacting this act to provide mental health professionals employed by counties and county-contracted facilities with the same immunities presently possessed by medical societies and hospital medical staffs while serving on quality assurance committees.

SEC. 2. Section 43.7 of the Civil Code is amended to read:

43.7. (a) There shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any member of a duly appointed mental health professional quality assurance committee that is established in compliance with Sections 4070 and 5624 of the Welfare and Institutions Code, for any act or proceeding undertaken or performed within the scope of the functions of any such committee which is formed to review and evaluate the adequacy, appropriateness, or effectiveness of the care and treatment planned for, or provided to, mental health patients in order to improve quality of care by mental health professionals if such committee member acts without malice, has made a reasonable

effort to obtain the facts of the matter as to which he or she acts, and acts in reasonable belief that the action taken by him or her is warranted by the facts known to him or her after such reasonable effort to obtain facts.

(b) There shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any member of a duly appointed committee of a state or local professional society, or duly appointed member of a committee of a professional staff of a licensed hospital (provided the professional staff operates pursuant to written bylaws that have been approved by the governing board of the hospital), for any act or proceeding undertaken or performed within the scope of the functions of any such committee which is formed to maintain the professional standards of the society established by its bylaws, or any member of any peer review committee whose purpose is to review the quality of medical or dental services rendered by physicians and surgeons, dentists, or dental hygienists, which committee is composed chiefly of physicians and surgeons, dentists, or dental hygienists, for any act or proceeding undertaken or performed in reviewing the quality of medical or dental services rendered by physicians and surgeons, dentists, or dental hygienists, or any member of the governing board of a hospital in reviewing the quality of medical services rendered by members of the staff if such committee or board member acts without malice, has made a reasonable effort to obtain the facts of the matter as to which he or she acts, and acts in reasonable belief that the action taken by him or her is warranted by the facts known to him or her after such reasonable effort to obtain facts. "Professional society" includes legal, medical, psychological, dental, dental hygiene, accounting, optometric, podiatric, pharmaceutic, chiropractic, physical therapist, and engineering organizations having as members at least a majority of the eligible licentiates in the geographic area served by the particular society.

(c) The provisions of this section do not affect the official immunity of an officer or employee of a public corporation.

(d) There shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any physician and surgeon who is a member of an underwriting committee of an interindemnity or reciprocal or interinsurance exchange or mutual company for any act or proceeding undertaken or performed in evaluating physicians and surgeons for the writing of professional liability insurance, if such evaluating physician or surgeon acts without malice, has made a reasonable effort to obtain the facts of the matter as to which he or she acts, and acts in reasonable belief that the action taken by him or her is warranted by the facts known to him or her after such reasonable effort to obtain such facts.

(e) This section shall not be construed to confer immunity from liability on any quality assurance committee established in compliance with Sections 4070 and 5624 of the Welfare and Institutions Code, professional society, or hospital. In any case in

which, but for the enactment of the preceding provisions of this section, a cause of action would arise against a quality assurance committee established in compliance with Sections 4070 and 5624 of the Welfare and Institutions Code, hospital, or professional society, such cause of action shall exist as if the preceding provisions of this section had not been enacted.

SEC. 3. Section 43.8 of the Civil Code is amended to read:

43.8. In addition to the privilege afforded by Section 47, there shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any person on account of the communication of information in the possession of such person to any hospital, hospital medical staff, professional society, medical or dental school, professional licensing board or division, committee or panel of such licensing board, peer review committee, quality assurance committees established in compliance with Sections 4070 and 5624 of the Welfare and Institutions Code, or underwriting committee described in Section 43.7 when such communication is intended to aid in the evaluation of the qualifications, fitness, character, or insurability of a practitioner of the healing arts and does not represent as true any matter not reasonably believed to be true. The immunities afforded by this section and by Section 43.7 shall not affect the availability of any absolute privilege which may be afforded by Section 47.

SEC. 4. Section 1156.1 is added to the Evidence Code, to read:

1156.1. (a) A committee established in compliance with Sections 4070 and 5624 of the Welfare and Institutions Code may engage in research and medical or psychiatric study for the purpose of reducing morbidity or mortality, and may make findings and recommendations to the county and state relating to such purpose. Except as provided in subdivision (b), the written records of interviews, reports, statements, or memoranda of such committees relating to such medical or psychiatric studies are subject to Sections 2016 to 2036, inclusive, of the Code of Civil Procedure but, subject to subdivisions (c) and (d), shall not be admitted as evidence in any action or before any administrative body, agency, or person.

(b) The disclosure, with or without the consent of the patient, of information concerning him or her to such committee does not make unprivileged any information that would otherwise be privileged under Section 994 or 1014. However, notwithstanding Sections 994 and 1014, such information is subject to discovery under subdivision (a) except that the identity of any patient may not be discovered under subdivision (a) unless the patient consents to such disclosure.

(c) This section does not affect the admissibility in evidence of the original medical or psychiatric records of any patient.

(d) This section does not exclude evidence which is relevant evidence in a criminal action.

SEC. 5. Section 1157.6 is added to the Evidence Code, to read:

1157.6. Neither the proceedings nor the records of a committee established in compliance with Sections 4070 and 5624 of the Welfare

and Institutions Code having the responsibility of evaluation and improvement of the quality of mental health care rendered in county operated and contracted mental health facilities shall be subject to discovery. Except as provided in this section, no person in attendance at a meeting of any such committee shall be required to testify as to what transpired thereat. The prohibition relating to discovery or testimony shall not apply to the statements made by any person in attendance at such a meeting who is a party to an action or proceeding the subject matter of which was reviewed at such meeting, or to any person requesting facility staff privileges.

SEC. 6. 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 shall be disclosed only in any of the following cases:

(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 or her guardian or conservator shall 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 or psychological 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 or her 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 or she may be entitled.

(d) If the recipient of services is a minor, ward, or conservatee, and his or her parent, guardian, guardian ad litem, 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 or her 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 and requires such research to be first reviewed by the appropriate institutional review board or boards. Such rules shall include, but need not be limited to, the requirement that all researchers shall 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 to obtain the prior informed consent of such persons who have received services to the maximum degree possible as determined by the appropriate institutional review board or boards for protection of human subjects reviewing my research, and I further 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 the unauthorized release of confidential information may make me subject to a civil action under provisions of the Welfare and Institutions Code.

(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 the 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 or her 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 or her 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 or her 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 shall 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.

(m) To county patients' rights advocates who have been given knowing voluntary authorization by a client or a guardian ad litem. The client or guardian ad litem, whoever entered into the agreement, may revoke such authorization at any time, either in writing or by oral declaration to an approved advocate.

(n) To a committee established in compliance with Sections 4070 and 5624.

The amendment of subdivision (d) enacted at the 1970 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the preexisting law.

SEC. 7. Section 16706 of the Welfare and Institutions Code is amended to read:

16706. (a) 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.

(b) Each local jurisdiction receiving funds pursuant to Section 16704 shall submit the following reports to the department in the form and according to the procedures established by the department:

(1) A report of estimated actual expenditures, revenues, and net county costs for the services provided in accordance with the county health services plan and budget for the fiscal year for which the agreement with the local jurisdiction was in effect. This report shall be provided by November 15 of the fiscal year following the close of the fiscal year for which the agreement with the local jurisdiction was in effect, unless an extension of this date is formally granted by the department, and shall serve as the initial basis for recovery of funds not expended in accordance with the agreement.

(2) A report of actual expenditures, revenues, and net county

costs for the services provided in accordance with the county health services plan and budget for the fiscal year for which the agreement with the local jurisdiction was in effect. This report shall be provided by November 15 of the second fiscal year following the close of the fiscal year for which the agreement with the local jurisdiction was in effect, unless an extension of this date is formally granted by the department, and shall serve as the final basis for recovery of funds not expended in accordance with the agreement, unless modified by actual audit findings officially adopted by the state.

(c) The director shall withhold, in part or in whole, payment of funds from the County Health Services Fund to a local jurisdiction, until the reports specified in subdivision (b) have been received by the department.

SEC. 8. Section 16707 of the Welfare and Institutions Code is amended to read:

16707. Savings that occur in the County Health Services Fund due to a lack of applications for funds or for failure of local jurisdictions 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 local jurisdiction in accord with special needs and priorities established by the director. Such funds shall only be expended if a local jurisdiction agrees to net expenditures of local jurisdiction funds in the same amounts.

The director shall establish a systematic process for the annual defining of needs and priorities under this section. The process shall include at least the following:

(a) Consulting with the California Conference of Local Health Officers and, the County Supervisors Association of California.

(b) Holding a hearing for input from other interest groups and the general public.

(c) Allocating funds available pursuant to this section not sooner than 30 days after notification of the priority funding areas and justification therefor in writing to the chairman of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee.

Special consideration shall be given in defining needs and priorities to crises in the public health sector and to innovative approaches to the delivery of health care that assure quality services at reasonable cost.

The director shall report annually to the Legislature on the prior year's distribution of funds under this section.

The Department of Health Services is authorized to utilize funds that accumulate in the County Health Services Fund for special needs and priorities pursuant to this section for administration of this program so long as these costs are authorized through the regular budget process.

SEC. 9. Section 16707.1 is added to the Welfare and Institutions Code, to read:

16707.1. (a) Between April 1, 1982, and August 31, 1982, the

director shall allocate funds to local jurisdictions pursuant to Section 16707 for special needs and priorities established by the director which shall include, but not be limited to

(1) The provision of funds to county owned and operated hospitals in imminent danger of being closed, leased or sold because of their financial distress, or for public health emergencies as determined by the director. The director may waive or reduce the matching requirements specified in Section 16707 for funds provided to a local jurisdiction for this purpose when the director determines that due to financial constraints a local jurisdiction is unable to incur net expenditures of local jurisdiction funds in the same amount as funds provided or determines that the interest of the state would best be served by the waiver or reduction of matching requirement.

(2) The development or implementation of county organized health systems.

(3) The provision of health services to refugees as defined in paragraph (42) of subsection (a) of Section 1101 of Title 8 of the United States Code (the Immigration and Nationality Act).

(4) Projects which demonstrate the mutual delivery of services or sharing of resources between local jurisdiction health providers and community clinics as defined in Section 1204 of the Health and Safety Code.

(b) In order to effect the timely implementation of this section, the Legislature waives the public hearing requirement set forth in subdivision (b) of Section 16707 for the allocation of funds specified in subdivision (a).

(c) Notwithstanding the provisions of Section 16703, funds appropriated from the General Fund for deposit in the County Health Services Fund for the 1979–80 fiscal year shall be available for expenditure until August 31, 1982.

(d) This section shall remain in effect until February 1, 1983, and as of that date is repealed, unless a later enacted statute, which is chaptered before February 1, 1983, deletes or extends such date.

SEC. 10. Section 16707.2 is added to the Welfare and Institutions Code, to read:

16707.2. (a) The department may, upon request from any local jurisdiction, provide technical assistance to improve the efficiency and effectiveness of the management of its health care system, particularly as regards collection of revenue for services provided from third party payers.

(b) The department is authorized to utilize funds that accumulate in the County Health Services Fund pursuant to Section 16707 for the administration and direct provision of this technical assistance or for the purchase of necessary consultative services so long as the amount so expended does not exceed three hundred thousand dollars ($300,000) in any fiscal year. It is the intent of the Legislature that these services be contracted for or purchased. The department shall be restricted to funding one staff position from these funds for the purpose of administering and coordinating this technical assistance.

(c) Notwithstanding any other provision of law, the amount appropriated from the General Fund for deposit in the County Health Services Fund for the 1981–82 fiscal year, reflected in Item 426-111-001 of the Budget Act of 1981, as amended by Chapter 169 of the Statutes of 1981, and the amount transferred pursuant to Section 12 of Chapter 1004 of the Statutes of 1981, shall be available for expenditure or allocation for the 1981–82, 1982–83, and 1983–84 fiscal years by the State Director of Health Services in accordance with provisions of this part. The Legislature directs that, except as provided in subdivision (d), any and all funds appropriated for deposit or transfer in the County Health Services Fund during the 1979–80, 1980–81, and 1981–82 fiscal years for the purposes specified under this part, be available and remain available for those purposes and only those purposes in accordance with the provisions of this part.

(d) Notwithstanding any other provision of law, one million five hundred seventy-nine thousand dollars ($1,579,000) of unclaimed or recouped funds accruing to the County Health Services Fund from the fiscal years 1979–80, 1980–81, 1981–82, or 1982–83 shall revert to the General Fund on or before December 31, 1982.

SEC. 11. Section 16707.3 is added to the Welfare and Institutions Code, to read:

16707.3. Commencing with the 1983–84 fiscal year, and annually thereafter, any state staff positions established pursuant to Sections 16707.1 and 16707.2 shall not be funded pursuant to Section 16707 but to the extent possible shall be funded out of the General Fund through the normal budgetary process.

SEC. 12. Regulations adopted to implement the provisions of this act shall be adopted as emergency regulations in accordance with the provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of the Administrative Procedure Act, the adoption of the regulation shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, and safety or general welfare.

Notwithstanding the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, emergency regulations adopted by any state agency in order to implement the provisions of this act shall not be subject to the review and approval of the Office of Administrative Law until 120 days after the regulations take effect.

SEC. 13. Notwithstanding the fourth proviso of Item 275 of the Budget Act of 1979 (Chapter 259 of the Statutes of 1979), or any other provision of law, the State Department of Mental Health may transfer funds among categories scheduled within Item 275 of the Budget Act of 1979 (Chapter 259 of the Statutes of 1979).

SEC. 14. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and

Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 15. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 16. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement quality assurance systems as required by Chapter 1393 of the Statutes of 1978, to authorize the transfer of certain mental health funds, and to ensure that the health care needs of the poor and indigent of the state continue to be provided for, it is imperative that this act take effect immediately.

CHAPTER 235

An act to amend Section 10783 of the Revenue and Taxation Code, and to amend Section 9105 of the Vehicle Code, relating to vehicle fees.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 10783 of the Revenue and Taxation Code is amended to read:

10783. The license fee imposed by this part does not apply to any of the following vehicles, which are not used for transportation for hire, compensation, or profit, when owned by any veteran whose disability has been rated, by the United States Veterans' Administration or the military service from which such veteran was discharged, at 100 percent due to a diagnosed disease or disorder which substantially impairs or interferes with mobility, or who is so severely disabled as to be unable to move without the aid of an assistant device, or who has lost, or has lost the use of, two or more limbs, or one eye and any limb, or who has suffered permanent blindness as defined in Section 19153 of the Welfare and Institutions Code, as a result of injury or disease suffered while on active service with the armed forces of the United States, and any veteran who is a Congressional Medal of Honor recipient who was born in the state or who either resided in the state at the time of entry into military service or has been a resident continuously since January 1, 1977:

(a) Any passenger motor vehicle;

(b) Any motorcycle;

(c) Any commercial motor vehicle of less than 6,001 pounds unladen weight.

The exemption granted by this section shall extend to not more than one vehicle owned by any such veteran. The Department of Motor Vehicles may require a certificate substantiating the disability, signed by a physician or surgeon.

SEC. 2. Section 9105 of the Vehicle Code is amended to read:

9105. (a) The fees specified in this code except fees for duplicate plates, certificates, or cards need not be paid for any of the following vehicles, which are of a type subject to registration under this code, and which are not used for transportation for hire, compensation, or profit, when owned by any veteran whose disability has been rated, by the United States Veterans Administration or the military service from which such veteran was discharged, at 100 percent due to a diagnosed disease or disorder which substantially impairs or interferes with mobility, or who is so severely disabled as to be unable to move without the aid of an assistant device, or who has lost, or has lost use of, two or more limbs, or one eye and any limb, or who has suffered permanent blindness as defined in Section 19153 of the Welfare and Institutions Code, as a result of injury or disease suffered while on active service with the armed forces of the United States, and any veteran who is a Congressional Medal of Honor recipient who was born in the state or who either resided in the state at the time of entry into military service or has been a resident continuously since January 1, 1977:

(1) Any passenger motor vehicle.

(2) Any motorcycle.

(3) Any commercial motor vehicle of less than 6,001 pounds unladen weight.

The exemption granted by this subdivision shall not extend to more than one vehicle owned by any such veteran. The department may require a certificate, substantiating the disability, signed by a physician or surgeon.

(b) Any disabled veteran who qualifies for issuance of, and has been issued, a distinguishing license plate, may apply to the Department of Motor Vehicles for issuance of a distinguishing placard. Such placard may be used in lieu of the distinguishing license plate for parking purposes when displayed on the driver's side dashboard of a vehicle. The placard shall be at least 6 inches by 12 inches in size, and blue in color.

(c) The Department of Motor Vehicles may charge a fee sufficient to pay the actual cost to that department for issuance of placards as provided in subdivision (b). The Department of Motor Vehicles may establish procedures for the issuance of such placard.

CHAPTER 236

An act to repeal and add Section 20 of, and to repeal Section 20.1 of, the San Bernardino County Flood Control Act (Chapter 73 of the Statutes of 1939), relating to the San Bernardino County Flood Control District.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 20 of the San Bernardino County Flood Control Act (Chapter 73 of the Statutes of 1939) is repealed.

SEC. 2. Section 20 is added to the San Bernardino County Flood Control Act (Chapter 73 of the Statutes of 1939), to read:

Sec. 20. All contracts for any improvement or unit of work, except as hereinafter provided, estimated to cost in excess of twenty-five thousand dollars ($25,000), shall be let to the lowest responsible bidder in the manner hereinafter provided. The board of supervisors of the district shall advertise by five or more insertions in a daily newspaper of general circulation, or by two or more insertions in a weekly newspaper of general circulation, printed and published in the district, inviting sealed proposals for the construction of the improvement or work. The board shall require the successful bidder or bidders to file with the board good and sufficient bonds, to be approved by the board, conditioned upon the faithful performance of the contract and upon the payment of all claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Chapter 7 (commencing with Section 3247) of Title 15 of Part 4 of Division 3 of the Civil Code and to be subject to the provisions of that chapter. The board shall also have the right to reject any and all bids not suitable to the best interests of the district. In the event all proposals are rejected or no proposals are received pursuant to advertisement therefor, or the work consists of channel protection, dam protection, temporary work, maintenance work, or of emergency work when necessary in order to protect life and property from impending flood damage, the board of supervisors may, without advertising for bids therefor, have the work done by force account. Emergency work, found by the board of supervisors to be necessary in order to protect life and property from impending flood damage, may also be done by negotiated contract without advertising for bids or requiring bonds therefor.

SEC. 3. Section 20.1 of the San Bernardino County Flood Control Act (Chapter 73 of the Statutes of 1939) is repealed.

CHAPTER 237

An act to amend Section 19832 of the Health and Safety Code, relating to local building permits.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 19832 of the Health and Safety Code is amended to read:

19832. A city or county, whether general law or chartered, shall transmit the notice required pursuant to Section 19830 and the owner-builder verification required pursuant to Section 19831 by mail to the property owner applying for the owner-builder building permit or may provide the notice or the verification in person to the person applying for the building permit only if that applicant presents identification sufficient to identify himself or herself as the property owner. The return of the owner-builder verification shall be a condition precedent to issuance of the building permit.

However, no city or county or its employees shall be responsible for determining the truth or accuracy of the declarations in the owner-builder verification, and no monetary liability on the part of, and no cause of action for damages against them, shall arise from their failure to verify the truth or accuracy of the declarations.

CHAPTER 238

An act relating to the Medical Assistance program, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. The sum of one hundred thirty-seven million two hundred thousand dollars ($137,200,000) is hereby appropriated from the General Fund to the Department of Finance for allocation to the State Department of Health Services, to augment Item 426-101-001 (b) of Section 2 of Chapter 99 of the Statutes of 1981, for the purpose of meeting increases in the state's share of expenditures for medical care and services.

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

immediate effect. The facts constituting the necessity are:

In order to maintain the fiscal integrity of the Medical Assistance program for the 1981–82 fiscal year, it is necessary that this act go into immediate effect.

CHAPTER 239

An act to amend Section 28748.8 of the Public Utilities Code, relating to transit.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 28748.8 of the Public Utilities Code is amended to read:

28748.8. The board may by ordinance or resolution provide that each director shall be paid the sum of one hundred dollars ($100) for each district meeting attended, whether a full board meeting or a meeting of a committee of the board, except that no director shall be paid more than five hundred dollars ($500) in any one calendar month, nor be paid for more than one meeting attended on the same day. Each director shall be allowed such necessary traveling and personal expenses incurred in the performance of his duties as may be authorized by the board.

CHAPTER 240

An act to amend Sections 54784 and 54784.1 of the Government Code, relating to local agency formation commissions.

[Approved by Governor June 2, 1982. Filed with Secretary of State June 2, 1982.]

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

SECTION 1. Section 54784 of the Government Code is amended to read:

54784. In each county containing two or more cities, regular and alternate city members to the commission shall be appointed by the city selection committee organized in the county pursuant to and in the manner provided in Article 11 (commencing with Section 50270) of Chapter 1 of Part 1 of Division 1 of Title 5. Regular members of the commission shall be appointed by the city selection committee pursuant to Section 54780 or 54780.1.

The city selection committee shall appoint one alternate member

to the commission in the same manner as it appoints a regular member. If one of the regular city members is absent from a commission meeting, or disqualifies himself or herself from participating in a meeting, the alternate member is authorized to serve and vote in place of such regular city member for that meeting.

In the event the office of a regular city member becomes vacant the alternate member is authorized to serve and vote in place of such regular city member until the appointment and qualification of a regular city member to fill the vacancy.

SEC. 2. Section 54784 of the Government Code is amended to read:

54784. In each county containing two or more cities, regular and alternate city members to the commission shall be appointed by the city selection committee organized in the county pursuant to and in the manner provided in Article 11 (commencing with Section 50270) of Chapter 1 of Part 1 of Division 1 of Title 5. Regular members of the commission shall be appointed by the city selection committee pursuant to Section 54780, 54780.1, or 54780.2.

The city selection committee shall appoint one alternate member to the commission in the same manner as it appoints a regular member. If one of the regular city members is absent from a commission meeting, or disqualifies himself or herself from participating in a meeting, the alternate member is authorized to serve and vote in place of such regular city member for that meeting.

In the event the office of a regular city member becomes vacant the alternate member is authorized to serve and vote in place of such regular city member until the appointment and qualification of a regular city member to fill the vacancy.

SEC. 3. Section 54784.1 of the Government Code is amended to read:

54784.1. Each local agency formation commission may adopt rules and regulations with respect to disqualification of members from participating in the review of a proposal. In the absence, however, of any such rule or regulation, the provisions of Section 54784 or 54782.6 shall apply. A member's representation of a city shall not disqualify or be cause for disqualification of the member from acting on a proposal affecting the city, and any rule or regulation providing for such disqualification of a city representative is null and void.

SEC. 4. Section 2 of this act shall only become operative if this act and Assembly Bill No. 2003 are both chaptered and become effective, in which case Section 2 of this act shall become operative at the same time as Assembly Bill No. 2003 and Section 1 of this act shall not become operative.

CHAPTER 241

An act to amend Sections 99233.7, 99234, 99275.5, 99400, and 99405 of, and to repeal Sections 99278, 99279, 99279.5, and 99400 of, the Public Utilities Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 99233.7 of the Public Utilities Code is amended to read:

99233.7. 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) in those areas where claims may not be filed for those purposes specified in Article 8 (commencing with Section 99400), and may be made available to consolidated transportation service agencies, 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 the 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.

SEC. 2. Section 99234 of the Public Utilities Code is amended to read:

99234. (a) Claims for facilities provided for the exclusive use of pedestrians and bicycles shall be filed in the same manner as are claims filed for the purposes of subdivision (a) of Section 99400.

(b) The money shall be allocated for the construction, including related engineering expenses, of those facilities pursuant to a priority list of those facilities prepared by the transportation planning agency for the area within its jurisdiction.

(c) The money may be allocated for the maintenance of bikeways which are closed to motorized traffic pursuant to a priority list of those facilities prepared by the transportation planning agency for the area within its jurisdiction.

(d) The money may be allocated without respect to Section 99231 and shall not be included in determining the apportionments to a city or county for purposes of Sections 99233.7 to 99233.9, inclusive.

(e) Facilities provided for the use of bicycles may include projects that serve the needs of commuting bicyclists, including, but not

limited to, new bikeways serving major transportation corridors, secure bicycle parking at employment centers, park and ride lots, and transit terminals where other funds are unavailable.

(f) The transportation planning agency shall review its allocations made pursuant to Section 99233.3 within 30 days after receiving a request for a review from any city or county in the area within the jurisdiction of the transportation planning agency.

SEC. 3. 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 prepared an estimate of revenues, operating costs, and patronage.

(4) That the claimant is in compliance with Section 99268.3, 99268.4, 99268.5, or 99268.9, whichever is applicable to it, or with regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the transportation planning agency or the county transportation commission for any or all types of community transit services.

(A) In adopting the performance criteria, local match requirements, or fare recovery ratios, the transportation planning agency or the county transportation commission may adopt the criteria of Section 99268.3, 99268.4, 99268.5, or 99268.9, or any combination or all of them.

(B) If a transportation planning agency or county transportation commission has adopted performance criteria, local match requirements, or fare recovery ratios, the rules and regulations of the agency or commission shall apply, and Sections 99205.7 and 99241, subdivision (a) of Section 99247, and Section 99268.8 shall not apply.

SEC. 4. Section 99278 of the Public Utilities Code is repealed.

SEC. 5. Section 99279 of the Public Utilities Code is repealed.

SEC. 6. Section 99279.5 of the Public Utilities Code is repealed.

SEC. 7. Section 99400 of the Public Utilities Code, as amended by Chapter 296 of the Statutes of 1980, is amended to read:

99400. Claims may be filed with the transportation planning

agency by counties and cities 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 Rail Passenger Service Act of 1970 (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.

(5) A county service area.

(6) A community services district.

(7) A recreation and park district.

(8) A public utility district.

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), (3), (5), (6), (7), or (8) 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. Prior to approving any claim filed under this section, the transportation planning agency, or the county transportation commission in a county with such a commission, shall make a finding that the transportation services contracted for under subdivision (c) are responding to a transportation need not currently being met within the community or jurisdiction of the claimant and that, where appropriate, the services are integrated with the existing transportation service.

(d) Payments to counties and cities for their administrative and planning cost with respect to transportation services under subdivision (c).

SEC. 8. Section 99400 of the Public Utilities Code, as amended by Section 27 of Chapter 1002 of the Statutes of 1979, is repealed.

SEC. 9. Section 99405 of the Public Utilities Code, as amended by Section 9.2 of Chapter 1055 of the Statutes of 1981, 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 those 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 99268.3, 99268.4, 99268.5, or 99268.9, as the case may be, and shall be deemed an operator for purposes of those sections, or shall be subject to regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the transportation planning agency or the county transportation commission for those services.

(1) In adopting the performance criteria, local match requirements, or fare recovery ratios, the transportation planning agency or the county transportation commission may adopt the criteria of Section 99268.3, 99268.4, 99268.5, or 99268.9, or any combination or all of them.

(2) If a transportation planning agency or county transportation commission has adopted performance criteria, local match requirements, or fare recovery ratios, the rules and regulations of the agency or commission shall apply, and Sections 99205.7 and 99241, subdivision (a) of Section 99247, and Section 99268.8 shall not apply.

(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.

(e) The 50-percent limitation shall not apply to funds allocated under this article for local street and road purposes.

(f) This section shall remain in effect only until July 1, 1984, and as of that date is repealed, unless a later enacted statute which is chaptered on or before July 1, 1984, deletes or extends that date.

SEC. 10. Section 99405 of the Public Utilities Code, as added by Section 9.4 of Chapter 1055 of the Statutes of 1981, 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 those 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 99268.3, 99268.4, 99268.5, or 99268.9, as the case may be, and shall be

deemed an operator for purposes of those sections, or with regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the transportation planning agency or the county transportation commission for those services.

(1) In adopting the performance criteria, local match requirements, or fare recovery ratios, the transportation planning agency or county transportation commission may adopt the criteria of Section 99268.3, 99268.4, 99268.5, or 99268.9, or any combination or all of them.

(2) If a transportation planning agency or county transportation commission has adopted performance criteria, local match requirements, or fare recovery ratios, the rules and regulations of the agency or commission shall apply and Sections 99205.7 and 99241 or, subdivision (a) of Section 99247, and Section 99268.8 shall not apply.

(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.

(e) This section shall become operative on July 1, 1984.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that urgently needed public transportation services may be provided at the earliest opportunity, it is necessary that this act take effect immediately.

CHAPTER 242

An act to amend Section 9142 of, and to add Section 9143 to, the Corporations Code, relating to religious corporations.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 9142 of the Corporations Code is amended to read:

9142. (a) Notwithstanding Section 9141, any of the following may bring an action to enjoin, correct, obtain damages for or to otherwise remedy a breach of a trust under which any or all of the assets of a corporation are held:

(1) The corporation, a member, or a former member asserting the right in the name of the corporation, provided that for the purpose of this paragraph the provisions of Section 5710 shall apply to such action.

(2) An officer of the corporation.

(3) A director of the corporation.

(4) A person with a reversionary, contractual, or property interest in the assets subject to such trust.

(b) In an action under this section, the court may not rescind or enjoin the performance of a contract unless:

(1) All of the parties to the contract are parties to the action;

(2) No party to the contract has, in good faith and without actual notice of the restriction, parted with value under the contract or in reliance upon it; and

(3) It is equitable to do so.

(c) No assets of a religious corporation are or shall be deemed to be impressed with any trust, express or implied, statutory or at common law unless one of the following applies:

(1) Unless, and only to the extent that, the assets were received by the corporation with an express commitment by resolution of its board of directors to so hold those assets in trust.

(2) Unless, and only to the extent that, the articles or bylaws of the corporation, or the governing instruments of a superior religious body or general church of which the corporation is a member, so expressly provide.

(3) Unless, and only to the extent that, the donor expressly imposed a trust, in writing, at the time of the gift or donation.

(d) Trusts created by paragraph (2) of subdivision (c) may be amended or dissolved by amendment from time to time to the articles, bylaws, or governing instruments creating the trusts. However, nothing in this subdivision shall be construed to permit the amendment of the articles to delete or to amend provisions required by Section 214.01 of the Revenue and Taxation Code to a greater extent than otherwise allowable by law.

SEC. 2. Section 9143 is added to the Corporations Code, to read:

9143. (a) Notwithstanding any other provision of this part to the contrary, when property, received by a corporation, covered by this part from a person directly affiliated with that corporation has been contributed based upon an affirmative representation that it would be used for a specific purpose other than the general support of the corporation's activities and has been used in a manner contrary to the specific purpose for which the property was contributed, an action may be brought by the contributor or by any person listed in paragraph (1), (2), or (3) of subdivision (a) of Section 9142, if that person, before bringing an action, notifies the corporation, in writing, that an action will be brought unless the corporation takes immediate steps to correct any improper diversion of funds.

(b) In the event that it becomes impractical or impossible for the corporation to devote the property to the specific purpose for which it was contributed, or that the directors or members of the corporation in good faith expressly conclude and record in writing that the stated purpose for which the property was contributed is no longer in accord with the policies or best interests of the corporation, the directors or members of the corporation may, in good faith,

approve or ratify the use of the property for the general purposes of the corporation rather than for the specific purpose for which it was contributed.

(c) A public officer may not bring an action in an official capacity under this section even on behalf of a private person.

CHAPTER 243

An act to add Sections 55310 and 55311 to the Water Code, relating to county waterworks districts.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 55310 is added to the Water Code, to read:

55310. Notwithstanding the provisions of Section 55301, the Board of Supervisors of Madera County may appoint a board of directors to serve as the governing board of Madera County Waterworks District #2. A determination by the board of supervisors to appoint a board of directors shall be made following a public hearing at a regular meeting of the board. In the event the board of supervisors determines to appoint a board of directors, it shall appoint five directors for the district, and each director shall serve at the pleasure of the board of supervisors. Any appointed board of directors succeeds to and has all the powers conferred upon the board of supervisors in reference to the Madera County Waterworks District #2. Except as provided in Section 55302, the board of supervisors shall have no further jurisdiction except for the appointment of directors.

SEC. 2. Section 55311 is added to the Water Code, to read:

55311. When a district is a subsidiary district of a city, the city council may, by resolution, change the name of the district. The change of name shall be effective upon the filing of a certified copy of the resolution with the Secretary of State and the recording of a certified copy in the office of the county recorder of the county or counties in which the district is situated.

SEC. 3. The Legislature hereby finds and declares that facts and circumstances exist in Madera County peculiar to that county which necessitates that the board of supervisors of that county be given the authority to appoint an independent board of directors to serve as the governing board of Madera County Waterworks District #2. The Legislature finds and declares, therefore, that a general law cannot be made applicable to that district.

CHAPTER 244

An act to amend Section 51350 of the Government Code and Section 2 of Chapter 1068 of the Statutes of 1973, relating to counties and cities.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 51350 of the Government Code is amended to read:

51350. A county which provides services through its appropriate departments, boards, commissions, officers or employees, to any city pursuant to contract or as authorized by law, shall charge the city only those additional costs which are incurred in providing the services so contracted or authorized. A county shall not charge a city contracting for a particular service, either as a direct or an indirect overhead charge, any portion of those costs which are attributable to services made available to all portions of the county, as determined by resolution of the board of supervisors, or which are general overhead costs of operation of the county government. General overhead costs, for the purposes of this section, are those costs which a county would incur regardless of whether or not it provided a service under contract to a city.

Any determination of general overhead costs shall be subject to court review as to the reasonableness of such determination.

This section does not apply to a contract or agreement in effect on December 31, 1982, made by a county having a population of less than 6,000,000.

SEC. 2. Section 2 of Chapter 1068 of the Statutes of 1973 is amended to read:

Sec. 2. It is the intent of the Legislature to encourage intergovernmental contracts which eliminate the need for duplicate facilities, equipment, and personnel, and which thereby reduce the overall cost of government. In furtherance of this intent, a county which supplies contract services to the cities therein, shall charge such cities only the additional costs for such services incurred by the county, without regard to any allocation of the general overhead costs attributable to the operations of the county government or to the costs of services made available without charge throughout the county.

This section does not apply to a contract or agreement in effect on December 31, 1982, made by a county having a population of less than 6,000,000.

CHAPTER 245

An act to amend Section 16500.5 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 16500.5 of the Vehicle Code is amended to read:

16500.5. (a) Except as specified in subdivision (b), the owner of the following commercial vehicles shall maintain ability to respond in damages in the amount required by the director:

(1) A vehicle designed to carry 16 or more passengers, including the driver.

(2) A vehicle having an unladen weight of over 7,000 pounds which is used in the transportation of property in the conduct of a business.

(b) Subdivision (a) does not apply to the following vehicles:

(1) A schoolbus.

(2) A motor vehicle used by a farmer exclusively in the transportation of his livestock, implements of husbandry, and agricultural commodities or in the transportation of supplies to his farm.

(3) A motor vehicle used by a resident farmer of this state to occasionally transport from the place of production to a warehouse, regular market, place of storage, or place of shipment the farm products of neighboring farmers in exchange for like services, farm products, or other compensation.

(4) A vehicle used in for-hire transportation which is subject to regulation by the Public Utilities Commission.

(5) A rented vehicle used for noncommercial transportation of property.

(c) The director shall establish the amounts which are determined adequate to cover damages resulting from the ownership or operation of a commercial vehicle or vehicles subject to this section arising by reason of personal injury to, or death of, any person or damage to property, or both. The director shall establish the amounts at levels equal to those prescribed by the Public Utilities Commission for owners and operators of for-hire vehicles subject to its jurisdiction and control.

(d) Ability to respond in damages may be maintained by any of the following:

(1) Being insured under one or more motor vehicle liability policies against such liability.

(2) Obtaining a bond of the same kind, and containing the same provisions, as those bonds specified in Section 16434.

(3) By depositing with the department five hundred thousand dollars ($500,000), which amount shall be deposited in a special deposit account with the Controller for the purpose of this section.

(4) Qualifying as a self-insurer under Section 16053.

(e) The department shall return the deposit made pursuant to paragraph (3) of subdivision (d) to the person entitled thereto when the owner is no longer required to maintain ability to respond in damages as required by this section or upon the owner's death.

(f) An insurer, agent, or broker who has been incorrectly informed by an owner of a vehicle or his representative that the vehicle is 7,000 pounds or less unladen weight, or is incorrectly informed by the owner or his representative that the vehicle is exempt from the requirements of subdivisions (a) and (c) pursuant to the exemptions set forth in subdivision (b), may issue a policy of motor vehicle liability insurance in any amount less than that required by the director but not less than the amounts required under Section 16451. The policy of motor vehicle liability insurance when issued shall not be deemed to provide liability coverage amounts greater than that specifically set forth in the policy notwithstanding that the vehicle weighs in excess of 7,000 pounds unladen weight or is subsequently used in a manner which would have required the vehicle to be insured in the amounts established by the director pursuant to subdivision (c).

CHAPTER 246

An act to amend Section 4 of Chapter 138 of the Statutes of 1964 (First Extraordinary Session), relating to tide and submerged lands.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 4 of Chapter 138 of the Statutes of 1964 (First Extraordinary Session) is amended to read:

Sec. 4. (a) Until and including the last day of the calendar month in which this act becomes effective, the city shall account for any pay over to the State of California oil revenue and dry gas revenue in accordance with all the provisions of Chapter 29, Statutes of 1956, First Extraordinary Session, as amended by Chapter 1398, Statutes of 1963.

(b) Commencing on the first day of the calendar month following the date on which this act becomes effective, the City of Long Beach shall account for and pay over monthly to the State of California oil revenue and dry gas revenue free from the public trust for navigation, commerce and fisheries and from such uses, trusts, conditions and restrictions as were imposed by said acts of 1911, 1925

and 1935, and the city shall retain, subject to the provisions of this act, the amounts or percentages of oil revenue hereinafter provided.

(c) The City of Long Beach shall account for and pay over monthly to the State Lands Commission for and on behalf of the State of California all dry gas revenue thereafter received by the city.

(d) The city shall retain out of oil revenue each month an amount equal to all subsidence costs thereafter expended by the city and an amount equal to the money thereafter expended by the city in administering oil and gas operations on the Long Beach tidelands (to the extent, if any, such amount is not deductible under Section 1 (b) hereof), and shall pay out of oil revenue to the State Lands Commission for and on behalf of the State of California each month an amount equal to the money thereafter expended by the state, as determined by the Director of Finance, in administering this act and Chapter 29, Statutes of 1956, First Extraordinary Session, including the costs of the audits by the Auditor General pursuant to Section 10 hereof, insofar as such amount pertains to the Long Beach tidelands. The oil revenue remaining after deducting and paying said amounts shall hereafter be referred to as "remaining oil revenue."

(e) All advance payments attributable to the undeveloped portion of the Long Beach tidelands shall be divided equally between the City of Long Beach and the State of California. The City of Long Beach shall account for and pay over monthly to the State Lands Commission for and on behalf of the State of California all other remaining oil revenue, except for the percentages or amounts of remaining oil revenue specified in the following schedule, which percentages or amounts shall be retained by the City of Long Beach:

(1) Until and including December 31, 1967, 50 percent.

(2) During the calendar year 1968, 45 percent or the total amount of nine million dollars ($9,000,000) during said year, whichever is less.

(3) During the calendar year 1969, 40 percent or the total amount of nine million dollars ($9,000,000) during said year, whichever is less.

(4) During the calendar year 1970, 35 percent or the total amount of nine million dollars ($9,000,000) during said year, whichever is less.

(5) During the calendar year 1971, 30 percent or the total amount of nine million dollars ($9,000,000) during said year, whichever is less.

(6) During the calendar year 1972, 25 percent or the total amount of nine million dollars ($9,000,000) during said year, whichever is less.

(7) During the calendar year 1973, and during each calendar year thereafter, to and including 1979, 20 percent or the total amount of nine million dollars ($9,000,000) during each said year, whichever is less.

(8) During the calendar year 1980, and during each calendar year thereafter, to and including 1982, 20 percent or the total amount of eight million dollars ($8,000,000) during each said year, whichever is less.

(9) During the calendar year 1983, 20 percent or the total amount of seven million dollars ($7,000,000) during said year, whichever is less.

(10) During the calendar year 1984, 20 percent or the total amount of six million dollars ($6,000,000) during said year, whichever is less.

(11) During the calendar year 1985, 20 percent or the total amount of five million dollars ($5,000,000) during said year, whichever is less.

(12) During the calendar year 1986, 20 percent or the toal amount of four million five hundred thousand dollars ($4,500,000) during said year, whichever is less.

(13) During the calendar year 1987, 20 percent or the total amount of three million four hundred thousand dollars ($3,400,000) during said year, whichever is less.

(14) During the calendar year 1988, and each calendar year thereafter, the total sum of one million dollars ($1,000,000) during each said year.

In the event the execution of the contractors' agreement is delayed beyond December 31, 1964, the city shall retain 50 percent of remaining oil revenue, as provided in subdivision (1) of the above schedule, until and including the last day of the third calendar year following the calendar year in which the contractors' agreement is executed, and the amounts or percentages of remaining oil revenues to be retained by the city as specified in subdivisions (2) to (14), inclusive, of the above schedule shall be deferred accordingly. In the event the total aggregate amount of remaining oil revenue (including advance payments) retained by the city on and after the effective date of this act should reach the sum of two hundred thirty-eight million dollars ($238,000,000) at any date prior to January 1, 1988, the city shall retain during the next calendar year following the date at which such total aggregate sum is reached, and during each calendar year thereafter, the total sum of one million dollars ($1,000,000) out of remaining oil revenue during each said year, in lieu of any amounts which might otherwise be specified in the above schedule in respect to said years.

(f) The contractors' agreement shall include a provision for a "reserve for subsidence contingencies." Such reserve shall accumulate at the rate of two million dollars ($2,000,000) a year, exclusive of interest thereon, commencing from and after the first day of the second month following termination of the right to receive any advance payment from the field contractor and shall continue for a period of 20 years thereafter. Said amounts so accumulated, but not the interest thereon, shall be treated as a cost of oil production under the contractors' agreement and shall be deductible in computing oil revenue.

Said amounts so accumulated, together with interest, shall be impounded by the city in a separate fund and shall be invested in accordance with Section 53635 of the Government Code. Said fund shall be available to indemnify and hold harmless the City of Long Beach, the State of California, and any and all contractors under the contractors' agreement from claims, judgments and costs of defense,

arising from subsidence alleged to have occurred as a result of operations under said agreement. Said fund may also be used for the purpose of paying subsidence costs or for conducting repressuring operations in the event there is no oil revenue or the oil revenue is insufficient to pay such costs.

Said fund shall remain impounded until such time as the city and state shall jointly determine that there is no longer any hazard of such claims or judgments or that there is no potential danger of subsidence, whichever is later; provided, that if the city and state are unable to agree upon such a joint determination, the State Lands Commission may make application to a court of competent jurisdiction for determination by the court as to whether it is necessary to continue the impoundment of said fund.

Upon termination of such impoundment, the money so impounded, including all interest and earnings thereof, shall be distributed to the city (in addition to the amounts specified under subdivision (e) hereof) and the state as follows: an amount equal to 50 percent of all subsidence costs approved and disbursed by the city from the effective date of this act to and including December 31, 1968, shall be distributed and paid to the city; and the balance shall be paid and distributed to the State of California. Nothing herein contained shall constitute a waiver of sovereign immunity by the State of California; nor shall anything herein contained affect in any manner the rights and obligations of the City of Long Beach, the State of California, or the contractors under the contractors' agreement, or any of them, as against any other person or persons, relative to claims, judgments or liability arising from subsidence of the land surface.

CHAPTER 247

An act to amend Sections 1203 and 1203b of the Penal Code, relating to probation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 1203 of the Penal Code is amended to read:

1203. (a) As used in this code, "probation" shall mean the suspension of the imposition or execution of a sentence and the order of conditional and revocable release in the community under the supervision of the probation officer. As used in this code, "conditional sentence" shall mean the suspension of the imposition or execution of a sentence and the order of revocable release in the community subject to the conditions established by the court without the

supervision of the probation officer. It is the intent of the Legislature that both conditional sentence and probation are authorized whenever probation is authorized in any code as a sentencing option for infractions or misdemeanors.

(b) In every case in which a person is convicted of a felony and is eligible for probation, before judgment is pronounced, the court shall immediately refer the matter to the probation officer to investigate and report to the court, at a specified time, upon the circumstances surrounding the crime and the prior history and record of the person, which may be considered either in aggravation or mitigation of the punishment. The probation officer shall immediately investigate and make a written report to the court of his findings and recommendations, including his recommendations as to the granting or denying of probation and the conditions of probation, if granted. Pursuant to Section 828 of the Welfare and Institutions Code, the probation officer shall include in his or her report any information gathered by a law enforcement agency relating to the taking of the defendant into custody as a minor, which shall be considered for purposes of determining whether adjudications of commissions of crimes as a juvenile warrant a finding that there are circumstances in aggravation pursuant to Section 1170 or to deny probation. The probation officer shall also include in his report his determination of whether the defendant is a person who is required to pay a fine pursuant to Section 13967 of the Government Code. The probation officer shall also include in his report for the court's consideration whether the court shall require, as a condition of probation, restitution to the victim or to the Indemnity Fund if assistance has been granted to the victim pursuant to Article 1 (commencing with Section 13959) of Chapter 5 of Part 4 of Division 3 of Title 2 of the Government Code, a recommendation thereof, and if so, the amount thereof, and the means and manner of payment. The report shall be made available to the court and the prosecuting and defense attorney at least nine days prior to the time fixed by the court for the hearing and determination of the report, and shall be filed with the clerk of the court as a record in the case at the time of the hearing. The time within which the report shall be made available and filed may be waived by written stipulation of the prosecuting and defense attorney which is filed with the court or an oral stipulation in open court which is made and entered upon the minutes of the court. At a time fixed by the court, the court shall hear and determine the application, if one has been made, or, in any case, the suitability of probation in the particular case. At the hearing, the court shall consider any report of the probation officer and shall make a statement that it has considered such report which shall be filed with the clerk of the court as a record in the case. If the court determines that there are circumstances in mitigation of the punishment prescribed by law or that the ends of justice would be subserved by granting probation to the person, it may place him on probation. If probation is denied, the clerk of the court shall

immediately send a copy of the report to the Department of Corrections at the prison or other institution to which the person is delivered.

(c) If a defendant is not represented by an attorney, the court shall order the probation officer who makes the probation report to discuss its contents with the defendant.

(d) In every case in which a person is convicted of a misdemeanor, the court may either refer the matter to the probation officer for an investigation and a report or summarily pronounce a conditional sentence. If such a case is not referred to the probation officer, in sentencing the person, the court may consider any information concerning him which could have been included in a probation report. The court shall inform the person of the information to be considered and permit him to answer or controvert it. For this purpose, upon the request of the person, the court shall grant a continuance before the judgment is pronounced.

(e) Except in unusual cases where the interests of justice would best be served if the person is granted probation, probation shall not be granted to any of the following persons:

(1) Unless he had a lawful right to carry a deadly weapon, other than a firearm, at the time of the perpetration of the crime or his arrest, any person who has been convicted of arson, robbery, burglary, burglary with explosives, rape with force or violence, murder, assault with intent to commit murder, attempt to commit murder, trainwrecking, kidnapping, escape from the state prison, or a conspiracy to commit one or more of such crimes and was armed with such weapon at either of such times.

(2) Any person who used or attempted to use a deadly weapon upon a human being in connection with the perpetration of the crime of which he has been convicted.

(3) Any person who willfully inflicted great bodily injury or torture in the perpetration of the crime of which he has been convicted.

(4) Any person who has been previously convicted twice in this state of a felony or in any other place of a public offense which, if committed in this state, would have been punishable as a felony.

(5) Unless he has never been previously convicted once in this state of a felony or in any other place of a public offense which, if committed in this state, would have been punishable as a felony, any person who has been convicted of burglary with explosives, rape with force or violence, murder, attempt to commit murder, assault with intent to commit murder, trainwrecking, extortion, kidnapping, escape from the state prison, a violation of Section 286, 288, or 288a, or a conspiracy to commit one or more of such crimes.

(6) Any person who has been previously convicted once in this state of a felony or in any other place of a public offense which, if committed in this state, would have been punishable as a felony, if he committed any of the following acts:

(i) Unless he had a lawful right to carry a deadly weapon at the

time of the perpetration of such previous crime or his arrest for such previous crime, he was armed with such weapon at either of such times.

(ii) He used or attempted to use a deadly weapon upon a human being in connection with the perpetration of such previous crime.

(iii) He willfully inflicted great bodily injury or torture in the perpetration of such previous crime.

(7) Any public official or peace officer of this state or any city, county, or other political subdivision who, in the discharge of the duties of his public office or employment, accepted or gave or offered to accept or give any bribe, embezzled public money, or was guilty of extortion.

(8) Any person who knowingly manufactures phencyclidine. Should the court grant probation, it shall specify the reason or reasons for such order. On appeal by the people from such a grant of probation, it shall be conclusively presumed that such order was made only for the reasons specified in such order, and such order shall be reversed if there is no substantial basis in the record for any of such reasons.

(f) When probation is granted in a case which comes within the provisions of subdivision (e), the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

(g) If a person is not eligible for probation, the judge may, in his discretion, refer the matter to the probation officer for an investigation of the facts relevant to the sentencing of the person. Upon such referral, the probation officer shall immediately investigate the circumstances surrounding the crime and the prior record and history of the person and make a written report to the court of his findings.

(h) In any case in which a defendant is convicted of a felony and a probation report is prepared pursuant to subdivision (b) or (g), the probation officer shall obtain and include in such report a statement of the comments of the victim concerning the offense. The court may direct the probation officer not to obtain such a statement in any case where the victim has in fact testified at any of the court proceedings concerning the offense.

(i) No probationer shall be released to enter another state unless his case has been referred to the Administrator, Interstate Probation and Parole Compacts, pursuant to the Uniform Act for Out-of-State Probationer or Parolee Supervision (Article 3 (commencing with Section 11175) of Chapter 2 of Title 1 of Part 4).

SEC. 2. Section 1203b of the Penal Code is amended to read:

1203b. All courts shall have power to suspend the imposition or execution of a sentence and grant a conditional sentence in misdemeanor and infraction cases without referring such cases to the probation officer. Unless otherwise ordered by the court, persons granted a conditional sentence in the community shall report only to the court and the probation officer shall not be responsible in any

way for supervising or accounting for such persons.

SEC. 3. It is the intent of the Legislature in creating the conditional sentence to clarify supervisory responsibilities over persons convicted of infractions and misdemeanors. It is not the intent of the Legislature to diminish in any way current powers of or sentencing options available to the courts. Statute and case law relating to probation summarily granted by the court without referral to the probation officer shall be construed to apply in the same manner to conditional sentences.

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

In order to clarify any ambiguity arising from Chapter 1142 of the Statutes of 1981 concerning conditional and revocable release in the community under court supervision in misdemeanor and infraction cases, it is necessary that this act take effect immediately.

CHAPTER 248

An act to amend Sections 26820.8 and 72056.5 of the Government Code, relating to courts.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 26820.8 of the Government Code is amended to read:

26820.8. (a) The maximum amounts set forth in Sections 26820.4, 26826, and 26827, shall be deemed adjusted, effective January 1, 1983, and on January 1 of each odd-numbered year thereafter, to reflect changes in the value of the dollar. Such adjustments shall be made by multiplying the base amounts by the percent change in the California Consumer Price Index as compiled and reported by the California Department of Industrial Relations, with the result rounded to the nearest dollar; however, such adjustments shall not exceed the limitation set forth in subdivision (b).

(b) Except to the extent that a filing fee increase for calendar years 1983 and 1984 reflects a fee increase pursuant to Section 6322.1 of the Business and Professions Code, adjustments shall not exceed 3 percent per year. In no event shall the total filing fee adjustment for calendar years 1983 and 1984 exceed 5 percent per year.

SEC. 2. Section 72056.5 of the Government Code is amended to read:

72056.5. (a) The maximum amounts set forth in Sections 72055 and 72056, shall be deemed adjusted, effective January 1, 1983, and

on January 1 of each odd-numbered year thereafter, to reflect changes in the value of the dollar. Such adjustments shall be made by multiplying the base amounts by the percent change in the California Consumer Price Index as compiled and reported by the California Department of Industrial Relations, with the result rounded to the nearest dollar; however, such adjustments shall not exceed the limitation set forth in subdivision (b).

(b) Except to the extent that a filing fee increase for calendar years 1983 and 1984 reflects a fee increase pursuant to Section 6322.1 of the Business and Professions Code, adjustments shall not exceed 3 percent per year. In no event shall the total filing fee adjustment for calendar years 1983 and 1984 exceed 5 percent per year.

CHAPTER 249

An act to amend Section 415.40 of the Code of Civil Procedure, relating to service of process.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 415.40 of the Code of Civil Procedure is amended to read:

415.40. A summons may be served on a person outside this state in any manner provided by this article or by sending a copy of the summons and of the complaint to the person to be served by first-class mail, postage prepaid, requiring a return receipt. Service of a summons by this form of mail is deemed complete on the 10th day after such mailing.

SEC. 2. The amendment of Section 415.40 of the Code of Civil Procedure by Section 1 of this act does not constitute a change in, but is declaratory of, the existing law.

CHAPTER 250

An act to amend Section 404 of the Code of Civil Procedure, relating to civil actions.

[Approved by Governor June 9, 1982. Filed with Secretary of State June 9, 1982.]

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

SECTION 1. Section 404 of the Code of Civil Procedure is amended to read:

404. When civil actions sharing a common question of fact or law are pending in different courts, the presiding or sole judge of any such court, on his own motion or the motion of any party supported by an affidavit stating facts showing that the actions meet the standards specified in Section 404.1, or all the parties plaintiff or defendant in any such action, supported by an affidavit stating facts showing that the actions meet the standards specified in Section 404.1, may request the Chairman of the Judicial Council to assign a judge to determine whether coordination of the actions is appropriate and a judge shall be so assigned to make that determination.

Notwithstanding any other provision of law, when civil actions sharing a common question of fact or law are pending in a superior court and in a municipal or justice court of the same county, the superior court may, on the motion of any party supported by an affidavit stating facts showing that the actions meet the standards specified in Section 404.1, order transfer from the municipal or justice court and consolidation of the actions in the superior court.

CHAPTER 251

An act to amend Sections 1260, 1510, 8366, 16010, 16191, 32341, 72401, 76001, 76160, 78030, 81033.5, 81137, 81332, 81640, 81648, 81676, 82305, 82305.6, 84850, 85260, 87009, 87010, 87011, 87446, 87732, 87821, 88006, 88020, and 88122 of, to add Sections 78470, 81670, and 87809 to, to add Chapter 5 (commencing with Section 81900) to Part 49 of, and to repeal Sections 79000.5, 81929, 81936, 81961, 81962, 81963, 81965, 81966, 87739, and 87739.5 of, the Education Code, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 1260 of the Education Code is amended to read:

1260. The county superintendent of schools, with the approval of the county board of education, may:

(a) Conduct studies through research and investigation as are determined by the county board to be required in connection with the future management, conditions, needs, and financial support of the schools within the county; or join with one or more school district

or community college district governing boards in the conduct of such studies.

(b) Install and maintain exhibits of educational programs and activities of the school districts and community college districts within the county at any county fair or at any agricultural district fair.

(c) Inform and make known to the citizens of the county, the educational programs and activities of the school districts or community college districts within his jurisdiction.

(d) Subscribe for membership in any society, association, or organization which has for its purpose the promotion and advancement of public or private education, subject to the same restrictions as are imposed by Section 35173 on governing boards of school districts respecting such subscriptions.

(e) Provide in-service programs and coordinative services for any school or community college district governing board or governing board association in the territory under the jurisdiction of the county superintendent of schools.

SEC. 2. Section 1510 of the Education Code is amended to read:

1510. Except as provided in Section 1500, all expenses necessary for the county board of education, the county committee on school district organization, and the county superintendent of schools to comply with the following provisions are payable from the county general fund: 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1200, 1201, 1202, 1203, 1240, 1241, 1243, 1244, 1245, 1290, 1298, 2600, 4208, 4293, 4298, 4299, 4406, 4407, 4408, 4410, 4411, 5425, 5426, 10020, 14200, 14201, 16061, 16166, 22800.5, 23000, 23002, 23003, 23004, 23005, 23006, 23008, 35102, 37066, 39121, 40000, 42124, 42636, 42638, 42643, 42662, 42670, 42671, 42672, 42673, 42674, 42675, 42676, 42677, 42678, 42690, 42691, 42692, 42693, 42694, 42800, 44323, 44422, 44427, 44428, 44429, 44430, 44433, 44434, 44435, 44436, 44437, 44804, 44816, 44819, 44843, 44857, 45034, 45056, 45057, 48263, 48674, 48675, 49406, 52550, 52551, 72100, 81110, 85236, 85238, 85243, 85272, 85280, 85281, 85282, 85283, 85284, 85285, 85286, 85287, 85288, 85300, 85301, 85302, 85303, 85304, 85400, 87332, 87339, 87340, and 87808.

The provisions of this section shall not be construed to prohibit support from the county general fund from being provided for duties and services performed pursuant to sections enumerated above for those counties operating under the provisions of Section 1080.

SEC. 3. Section 8366 of the Education Code is amended to read:

8366. Each person employed by a public or private agency as defined in Section 8213 in a position requiring a child development permit for the supervision and instruction of children, or for service as a physician, dentist, or nurse, or in the supervision of the child development program, shall be deemed to be employed in a position requiring certification qualifications.

Each other person employed by an agency in a child development program under the provisions of this chapter shall be deemed for all purposes, including retirement, to be a person employed by the agency in a position not requiring certification qualifications.

The provisions of Section 45053 or 45054 shall not apply to employees in child development programs.

A district may lay off an employee required to have such a permit at any time during the school year for lack of work or lack of funds or may provide for his employment for not to exceed 90 days in any one school year on an intermittent basis which shall not be deemed probationary service. The order of layoff shall be determined by length of service. The employee who has served the shortest time shall be laid off first, except that no permanent employee shall be laid off ahead of a probationary employee. A permanent employee who has been laid off shall hold reinstatement rights for a period of 39 months from the date of layoff.

Service performed prior to September 18, 1959, shall not be included in computing the service required as a prerequisite for attainment of, or eligibility to, classification as a permanent child development employee.

A person who is employed by an agency as a probationary employee in a position requiring a child development permit for the supervision and instruction of children, or for service as a physician, dentist, or nurse, or in the supervision of the children's program and who has served in such a position for three complete consecutive school years as defined in Sections 44908 or 87468 and 44975 or 87776 immediately prior to September 18, 1959, may be dismissed only in accordance with the provisions of Section 44949 or 87740.

Other persons who are employed as probationary employees in positions requiring such permits on or after September 18, 1959, may be dismissed in accordance with the provisions of Section 44949 or 87740.

SEC. 4. Section 16010 of the Education Code is amended to read:

16010. The Department of Education, in addition to any responsibilities or approvals required under Sections 39000 to 39323, inclusive, shall provide the following services to school districts making applications for apportionments under this chapter:

(1) It shall assist school districts in organizing a comprehensive planning effort. It shall guide a planning process through its appropriate steps and, when requested by a school district, it shall provide the school district with sources of expertise, either public or private, which may be able to contribute to the development of plans to find solutions for specific problems a school district may have.

(2) It shall provide continuing research in relation to all phases of educational programs and the school facilities that are required to implement these educational programs.

(3) It shall provide a review and evaluation service to school districts to assure the effectiveness of the facilities that have been provided in accommodating educational programs.

(4) It shall provide communication media through publications, seminars, and prepare planning guides and procedures containing recommendations, which guides shall be used to disseminate educational planning information to all school districts.

SEC. 5. Section 16191 of the Education Code is amended to read:

16191. As used in this article, "exceptional children" means physically handicapped pupils, mentally retarded pupils, educationally handicapped pupils, multihandicapped pupils, or pupils enrolled in development centers for the handicapped required or allowed to be educated pursuant to Part 30 (commencing with Section 56000).

SEC. 6. Section 32341 of the Education Code is amended to read:

32341. Except where such service is provided by a school district pursuant to Section 44332.5, each county or city and county board of education may provide for the registration of any valid certification or other document authorizing the holder thereof to serve in a position requiring certification qualifications as an employee of the county superintendent of schools of such county or city and county or of a school district under the jurisdiction of such county superintendent of schools.

SEC. 7. Section 72401 of the Education Code is amended to read:

72401. Notwithstanding any other provisions of law, any person may be permitted by the governing board of any community college district to serve as a nonteaching volunteer aide under the immediate supervision and direction of the certificated personnel of the district to perform noninstructional work which serves to assist such certificated personnel in performance of teaching and administrative responsibilities. Such a nonteaching volunteer aide shall not be an employee of the district and shall serve without compensation of any type or other benefits accorded to employees of the district, except as provided in Section 3364.5 of the Labor Code.

No district may abolish any of its classified positions and utilize volunteer aides, as authorized herein, in lieu of classified employees who are laid off as a result of the abolition of a position; nor may a district refuse to employ a person in a vacant classified position and use volunteer aides in lieu thereof.

It is the intent of the Legislature to permit community college districts to use volunteer aides to enhance its educational program but not to permit displacement of classified employees nor to allow districts to utilize volunteers in lieu of normal employee requirements.

SEC. 8. Section 76001 of the Education Code is amended to read:

76001. The president of any community college may admit to the community college as a special part-time student any student whose admission is recommended by his or her principal. A principal of a school may recommend a student as a special part-time student pursuant to rules and regulations which may be adopted by the governing board of the school district.

The attendance of a student at community college as a special part-time student pursuant to this section is authorized attendance. Credit for courses completed shall be at the level determined to be appropriate by the school district and community college district

governing boards.

Notwithstanding Sections 48801 and 48802, no special part-time student need attend school classes for the minimum schoolday.

For purposes of this section, a special part time student may enroll in up to, and including, 12 units per semester, or the equivalent thereof, at the community college.

SEC. 9. Section 76160 of the Education Code is amended to read:

76160. Any student under 21 years of age, and any student under 25 years of age who has been honorably discharged or is otherwise returning from active or inactive military service with the armed forces of the United States, who resides in this state and more than 90 miles from the nearest public community college attendance center where credit courses are maintained, measured by the usual vehicular route between the student's home and the attendance center, may request to attend credit courses at any public community college in the state, whether or not the student's residence is in a district maintaining a community college. The governing board of the district maintaining the community college designated by the student shall admit the student provided all requirements for admission are met.

The provisions of this section shall not apply to any student residing in a district maintaining a community college if that district maintains adequate dormitories or housing facilities or provides adequate transportation for the student between the student's home and the community college attendance center.

If the student resides within territory not included within any community college district there shall be paid to the parents or other persons having charge or control of the student and directly to adult students and married minors, by the district in which the student attends, an in lieu of transportation allowance of four dollars ($4) per calendar day for the period in which the student is enrolled full time in credit classes in a community college under this section. This amount shall be paid on or before the 15th day after the close of the fiscal year in which the student was so enrolled. Community college districts shall be reimbursed for in lieu of transportation allowances provided to students from nondistrict territory for the prior fiscal year to the maximum amount as provided in Section 87604.9. Not later than August 1 of each year, the governing board of the community college district of student attendance shall forward appropriate information to the county superintendent of schools where the student resides. The county superintendent of schools where the student resides shall certify to the chancellor's office, on such forms as the chancellor's office shall require, the amounts payable to community college districts pursuant to this section.

For the purpose of this section, a person shall be deemed to be honorably discharged from the armed forces (a) if he or she was honorably discharged from the armed forces of the United States or (b) if he or she was inducted into the armed forces of the United States under the "Universal Military Training and Service Act," and

(1) satisfactorily completes his or her period of training and service under that act and is issued a certificate to that effect pursuant to that act, or (2) having served honorably on active duty was transferred to a reserve component of the armed forces of the United States pursuant to that act, or (3) was otherwise released pursuant to that act under honorable conditions.

For the purposes of this section, the term "armed forces of the United States" shall include all regular and reserve components of the uniformed services which are subject to the jurisdiction of the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, and all components of the Coast Guard.

SEC. 10. Section 76470 is added to the Education Code, to read:

76470. The governing board of any community college district may provide, or make available, medical or hospital service, or both, through nonprofit membership corporations defraying the cost of medical service or hospital service, or both, or through group, blanket, or individual policies of accident insurance from authorized insurers, for students of the district injured while participating in athletic activities under the jurisdiction of, or sponsored or controlled by, the district or the authorities of any school of the district. The cost of the insurance or membership may be paid from the funds of the district or by the insured student or his or her parent or guardian.

The insurance may be purchased from, or the membership may be taken in, only those companies or corporations which are authorized to do business in this state.

SEC. 11. Section 78030 of the Education Code is amended to read:

78030. (a) Subject to the provisions of Article 1 (commencing with Section 76000) of Chapter 1 of Part 47, a district resident, as defined for purposes of Part 41 (commencing with Section 68000), shall be admitted to a community college in another district unless the admission would be contrary to the terms of an interdistrict attendance agreement or a notice of restriction.

(b) A district resident may be entitled to enroll and may be admitted to a community college in another district; provided, that the governing board of the receiving community college district has approved the admission and has determined that space is available at that community college.

(c) Attendance of these students shall be separately recorded and reported to the Chancellor's office of the California Community Colleges.

(d) The governing board of each community college district shall prescribe rules and regulations for the implementation of this section.

SEC. 12. Section 79000.5 of the Education Code is repealed.

SEC. 13. Section 81033.5 of the Education Code is amended to read:

81033.5. Geological and soil engineering studies as described in Section 81033 shall be made, within the boundaries of any special

studies zone, for the construction of any building as defined in Section 81131 or, if the estimated cost exceeds twenty thousand dollars ($20,000), for the reconstruction or alteration of or addition to any such building for work which alters structural elements. The Department of General Services may require similar geological and soil engineering studies for the construction or alteration of any building on a site located outside of the boundaries of any special studies zone. No such studies need be made if the site under consideration has been the subject of adequate prior studies.

No building shall be constructed, reconstructed, or relocated on the trace of a geological fault along which surface rupture can reasonably be expected to occur within the life of the school building.

A copy of the report of each investigation conducted pursuant to this section shall be submitted to the Department of General Services pursuant to Article 7 (commencing with Section 81130) and to the chancellor's office of the California Community Colleges. The cost of geological and soil engineering studies and investigations conducted pursuant to this section may be treated as a capital expenditure.

SEC. 14. Section 81137 of the Education Code is amended to read:

81137. All fees shall be paid into the State Treasury and credited to the Division of Architecture Public Building Fund, which fund is continued in existence and is retitled the Architecture Public Building Fund, and are available without regard to fiscal years for the use of the Department of General Services, subject to approval of the Department of Finance, in carrying out the provisions of this article.

Adjustments in the amounts of the fees, as determined by the Department of General Services and approved by the Department of Finance, will be made within the limits set in Section 81136 in order to maintain a reasonable working balance in the fund.

SEC. 15. Section 81332 of the Education Code is amended to read:

81332. Before the governing board of a community college district enters into a lease or agreement pursuant to this article, it shall have available a site upon which a building to be used by the district may be constructed and shall have complied with the provisions of law relating to the selection and approval of sites, and it shall have prepared and shall have adopted plans and specifications for such building which have been approved pursuant to Article 7 (commencing with Section 81130) of Chapter 1 of Part 49. A district has a site available for the purposes of this section if it owns a site or if it has an option on a site which allows the community college district or the designee of the district to purchase the site. Any community college district may acquire and pay for an option containing such a provision.

SEC. 16. Section 81640 of the Education Code is amended to read:

81640. The governing board of any community college district shall let any contracts involving an expenditure of more than twelve thousand dollars ($12,000) for work to be done or more than eighteen thousand dollars ($18,000) for materials or supplies to be furnished,

sold, or leased to the district, to the lowest responsible bidder who shall give such security as the board requires, or else reject all bids. This section applies to all materials and supplies whether patented or otherwise.

SEC. 16.5. Section 81648 of the Education Code is amended to read:

81648. In an emergency when any repairs, alterations, work or improvement is necessary to permit the continuance of existing college classes, or to avoid danger to life or property, the board may by unanimous vote, with the approval of the county superintendent of schools, make a contract in writing or otherwise on behalf of the district for the performance of labor and furnishing of materials or supplies for the purpose without advertising for or inviting bids.

SEC. 17. Section 81670 is added to the Education Code, to read:

81670. The governing board of any community college district may construct and maintain dormitories in connection with any community college within the district for use and occupancy by students in attendance at the community college, and shall fix the rates to be charged the students for quarters in the dormitories.

SEC. 18. Section 81676 of the Education Code is amended to read:

81676. The governing board of any community college district may establish a bookstore on district property for the purpose of offering for sale textbooks, supplementary textbooks, school supplies, stationery supplies, confectionary items, and related auxiliary school supplies and services.

Any person who is employed in a bookstore maintained by a community college pursuant to this section is a member of the classified service of the district in accordance with Section 88020. In the case of a person who, immediately preceding becoming a member of the classified service of a school district pursuant to this section, was employed, other than as a student or substitute employee, in a community college bookstore maintained by a student body organization, such prior service shall, for all purposes, be deemed service in the classified service of the employing community college district.

The disposition and accounting of revenue and expenditures of the bookstore operation shall be as prescribed by the California Community Colleges Budget and Accounting Manual. Net proceeds from the operation of a community college bookstore shall be used for the general benefit of the student body as determined by the governing board. Money may be expended for services and property, including, but not limited to, parking facilities, stadia, student centers, student unions, health centers, bookstores or auxiliary facilities for use of students or faculty members of the community college or employees of the district. Funds derived from the operation of a community college bookstore shall be subject to audit pursuant to Section 84040.

SEC. 19. Section 81929 of the Education Code, as amended by Section 1 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 20. Section 81929 of the Education Code, as added by Section 2 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 21. Section 81936 of the Education Code, as amended by Section 3 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 22. Section 81936 of the Education Code, as added by Section 4 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 23. Section 81961 of the Education Code is repealed.

SEC. 24. Section 81962 of the Education Code is repealed.

SEC. 25. Section 81963 of the Education Code is repealed.

SEC. 26. Section 81965 of the Education Code is repealed.

SEC. 27. Section 81966 of the Education Code is repealed.

SEC. 28. Chapter 5 (commencing with Section 81900) is added to Part 49 of the Education Code, to read:

CHAPTER 5. COMMUNITY COLLEGE REVENUE BOND ACT OF 1961

81900. This chapter may be cited as "The Community College Revenue Bond Act of 1961."

81901. The governing board of any community college district may issue revenue bonds pursuant to this chapter.

81902. The following terms wherever used in this chapter, or in any indenture entered into pursuant to this chapter, have the following meanings, unless a different meaning appears from the context:

(a) "Board" means the governing board of a community college district.

(b) "Community college" means a community college maintained by the district issuing bonds under this chapter.

(c) "Project" means any one or more dormitories or other housing facilities, boarding facilities, student union or activity facilities, vehicle parking facilities, or any other auxiliary or supplementary facilities for individual or group accommodation, owned or operated or authorized to be acquired, constructed, furnished, equipped, and operated by the board for use by students, faculty members, or other employees of any one or more community colleges, or a combination of such facilities, which may include facilities already completed and facilities authorized for future completion, designated by the board as a project in providing for the issuance of revenue bonds.

(d) "Bonds" or "revenue bonds" mean the written evidence of any obligation issued by the board, payment of which is secured by a pledge of revenues or any part of revenues, as provided in this chapter, in order to obtain funds with which to carry out the purposes of this chapter, irrespective of the form of such obligations.

(e) "Revenues" mean and include any and all fees, rates, rentals, and other charges received or receivable in connection with, and any and all other incomes and receipts of whatever kind and character derived by, the board from the operation of or arising from a project, including any such revenue as may have been or may be impounded

or deposited in any fund in the county treasury created by this chapter for the security of any revenue bonds issued hereunder, or for the purpose of providing for the payment thereof or the interest thereon.

(f) "Holder of bonds" or "bondholder" or any similar terms mean any person who is the bearer of any outstanding revenue bond or bond registered to bearer or not registered or the registered owner of any such outstanding revenue bond or bond which shall at the time be registered other than to bearer.

(g) "Indentures" mean an agreement entered into by the board pursuant to which revenue bonds are issued, regardless of whether such agreement is expressed in the form of a resolution of the board or by other instrument.

(h) "Person" includes any individual, firm, corporation, association, copartnership, trust, business trust, or receiver or any trustee or conservator for any thereof, but does not include the state or any public corporation, political subdivision, city, county, district or any agency thereof or of the state.

(i) "County treasurer" means the treasurer of the county in which all or a majority of the assessed valuation of the district lies at the time bonds are issued under this chapter.

(j) "County" means the county, or city and county, in which all or a majority of the assessed valuation of the community college district lies at the time bonds are issued under this chapter.

81903. The board, for the purpose of this chapter, has power and is hereby authorized, in addition to and amplification of all other powers conferred upon the board by the Constitution of the State of California or by any statute of the State of California:

(a) To acquire subject to the state law, by grant, purchase, gift, devise, or lease, or by the exercise of the right of eminent domain, and to hold and use any real or personal property necessary or convenient or useful for the carrying on of any of its powers pursuant to the provisions of this chapter.

(b) To construct, operate, and control any project.

(c) To fix rates, rents, or other charges for the use of any project acquired, constructed, equipped, furnished, operated, or maintained by the board, or for services rendered in connection therewith, and to alter, change, or modify the same at its pleasure, subject to any contractual obligation which may be entered into by the board with respect to the fixing of these rates, rents, or charges.

(d) To enter into covenants to increase rates or charges from time to time as may be necessary pursuant to any contract or agreement with the holders of any bonds of the board.

(e) At any time and from time to time, to issue revenue bonds in order to raise funds for the purpose of establishing any project, of acquiring lands for any project, of acquiring, constructing, improving, equipping, or furnishing any project, of refinancing any project, or for any combination of these purposes, which bonds may be secured as provided in this chapter.

(f) To exercise, subject to state law, the right of eminent domain for the condemnation of private property or any right or interest therein.

(g) To adopt such rules and regulations as may be necessary to enable the board to exercise the powers and to perform the duties conferred or imposed upon the board by this chapter.

(h) Nothing contained in this section or elsewhere in this chapter shall be construed directly or by implication to be in derogation of, or in limitation of, the powers conferred upon or existing in the board by virtue of provisions of the Constitution or statutes of this state.

81904. The validity of the authorization and issuance of any revenue bonds by the board is not dependent on or affected in any way by:

(a) Proceedings taken by the board for the acquisition, construction, or completion of any project or any part thereof.

(b) Any contracts made by the board in connection with the acquisition, construction, or completion of any project.

(c) The failure to complete any project for which bonds are authorized to be issued.

81905. The board shall issue revenue bonds in its name and as its obligation, but no bond issued or sold pursuant to this chapter shall be or become a lien, charge, or liability against the State of California, against the community college district, or against the board, or against the property or funds of the state, district, or board, except to the extent of the pledge of revenues or part of revenues of the project, as may be provided by the indenture pursuant to which revenue bonds are issued. Every revenue bond issued by the board shall contain a recital on the face thereof, stating that neither the payment of the principal nor any part thereof, nor any interest thereon, constitutes a debt, liability, or obligation of the State of California or of the community college district.

81906. The board shall determine the time, form, and manner of the issuance of revenue bonds.

81907. The community college board may enter into indentures providing for the aggregate principal amount, date or dates, maturities, interest rates, denominations, form, registration, transfer, and interchange of any revenue bonds and coupons issued pursuant to this chapter, and the terms and conditions on which the same shall be executed, issued, secured, sold, paid, redeemed, funded, and refunded. Reference on the face of the bonds to such indenture by its date of adoption, or the apparent date on the face thereof, is sufficient to incorporate all of the provisions of the indenture and of this chapter into the body of the bonds and their appurtenant coupons. Each taker and subsequent holder of the bonds or coupons, whether the coupons are attached to or detached from the bonds, has recourse to all of the provisions of the indenture and of this chapter, and is bound thereby.

81908. An indenture pursuant to which bonds are issued may include any and all such covenants and agreements on the part of the

board as the board deems necessary or advisable for the better security of the bonds issued thereunder.

81909. An indenture may provide that payments of principal and interest of bonds shall be secured by all or by part of revenues.

81910. An indenture may include a clause relating to the bonds issued thereunder requiring the board to pay or cause to be paid punctually the principal of all the bonds and the interest thereon on the date or dates, or at the place or places, and in the manner mentioned in the bonds and in the coupons appertaining thereto in accordance with the indenture.

81911. An indenture may include a clause, relating to the bonds issued thereunder, requiring the board to operate the project continuously, to the extent practicable under conditions as they may from time to time exist, in an efficient and economical manner.

81912. An indenture may include a clause relating to the bonds issued thereunder requiring the board to make all necessary repairs, renewals, and replacements to any project, and to keep the project at all times in good repair, working order, and condition.

81913. An indenture may include a clause relating to the bonds issued thereunder requiring the board to preserve and protect the security of the bonds and the rights of the holders thereof and to warrant and defend such rights.

81914. An indenture may include a clause relating to the bonds issued thereunder requiring the board to pay and discharge or cause to be paid and discharged all lawful claims for labor, materials, and supplies or other charges which, if unpaid, might become a lien or charge upon the revenues, or any part thereof, of any project acquired, constructed, or completed from the proceeds of the sale of the bonds, or upon any physical properties, or which might impair the security of the bonds.

81915. An indenture may include a clause relating to the bonds issued thereunder which limits, restricts, or prohibits any right, power, or privilege of the board to mortgage or otherwise encumber, sell, lease, or dispose of any improvements constructed from the proceeds of the bonds, or to enter into any lease or agreement which impairs or impedes the operation of a project, or any part thereof, necessary to secure adequate revenues or which otherwise impairs or impedes the rights of the holders of the bonds with respect to such revenues.

81916. An indenture may include a clause relating to the bonds issued thereunder requiring the board to fix, prescribe, and collect rates, rentals, or other charges in connection with the services and facilities furnished from the project acquired, constructed, or purchased from part or all of the proceeds of the bonds, sufficient to pay the principal of and interest on the bonds as they become due and payable, together with such additional sums as may be required for any fund created by this chapter, for the further security of such bonds, or as a depreciation charge or other charge in connection with the project.

81917. An indenture may include a clause relating to the bonds issued thereunder requiring the board to hold or cause to be held in trust the revenues or any part of the revenues pledged to the payment of such bonds and the interest thereon, or to any reserve or other fund created by this chapter for the further protection of the bonds, and to apply such revenues or any part of revenues or cause them to be applied only as provided in the indenture.

81918. An indenture may include a clause defining the power of the board in applying the proceedings of the sale of any issue of bonds for the acquiring, constructing, or completing of any project or any part thereof.

81919. An indenture may include a clause limiting the power of the board to issue additional bonds for the purpose of acquiring, constructing, or completing any project or any part thereof.

81920. An indenture may include a clause requiring, specifying, or limiting the kind, amount, and character of insurance to be maintained by the board on any project, or any part thereof, and the use and disposition of the proceeds of any such insurance thereafter collected.

81921. An indenture may include a clause providing the events of default and the terms and conditions upon which any or all of the bonds of the board then or thereafter issued may become or be declared due and payable prior to maturity, and the terms and conditions upon which such declaration and its consequences may be waived.

81922. An indenture may include a clause designating the rights, limitations, powers, and duties arising upon breach by the board of any of the covenants, conditions, or obligations contained in any indenture.

81923. An indenture may include a clause prescribing a procedure by which the terms and conditions of the indenture may be subsequently amended or modified with the consent of the board and the vote or written assent of the holders of a specified principal amount or specified proportion of the bonds issued and outstanding. The clause may provide for meetings of bondholders and for the manner in which the consent of the bondholders may be given. The clause shall specifically state the effect of an amendment or modification upon the rights of the holders of all of the bonds and interest coupons appertaining thereto, whether attached thereto or detached therefrom.

With respect to any clause providing for the modification or amendment of an indenture, the board may agree that bonds held by the county treasurer, the United States or any instrumentality thereof, or the State of California or any political subdivision thereof (including every municipal corporation, district, public corporation, board, or agency of any kind or class) shall not be counted as outstanding bonds, or be entitled to vote or assent, but shall, nevertheless, be subject to modification or amendment.

81924. An indenture may include a clause providing for such

other acts and matters as may be necessary, convenient, or desirable in order to better secure the bonds or to make the bonds more marketable.

81925. The county treasurer shall act as trustee for the board and the holders of bonds issued pursuant to this chapter. The board may authorize the trustee to act on behalf of the holders of the bonds, or any stated percentage thereof, and to exercise and prosecute on behalf of the holders of the bonds such rights and remedies as may be available to the holders. The board may provide in the indenture for the deposit of all revenues received from the project with the trustee to be held in a separate account in the community college dormitory revenue fund of the district created by this chapter. The money in that fund shall be disbursed only as provided in the indenture.

81926. The board shall prescribe the duties and powers of the trustee with respect to the issuance, authentication, sale, and delivery of the bonds and the payment of principal and interest thereof, the redemption of the bonds, the registration and discharge from registration of the bonds, and the management of any sinking fund or other funds provided as security for the bonds.

81927. The board may provide for one or several issues of bonds and may issue bonds in series or may divide any issue into one or more divisions and fix different maturities or dates of such bonds, different rates of interest, or prescribe different terms and conditions for the bonds of the several series or divisions. It is not necessary that all bonds of the same authorized issue be of the same kind or character, have the same security, or be of the same interest rate, but the terms thereof shall in each case be provided for by the board at or prior to the issue thereof.

81928. Bonds may be issued as coupon bonds or as registered bonds. The board may provide for the interchange of coupon bonds for registered bonds and registered bonds for coupon bonds, and may provide that the bonds shall be registered as to principal only, or as to both principal and interest, or otherwise as the board may determine.

81929. Bonds shall bear interest at a rate of not to exceed 12 percent per annum, payable annually or semiannually or in part annually and in part semiannually.

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.

81929.5. Bonds shall bear interest at a rate of not to exceed 10 percent per annum, payable annually or semiannually, or in part annually and in part semiannually.

This section shall become operative January 1, 1985.

81930. Bonds may be callable upon such terms and conditions, and upon such notice, as the board may determine, and upon the payment of such premium as may be fixed by the board in the proceedings for the issuance of the bonds. No bond is subject to call

or redemption prior to its fixed maturity date unless the right to exercise the call is expressly stated on the face of the bond.

81931. The board may provide for the payment of the principal and interest of bonds at any place within or without the State of California, and in specified coin or currency of the United States.

81932. The board may provide for the execution and authentication of bonds by the manual, or by lithographed or printed facsimile, signature of officers of the board and by additional authentication by the county treasurer as trustee. If any of the officers whose signatures or countersignatures appear upon the bonds or coupons cease to be officers before the delivery of the bonds or coupons, their signatures or countersignatures are nevertheless valid and of the same force and effect as if the officers had remained in office until the delivery of the bonds and coupons.

81933. Bonds shall bear dates prescribed by the board. Bonds may be serial bonds or sinking fund bonds with such maturities as the board may determine. No bond by its terms shall mature in more than 50 years from its own date and, in the event any authorized issue is divided into two or more series or divisions, the maximum maturity date authorized by this section shall be calculated from the date on the face of each bond separately, irrespective of the fact that different dates may be prescribed for the bonds of each separate series or division of any authorized issue.

81934. Immediately after the adoption of a resolution by the board, directing the preparation of any bonds authorized under this chapter, the county treasurer shall prepare the requisite number of suitable bonds of the denominations and in accordance with the specifications contained in the resolution.

81935. When the bonds authorized to be issued under this chapter are duly executed, they shall be sold by the county treasurer, for cash, in such parcels and numbers as directed by the board, after a resolution requesting the sale has been adopted by the board. Before offering any of the bonds for sale, the treasurer shall detach therefrom all coupons, if any, which have matured or will mature before the day fixed for the sale.

81936 Bonds may be sold at either public or private sale. The board may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The county treasurer, when authorized by resolution of the board, may sell bonds at less than their par or face value, but no bond may be sold at a price below the par or face value thereof which would result in a sale price yielding to the purchaser an average of more than 12 percent per annum, payable semiannually, according to standard tables of bond values.

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.

81936.5. Bonds may be sold at either public or private sale. The board may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The county treasurer, when

authorized by resolution of the board, may sell bonds at less than their par or face value, but no bond may be sold at a price below the par or face value thereof which would result in a sale price yielding to the purchaser an average of more than 10 percent per annum, payable semiannually, according to standard tables of bond values.

This section shall become operative January 1, 1985.

81937. The board may provide for the security of bonds. The board may use and expend all or any part of any funds or proceeds of any property owned by it, whether received by gift, appropriation, or otherwise, if not restricted as to the use of such funds or proceeds of property by the terms of any gift or trust or provision of law for the redemption of bonds issued pursuant to the provisions of this chapter and the payment of interest due thereon.

81938. All costs and expenses incident to the issuance and sale of bonds may be paid out of the proceeds of the sale of the bonds. Interest on bonds may be paid out of the proceeds of the sale of the bonds during the actual construction of any project for the acquisition, construction, or completion of which the bonds have been issued, and for a period of not to exceed two years thereafter as provided for in the indenture.

81939. The board may provide that the bonds and the interest thereon shall be secured by all or by part of revenues of a project upon the basis of which revenue bonds are issued or authorized to be issued, and shall constitute such lien upon the revenues of such project as may be provided for in the indenture.

81940. Pending the actual issuance or delivery of revenue bonds, the board may issue temporary or interim bonds, certificates or receipts of any denomination whatsoever, and with or without coupons, to be exchanged for definitive bonds when ready for delivery.

81941. The board may provide for the replacement of lost, destroyed, or mutilated bonds or coupons.

81942. Bonds issued pursuant to the provisions of this chapter and the interest or income therefrom are exempt from all taxation in this state other than gift, inheritance, and estate taxes.

81943. Notwithstanding any other provision of law, all bonds sold and delivered pursuant to this chapter are legal investments for all trust funds and for the funds of all insurance companies, banks, both commercial and savings, trust companies, the state school funds, and any public or private funds which may be invested in county, municipal, or community college district bonds, and may be deposited as security for the performance of any act whenever the bonds of any county, municipality, or community college district may be so deposited, and may also be used as security for the deposit of public moneys in banks in this state.

81944. The board may provide for the issuance, sale, or exchange of refunding bonds for the purpose of redeeming or retiring any revenue bonds issued under the provisions of this chapter. All provisions of this chapter applicable to the issuance of revenue bonds

are applicable to the funding or refunding bonds and to the issuance, sale, or exchange thereof.

81945. Funding or refunding bonds may be issued in a principal amount sufficient to provide funds for the payment of all bonds to be funded or refunded thereby, and in addition for the payment of all expenses incident to the calling, retiring, or paying of the outstanding bonds, and the issuance of the funding or refunding bonds. These expenses include the difference in amount between the par value of the funding or refunding bonds and any amount less than par for which the funding or refunding bonds are sold, any amount necessary to be made available for the payment of interest upon such funding or refunding bonds from the date of sale thereof to the date of payment of the bonds to be funded or refunded or to the date upon which the bonds to be funded or refunded will be paid pursuant to the call thereof or agreement with the holders thereof, and the premium, if any, necessary to be paid in order to call or retire the outstanding bonds and the interest accruing thereon to the date of the call or retirement.

81946. All bonds issued under the provisions of this chapter are negotiable instruments, except when registered in the name of a registered owner.

81947. Before issuing any bonds pursuant to the provisions of this chapter, the board shall by resolution declare the purpose for which the proceeds of the bonds proposed to be issued shall be expended and shall specify the maximum amount of bonds to be issued or sold for that purpose. The bonds shall not be issued or sold for that purpose in an amount exceeding the specified maximum except with the consent of bondholders, pursuant to amendment or modification of an indenture, as provided in Section 81923. Nothing in this section shall be construed to prevent the board from amending any such resolution prior to the issuance of bonds authorized thereby to increase or decrease the maximum amount of bonds to be issued or sold. The issuance of bonds for one or more projects may be included in a single resolution of authorization.

81948. The board has full charge of the acquisition, construction, and completion of all projects authorized by them and may proceed with the work forthwith.

81949. The board may construct any project and acquire all property necessary therefor on such terms and conditions as it may deem advisable. When any part of the work is to be done or performed by any public body or by the United States jointly or in conjunction with the board, the portion of the cost thereof to be borne by the board may be turned over to the government of the United States or to any other public body to be expended by it in the acquisition, construction, or completion of the project.

81950. Title to all property acquired by the board and the revenues and income therefrom is in the community college district. The title to any moneys, revenues, sinking funds, reserve funds, and other funds created by this chapter and the income thereof pledged

to the payment of the principal or interest or any bonds issued thereunder is subject to trusts declared in favor of the bondholders. All such property, and the income therefrom, are exempt from all taxation by the State of California or by any county, city and county, city, district, political subdivision, or public corporation thereof.

81951. At all times the operation, maintenance, control, repair, construction, reconstruction, alteration, and improvement of any project are vested in the board subject to authorized leases permitted by any indenture. The board shall comply with all applicable county and city zoning, building, and health regulations.

81952. The board may use for the payment of the costs of acquisition, construction, or completion of any project, any funds made available to the board by the State of California or any other funds provided by the board from any source, to be expended for the accomplishing of the purposes set forth in this chapter, together with the proceeds of revenue bonds issued and sold by the board.

81953. The board may insure against loss of revenues from any cause whatsoever and the proceeds of any such insurance shall be used solely for the payment of bonds and the interest thereon.

81954. The board may insure against public liability or property damage. The board may provide in an indenture for the carrying of such or any other insurance in such amount and of such character as it shall determine, and for the payment of the premiums thereon.

81955. When authorized by resolution of the board, as provided in this chapter, the county treasurer shall prepare and procure the printing or engrossing of bonds, coupons, indenture, or other instruments and contracts or agreements of every kind required or convenient for or pertaining to the issuance or sale of bonds.

81956. The board shall fix rents, charges, and fees for all projects acquired, constructed, or completed under the terms of this chapter for the use thereof by any persons utilizing the facilities thereof, subject to such contractural obligations as may be entered into by the board and the holders of bonds issued under this chapter. The board is authorized to change rents, charges, and fees from time to time, as conditions warrant. All rents, charges, and fees shall at all times be fixed to yield annual revenue equal to annual operating and maintenance expenses, including repairs and insurance costs and all redemption payments and interest charges and reserve fund requirements on revenue bonds at any time issued and outstanding hereunder, as the same become due.

81957. Rent, charges, and fees collected in error may be refunded by the board in accordance with regulations prescribed by the board. Refunds of rent, charges, and fees collected for facilities requested by students and not utilized by them may be made for good cause by the board in such amounts and under such conditions as may be prescribed by regulations adopted by the board.

81958. The board may include in an indenture such limitations as to competitive projects, both as to location and comparative rentals, as may be deemed necessary or desirable for the security of revenue

bonds issued pursuant to this chapter.

81959. The board may also include in an indenture a covenant that no project acquired, constructed, or completed from the proceeds of revenue bonds issued under the provisions of this chapter shall be used without charge therefor or any facilities thereof be furnished free of charge to any person.

81960. The holder of any bond issued pursuant to this chapter may by mandamus or other appropriate proceeding require and compel the performance of any of the duties imposed upon the board or upon any official or employee or assumed by any thereof, in connection with the acquisition, construction, operation, maintenance, repair, reconstruction, or insurance of any project, or the collection, deposit, investment, application, and disbursement of rents, rates, charges, fees, and all other revenues derived from the operation and use of any project or in connection with the deposit, investment, and disbursement of the proceeds received from the sale of bonds under this chapter. The enumeration of such rights and remedies do not, however, exclude the exercise or prosecution of any other rights or remedies available to the holders of bonds issued pursuant to this chapter.

81961. The proceeds from the sale of all bonds authorized under the provisions of this chapter shall be deposited forthwith by the county treasurer, on order of the county auditor, in the county treasury to the credit of a construction fund as designated by the California Community Colleges Budget and Accounting Manual in each county treasury for each district in the county issuing bonds pursuant to this chapter. The money in such construction fund shall be expended, pursuant to claims filed by the board with the county auditor, for the purposes authorized by this chapter, or as provided in the indenture, and for such other purposes, subject to the restrictions provided by law or by the indenture, as may be authorized by resolution of the board. Moneys required to meet the costs of acquisition or construction and all expenses and costs incidental to the acquisition, construction, furnishing, and equipping of any project authorized by this chapter shall be paid from the construction fund as herein provided upon claim filed by the board and after audit by the county auditor in the manner provided by law and upon warrants drawn by the county auditor.

81962. All revenues received from the operation of any project acquired or constructed by the board under the provisions of this chapter shall be transmitted by the board at least once in every calendar month, to the county treasurer. On order of the county auditor, the county treasurer shall deposit such revenues in the county treasury to the credit of the revenue fund as designated by the California Community Colleges Budget and Accounting Manual in each county treasury for each district in the county issuing bonds under this chapter. Moneys in the designated revenue fund shall be used to pay the costs of operation and maintenance of the projects authorized by this chapter, including refunds authorized by Section

81957, to provide the amounts required for interest and redemption of bonds as provided in this chapter, and for any other purposes authorized by resolution of the board, subject to any restrictions provided by law or the indenture.

81963. For the payment of the principal and interest of the bonds authorized to be issued under this chapter, a fund as designated by the California Community Colleges Budget and Accounting Manual shall be established for interest and redemption in each county treasury for each community college district issuing bonds under this chapter. From the money deposited in the designated construction fund of the district, the county treasurer, on order of the county auditor, shall transfer to the designated interest and redemption fund of the district such sums as may be required to pay the interest as it becomes due on all bonds sold and outstanding for the construction or acquisition of a particular project of the district authorized under this chapter during the period of actual construction or acquisition thereof and during such period thereafter as may be provided in the indenture or authorized by resolution of the board. The county treasurer, on order of the county auditor, shall thereafter transfer from the designated revenue fund of the district to the designated interest and redemption fund of the district such sums as may be required to pay the interest on the bonds and redeem the principal thereof as such interest payments and bond redemptions fall due for all bonds issued under the provisions of this chapter.

81964. Any balance remaining in any of the funds created by this chapter after payment of all costs, expenses, and charges authorized to be expended therefrom, may be allocated and used for such other purposes incidental to the acquisition, construction, furnishing, equipping, operation, and maintenance of such projects authorized under the provisions of this chapter as the board may determine.

81965. Moneys in the designated construction fund of each district may be invested by the board, subject only to the limitations contained in an indenture providing for the issuance of revenue bonds. All securities or other investments made under the provisions of this chapter shall be held by the county treasurer as custodian thereof. All interest or other earnings received pursuant to such investments shall be collected by the county treasurer, and, on order of the county auditor, shall be deposited in the county treasury to the credit of the fund from which such interest or other earnings are derived.

81966. After all of the revenue bonds are fully paid and discharged, or provision for their payment and discharge has been irrevocably made, any surplus moneys in the designated construction fund of a district shall, subject to the limitations and restrictions in any indenture providing for the issuance of the revenue bonds, remain available for the acquisition of sites for, and for the construction, equipping, and furnishing of, buildings for community colleges maintained by the district.

81967. This chapter shall be liberally construed to carry out the objects and purposes and the declared policy of the State of California as stated in this chapter.

SEC. 29. Section 82305 of the Education Code is amended to read:

82305. In bidding on contracts, bidders may include in their bids abstractions of their quotations indicating the pricing structure used to compute the annual lease or rental payments for the sole purpose of identifying that portion of each annual lease or rental payment which may represent tax exemption reimbursement to the vendor, lessor or to their assignees.

SEC. 30. Section 82305.6 of the Education Code is amended to read:

82305.6. When the governing board of a community college district provides for the transportation of students to and from community colleges, the governing board of the district may require the parents and guardians of all or some of the students transported, to pay a portion of the cost of such transportation in an amount determined by the governing board. The amount determined by the board shall be no greater than that paid for transportation on a common carrier or municipally owned transit system by other students in the district who do not use the transportation provided by the district. The governing board shall exempt from such charges students of parents and guardians who are indigent as set forth in rules and regulations adopted by the board. No charge under this section shall be made for the transportation of handicapped students. Nothing in this section shall be construed to sanction, perpetuate, or promote the racial or ethnic segregation of students in the community colleges.

SEC. 32. Section 84850 of the Education Code is amended to read:

84850. (a) The Chancellor of the California Community Colleges shall apportion to each community college district for the purpose of funding the excess direct district cost of providing special facilities, special educational material, educational assistance, mobility assistance, transportation, program accountability, and program developmental services for handicapped students enrolled at a community college as defined in Section 78600, who have demonstrated a need for such services, an amount not exceeding seven hundred eighty-five dollars ($785) in each fiscal year for each such handicapped student.

(b) The Board of Governors of the California Community Colleges shall adopt rules and regulations for determining program and service components and appropriation of resources to community college districts pursuant to Section 78600. Such rules and regulations shall be based upon guidelines, developed and approved by both the chancellor and the Director of Rehabilitation after public hearings, and shall be appropriate to the educational needs of handicapped students enrolled at a community college.

(c) Each community college district receiving an allowance under this section shall report to the chancellor on forms and at such

times as he or she shall provide, all expenditures and incomes related to handicapped students for whom the allowances are made. If the chancellor determines that the current expense of educating such students does not equal or exceed the sum of basic state aid and state equalization aid provided in the regular community college foundation program per unit of average daily attendance, the allowance provided under this section and any amount of local tax funds contributed to the foundation program for each such handicapped student in average daily attendance in the district, then the amount of the deficiency shall be withheld from state apportionments to the district in the succeeding fiscal year in accordance with the procedure prescribed in Section 84330.

(d) Notwithstanding subdivision (a), the chancellor may, upon recommendation of the Director of Rehabilitation, allocate amounts up to three times the amount authorized in subdivision (a) to provide for excess costs of educational services for severely disabled students as defined pursuant to subdivision (c) of Section 78600; provided, however, that any allocations made pursuant to this subdivision shall not result in an increase in the total amount of funds allocated pursuant to this section. Allocations in excess of seven hundred eighty-five dollars ($785) per student shall be provided only to programs identified by the chancellor and the Director of Rehabilitation in accordance with rules and regulations adopted pursuant to subdivision (b).

(e) In the event that requests for apportionments exceed the amount of state funds statutorily available, the chancellor shall apportion the statutorily available funds among community college districts applying for such funds in accordance with guidelines established and approved by the chancellor and the Director of Rehabilitation pursuant to this section. State apportionments shall be made only to districts which certify that all appropriate federal and local funds available for programs for handicapped students are being utilized.

(f) The chancellor's office and the Department of Rehabilitation shall jointly develop guidelines governing expenditures relating to handicapped students to prevent duplication in state expenditures for such students.

SEC. 33. Section 85260 of the Education Code is amended to read:

85260. In any county, the county superintendent of schools, the county board of education and the county auditor, may prescribe a payroll procedure, to be followed by designated community college districts in the county, under which the community college district governing boards, by use of payroll orders, shall authorize and direct the county superintendent of schools and the county auditor to draw separate payroll warrants in the names of the individual district employees for the respective amounts set forth therein to the end that each employee may be furnished with a statement of the amount earned and an itemization of the amounts withheld therefrom under requirements of the law or by direction of the

employee.

Such payroll warrants shall show the closing date of the pay period for which issued and the date of issue and a statement that it is drawn by order of the governing board of the district and shall bear the signature of the county auditor.

To obtain the advantage of a uniform pay period and pay date within districts, the payroll procedure may specify the ending date of the pay period and, notwithstanding Sections 87821 and 85244, the date of issue for payroll warrants, except that the issue date shall be on or before the 10th calendar day following the end of the pay period. The payroll procedure may provide for salary payments, including salary advances, more frequently than once a month.

The payroll procedure may provide for payroll orders authorizing salary payments to individual employees on a continuing basis until such time as notifications of changes or adjustments are submitted by the community college districts, provided that an itemized listing of payments made under this procedure is furnished to the community college district on or before the date of issue of the payroll warrants.

The payroll order may direct the transfer from the districts' funds to a clearing fund in the county treasury, to be known as the schools payroll revolving fund, of the total of the amount of the payroll warrants to be issued under the order to the end that payroll warrants for all districts may be drawn against a single revolving fund. The payroll order may further direct the transfer from the districts' funds of the totals of the various deductions set forth therein to the trust funds in the county treasury entitled to receive credit for them and may further direct the proper disbursement of such trust amounts.

When the payroll procedure provides for payment of salary once each month the payment shall be made on the last working day of the month as required by Section 88165.

SEC. 34. Section 87009 of the Education Code is amended to read:

87009. A plea or verdict of guilty or a finding of guilt by a court in a trial without a jury is deemed to be a conviction within the meaning of Sections 87335, 87405, and 88022 of this code, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing the withdrawal of the plea of guilty and entering a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusations or information. The record of such conviction of a sex offense as defined in Section 87010 or of a narcotics offense defined in Section 87011 shall be sufficient proof of conviction of a crime involving moral turpitude for the purposes of Sections 87453, 87467, 87484, and 87732 to 87939, inclusive, relating to the dismissal of permanent employees.

SEC. 35. Section 87010 of the Education Code is amended to read:

87010. "Sex offense," as used in Sections 87290, 87335, 87405, 88022, and 88123, means any one or more of the offenses listed below:

(a) Any offense defined in Sections 261.5, 266, 267, 285, 286, 288, 288a, 647a, subdivision 3 or 4 of Section 261, or subdivision (a) or (d)

of Section 647 of the Penal Code.

(b) Any offense defined in former subdivision 5 of former Section 647 of the Penal Code repealed by Chapter 560 of the Statutes of 1961, or any offense defined in former subdivision 2 of former Section 311 of the Penal Code repealed by Chapter 2147 of the Statutes of 1961, if the offense defined in such sections was committed prior to September 15, 1961, to the same extent that such an offense committed prior to such date was a sex offense for the purposes of this section prior to September 15, 1961.

(c) Any offense defined in Section 314 of the Penal Code committed on or after September 15, 1961.

(d) Any offense defined in former subdivision 1 of former Section 311 of the Penal Code repealed by Chapter 2147 of the Statutes of 1961 committed on or after September 7, 1955, and prior to September 15, 1961.

(e) Any offense involving lewd and lascivious conduct under Section 272 of the Penal Code committed on or after September 15, 1961.

(f) Any offense involving lewd and lascivious conduct under former Section 702 of the Welfare and Institutions Code repealed by Chapter 1616 of the Statutes of 1961, if such offense was committed prior to September 15, 1961, to the same extent that such an offense committed prior to such date was a sex offense for the purposes of this section prior to September 15, 1961.

(g) Any offense defined in Section 286 or 288a of the Penal Code prior to the effective date of the amendment of either section enacted at the 1975–76 Regular Session of the Legislature committed prior to the effective date of the amendment.

(h) Any attempt to commit any of the above-mentioned offenses.

(i) Any offense committed or attempted in any other state which, if committed or attempted in this state, would have been punishable as one or more of the above-mentioned offenses.

SEC. 36. Section 87011 of the Education Code is amended to read:

87011. "Narcotics offense" as used in Sections 87290, 87335, 87405, and 88022 means any one or more of the following offenses:

(a) Any offense in Sections 11350 to 11355, inclusive, 11366, 11368, and 11550 of the Health and Safety Code.

(b) Any offense committed or attempted in any other state or against the laws of the United States which, if committed or attempted in this state, would have been punished as one or more of the above-mentioned offenses.

(c) Any offense committed under former Sections 11500 to 11503, inclusive, 11557, 11715, and 11721 of the Health and Safety Code.

(d) Any attempt to commit any of the above-mentioned offenses.

SEC. 37. Section 87446 of the Education Code is amended to read:

87446. The qualifications for an audiometrist working under the direction of health services personnel shall be a valid certificate or license issued by, or valid registration with, the California state agency authorized by law to issue the certificate or license, or to

effect the registration, required for performance of the service.

SEC. 38. Section 87732 of the Education Code is amended to read:

87732. No regular employee shall be dismissed except for one or more of the following causes:

(a) Immoral or unprofessional conduct.

(b) Any violation of Article 4 (commencing with Section 11400) of Chapter 3 of Title 1 of Part 4 of the Penal Code.

(c) Dishonesty.

(d) Incompetency.

(e) Evident unfitness for service.

(f) Physical or mental condition which makes him or her unfit to instruct or associate with students.

(g) Persistent violation of or refusal to obey the school laws of the state or reasonable regulations prescribed for the government of the community colleges by the board of governors or by the governing board of the community college district employing him or her.

(h) Conviction of a felony or of any crime involving moral turpitude.

(i) Conduct specified in Section 1028 of the Government Code.

(j) Knowing membership by the employee in the Communist Party.

SEC. 39. Section 87739 of the Education Code is repealed.

SEC. 40. Section 87739.5 of the Education Code is repealed.

SEC. 41. Section 87809 is added to the Education Code, to read:

87809. If a community college district fails to pay the salary of any person employed by it in a position requiring certification qualifications who has on file a contract of employment held valid by the legal adviser of the county superintendent of schools having jurisdiction over the district, that county superintendent of schools may transfer sufficient money from the funds of the district to the county school service fund and pay the salary from that fund.

SEC. 42. Section 87821 of the Education Code is amended to read:

87821. Each salary payment for any calendar month may be made on the last working day of the month and shall be paid not earlier than the last working day of the month and not later than the fifth day of the succeeding calendar month except that instructors employed for less than full time in classes for adults, in a day or evening community college, shall be paid on or before the 10th day of the succeeding calendar month for services performed during the preceding calendar month.

If the community college district provides for the payment of the salary of employees employed in positions requiring certification qualifications once each two weeks, twice a month, or once each four weeks, each salary payment may be made on the last working day of the payroll period and shall be made not earlier than the last working day of the payroll period and not later than the eighth working day of the following payroll period.

This section shall not prohibit a district from making a payment of earned salary prior to the last working day of the month or payroll

period.

SEC. 43. Section 88006 of the Education Code is amended to read:

88006. Notwithstanding the provisions of Section 88003 or Section 88076, which exempt certain types of positions or categories of personnel from the classified service of a community college district, persons serving in exempt positions or who serve in classified positions but are exempted from the classified service shall, nevertheless, be subject to the provisions of Sections 87408.6, 88021, 88022, 88023 and 88024. The governing board of every district shall, by rule or regulation, provide for the implementation of this section.

The provisions of this section shall not apply to full-time day students regularly attending in the district of employment.

SEC. 44. Section 88020 of the Education Code is amended to read:

88020. Any person not a student or substitute employee, who has been employed by a community college student body organization pursuant to Section 76062 for a period of at least six months immediately preceding becoming a member of the classified service pursuant to Section 76062 or 81676 shall, without examination, be deemed to be a permanent classified service employee of the community college district.

Any person not a student or substitute employee employed by a student body organization pursuant to Section 76062 for less than six months immediately preceding becoming a member of the classified service pursuant to Section 76062 or 81676 shall, without examination, be deemed to be a probationary classified employee of the district.

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.

SEC. 45. Section 88122 of the Education Code is amended to read:

88122. In addition to any causes for suspension or dismissal which are designated by rule of the commission, employees in the classified service shall be suspended and dismissed in the manner provided by law for any one or more of the following causes:

(a) Knowing membership by the employee in the Communist Party.

(b) Conduct specified in Section 1028 of the Government Code.

SEC. 46. The addition of Chapter 5 (commencing with Section 81900) to Part 49 of the Education Code made by Section 28 of this act shall be construed as a continuation, not a reenactment, of the provisions of law contained in that chapter.

SEC. 47. Sections 12, 23, 24, 25, 26, 27, 28, and 46 of this act shall become operative July 1, 1982.

SEC. 48. This act is an urgency statute necessary for the immediate preservation of the public peace, health, and safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to correct technical oversights and chaptering problems in current provisions of the Education Code, and thus clarify numerous legal ambiguities, it is necessary that this act take effect

immediately.

CHAPTER 252

An act to amend Section 4.1 of the Placer County Water Agency Act (Chapter 1234 of the Statutes of 1957), relating to water agencies.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 4.1 of the Placer County Water Agency Act (Chapter 1234 of the Statutes of 1957) is amended to read:

Sec. 4.1. The agency shall have the power to construct, operate, and maintain works to develop hydroelectric energy as a means of assisting in financing the construction, operation, and maintenance of its projects for the control, conservation, diversion, and transmission of water and to enter into contracts for the sale of that energy for a term not to exceed 50 years. The energy may be marketed to any public agency, private entity, person, or the federal or state government. The agency shall also have the power to acquire, operate, lease, and control facilities for the generation, transmission, distribution, sale, and lease of electric power, including sale to municipalities, public utility districts, or persons, all in the same manner as irrigation districts formed under the Irrigation District Law (Division 11 (commencing at Section 20500) of the Water Code).

The powers granted by this section shall not include, and nothing in this act shall be construed to allow, the acquisition of property or facilities already employed in the generation of hydroelectric energy, except by mutual agreement between the agency and the owner and operator of the property or facilities.

The powers granted by this section shall not include, and nothing in this act shall be construed to allow, the retail sale of hydroelectric energy by the agency of any power generated by the Middle Fork Project during the term of the current contract for the sale of the hydroelectric energy from that project.

CHAPTER 253

An act to add Section 72602.6 to the Government Code, relating to courts.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982]

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

SECTION 1. Section 72602.6 is added to the Government Code, to read:

72602.6. (a) In addition to the number of judges prescribed by Section 72602, at any time as the Los Angeles County Board of Supervisors finds there are sufficient funds for one additional judge for the Glendale Municipal Court District and adopts a resolution to that effect, there shall be one additional judge for the Glendale Municipal Court District.

(b) In addition to the number of judges prescribed by Section 72602.5, at any time as the Los Angeles County Board of Supervisors finds there are sufficient funds for one additional judge for the Antelope Municipal Court District and adopts a resolution to that effect, there shall be one additional judge for the Antelope Municipal Court District.

CHAPTER 254

An act to add Section 31101.5 to the Water Code, to amend Section 15 of the Desert Water Agency Law (Chapter 1069 of the Statutes of 1961), and to add Section 14.1 to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), relating to local agencies.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 31101.5 is added to the Water Code, to read:

31101.5. A district may supply sewage and waste services to property not subject to district taxes at special rates, terms, and conditions as are determined by the board for the services.

SEC. 2. Section 15 of the Desert Water Agency Law (Chapter 1069 of the Statutes of 1961) is amended to read:

Sec. 15. The Desert Water Agency incorporated as herein provided, shall have the power:

1. To have perpetual succession.

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

3. To adopt a seal and alter it at pleasure.

4. To take by grant, purchase, gift, devise, or lease, hold, use, enjoy, and to lease or dispose of real and personal property of every kind, within or without the Desert Water Agency.

5. To acquire, or contract to acquire, waterworks or a waterworks

system, waters, water rights, lands, rights and privileges and construct, maintain and operate conduits, pipelines, reservoirs, works, machinery and other property useful or necessary to store, convey, supply or otherwise make use of water for a waterworks plant or system for the benefit of the agency, and to complete, extend, add to, repair or otherwise improve any waterworks or waterworks system acquired by it as herein authorized.

6. To construct, maintain, improve and operate public recreational facilities appurtenant to any water reservoir operated or contracted to be operated by the Desert Water Agency, and to provide by ordinance regulations binding upon all persons to govern the use of such facilities including regulations imposing reasonable charges for the use thereof. Violation of any such regulation shall be a misdemeanor.

7. To lease of and from any person, firm or public or private corporation, or public agency, with the privilege of purchasing or otherwise, all or any part of water storage, transportation or distribution facilities, existing waterworks or a waterworks system, and to carry on and conduct waterworks or a waterworks system; also to sell water under the control of the agency to cities, and to other public corporations and public agencies within the agency, and to the inhabitants of such cities and of other territory within the agency, and to persons, corporations, and other private agencies within the agency for use within said agency without any preference; also to sell water outside the boundaries of the agency to the extent that the lands and inhabitants so served are southerly and westerly of the White Water River and northerly of the township line between Township 4 South and Township 5 South, S.B.B.& M., and exclusive of that certain subdivision known as Palm Springs Outposts Estates situated in Section 21, Township 4 South, Range 5 East, S.B.B.& M. and it may, whenever the board shall find that there is a surplus of water above that which may be required by such consumers within said agency, sell or otherwise dispose of such surplus water to any persons, firms, public or private corporations or public agencies or other consumers.

8. The agency may supply and deliver water to property not subject to agency taxes at special rates, terms, and conditions as are determined by the board for such service.

9. To exercise the right of eminent domain to take any property necessary to supply the agency or any portion thereof with water. The agency in exercising such power, shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables or poles of any public utility which is required to be removed to a new location. The agency shall not exercise the power of eminent domain with respect to property situated outside the boundaries of the agency unless it first obtains the consent of the board of supervisors of the county in which such property is located; provided, however, that the agency may exercise

the right of eminent domain for the condemnation of property outside the boundaries of the agency for the acquisition of rights-of-way in any county in which territory of the agency is located or in any county adjacent to such county without obtaining the consent thereto of the board of supervisors thereof. When the agency proposes to exercise the power of eminent domain, under this section, for the condemnation of property outside the boundaries of the agency for the acquisition of rights-of-way in any county in which territory of the agency is located or in any county adjacent to such county, it shall give written notice, at least two weeks prior to condemning the property, to the board of supervisors of the county in which the property is located. Such written notice shall contain a description of the property to be condemned. The agency shall not have or exercise power of eminent domain as to any property belonging to a county water district which has more than 50,000 acres of land within its boundaries.

10. To issue bonds, borrow money and incur indebtedness as authorized by law or in this act provided; also to refund (by the issuance of the same obligations following the same procedure) or retire any indebtedness or lien that may exist against the agency or property thereof; also to issue warrants to pay the formation expenses of the agency, which warrants may bear interest at a rate not exceeding 6 percent per annum from the date of issue until funds are available to pay the warrants, and which formation expenses may include fees of attorneys and others employed to conduct the formation proceedings.

11. To issue negotiable promissory notes bearing interest at a rate not exceeding 7 percent per annum; provided, however, that said notes shall be payable from revenues and taxes legally derived pursuant to any maximum property tax rate procedure; and provided further that the maturity shall not be later than five years from the date thereof and that 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 the Desert Water Agency but shall not otherwise exceed the lesser of either one million five hundred thousand dollars ($1,500,000) or 3 percent of the assessed valuation of the taxable property in the Desert Water Agency, or, if said assessed valuation is not obtainable, 3 percent of the county auditor's estimate of the assessed valuation of the taxable property in the agency evidenced by his certificate. Promissory notes issued pursuant to Section 51 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this subdivision.

12. To cause taxes to be levied, in the manner hereinafter provided, for the purpose of paying any obligation of the agency, including its formation expenses and any warrants issued therefor.

13. To restrict the use of agency water during any emergency caused by drought, or other threatened or existing water shortage, and to prohibit the wastage of agency water or the use of agency

water during such periods, for any purpose other than household uses or such other restricted uses as may be determined to be necessary by the agency; to prohibit the use of such water during such periods for specific uses which the agency may from time to time find to be nonessential.

14. To prescribe and define by ordinance, the restrictions, prohibitions and exclusions referred to in subdivision 13 hereof. Every ordinance relating to the matters referred to in this subdivision shall be in full force and effect forthwith upon adoption, but shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation, printed, published and circulated in the agency within 10 days after adoption, or if there be no such newspaper it shall be posted within said time in three public places within the agency.

15. To make contracts, to employ labor, and do all acts necessary for the full exercise of the foregoing powers.

16. To provide by ordinance of its board of directors for the pensioning of officers or employees and the creation of a special fund for the purpose of paying such pensions, and the accumulation of contributions to said fund from the revenues of the agency, the wages of officers or employees, voluntary contributions, gifts, donations or any source of revenue not inconsistent with the general powers of the board, and to contract with any insurance corporation or any other insurance carrier for the maintenance of a service covering the pension of such officers or employees, and to provide in such ordinance for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them.

17. To acquire, control, distribute, store, spread, sink, treat, purify, reclaim, recapture, and salvage any water, including sewage and storm waters, and to acquire, construct, maintain, and operate sanitary sewers and sewerage systems, for the beneficial use or uses and protection of the agency or its inhabitants or the owners of rights to water therein; provided, however, that all waters of the Whitewater River system are excluded from the provisions hereof, except such waters of said system as may be lawfully acquired by the Desert Water Agency; provided further that rights to any water made available by the Desert Water Agency are owned and controlled exclusively by the agency, and no person within or outside of the boundaries of the Desert Water Agency shall acquire any property or other right in such water, except as provided by contract with the agency, or pursuant to such rules and regulations as the agency may from time to time establish and enforce.

18. Subject to the limitations in subdivision 9 of this section, to join with one or more public agencies, private corporations or other persons for the purpose of carrying out any of the powers of the agency, and for that purpose to contract with such other public agencies or private corporations or persons for the purpose of financing such acquisitions, constructions and operations. Such

contracts may provide for contributions to be made by each party thereto and for the division and apportionment of the expenses of such acquisitions and operations, and the division and apportionment of the benefits, the services and products therefrom, and may provide for any agency to effect such acquisitions and to carry on such operations, and shall provide in the powers and methods of procedure for such agency the method by which such agency may contract. Such contracts with other public agencies or private corporations or persons may contain such other and further covenants and agreements as may be necessary or convenient to accomplish the purposes thereof. The term "public agency," as used in this subdivision, shall be deemed to mean and include the United States of America or any department or agency thereof, the State of California or any department or agency thereof, a county, city, public corporation, the Metropolitan Water District of Southern California, or other public district of this state. The term "private corporation," as used in this subdivision, shall be deemed to mean and include any private corporation organized under the laws of the United States of America or of this or any other state thereof. Contracts mentioned herein include those made with the United States under the Federal Reclamation Act of June 17, 1902, and all acts amendatory thereof or supplementary thereto or any other act of Congress heretofore or hereafter enacted permitting cooperation. Any such contract with the United States of America or any department or agency thereof, or with any private corporation organized under the laws of the United States of America, by which the Desert Water Agency, or an improvement district thereof, incurs an indebtedness or liability exceeding in any year the income and revenue for such year shall not be executed without the assent of two-thirds of the qualified electors of the agency, or an improvement district thereof, voting at a special election to be held for that purpose, such election to be called and held, so far as practicable, in the same manner as bond elections for the agency. The exact form of such contract need not be available at the time of the special election, but the (1) purpose of the contract; (2) maximum amount of the indebtedness created thereby; (3) maximum term of repayment, and (4) maximum interest rate on such indebtedness shall be known and included in the proposition or measure submitted to the qualified electors of the agency, or an improvement district thereof, at such special election.

19. To commence, maintain, intervene in, defend and compromise, in the name of the agency, or as a class representative of the inhabitants, property owners, taxpayers, or water producers or water users within the agency, or otherwise, and to assume the costs and expenses of any and all actions and proceedings, now or hereafter begun, involving or affecting the ownership or use of water or water rights, used or useful for any purpose of the agency, or a common benefit to the lands within the agency or its inhabitants.

20. To commence, maintain, intervene in, defend and

compromise, in the name of the agency, or as a class representative of the inhabitants, property owners, taxpayers, water producers or water users within the agency or otherwise, and to assume the costs and expenses of any and all actions or proceedings, now or hereafter begun, to prevent, control, or abate the pollution of water used or useful for any purpose of the agency, or a common benefit to lands within the agency, or to the inhabitants of the agency, or any watershed or basin overlain in whole or in part by the agency or which contributes to the water supply of the agency.

21. Distribute water to persons in exchange for ceasing or reducing groundwater extractions and to fix the terms and conditions of any contract under which producers may agree voluntarily to use replenishment water from a nontributary source in lieu of groundwater, and to such end an agency may become a party to such contract and pay from the agency funds such portion of the cost of such replenishment waters as will encourage the purchase and use of such water in lieu of pumping so long as the persons or property within the agency are directly or indirectly benefited by the resulting replenishment.

22. To issue bonds under Section 28 of this act for the purpose of providing money required to be paid by this agency as all or part of the terms and conditions under which the corporate area of the Desert Water Agency may be annexed to and become a part of any metropolitan water district organized under the Metropolitan Water District Act. The amount of said bonds may include expenses of all proceedings for the authorization, issuance and sale of the bonds.

23. To issue revenue bonds for any purpose for which general obligation bonds may be issued, and for any purpose for which such bonds could be issued under the provisions of the Revenue Bond Law of 1941 or any other law which by its terms is applicable to this agency.

24. To use the Improvement Act of 1911, the Municipal Improvement Act of 1913, and the Improvement Bond Act of 1915 for the construction of any facilities authorized to be constructed under the provisions of this act. The powers and duties conferred by such improvement acts on the various boards, officers and agents of cities shall be exercised by the respective boards, officers and agents of the Desert Water Agency. In the application of such improvement acts to proceedings instituted by the Desert Water Agency, the terms used in such improvement acts shall have the following meanings:

(a) "City council," "council," or legislative body shall mean the Board of Directors of the Desert Water Agency.

(b) "Municipality" and "city" shall mean the Desert Water Agency.

(c) "Clerk" and "city clerk" shall mean the secretary of the agency.

(d) "Superintendent of streets," "street superintendent" and "city engineer" shall mean the chief engineer of the agency.

(e) "Tax collector" shall mean the county tax collector.

(f) "Treasurer" and "city treasurer" shall mean the Treasurer of the Desert Water Agency.

(g) "Mayor" shall mean the President of the Board or Directors of the Desert Water Agency.

(h) "Right-of-way" shall mean any parcel of land in, on, under or through which a right-of-way or easement has been granted to the agency for the purpose of constructing and maintaining any works or improvements of the Desert Water Agency.

(i) "Auditor" means the county auditor.

Any certificates or documents required by such improvement acts to be filed or recorded in the office of the superintendent of streets or street superintendent shall be filed and recorded in the office of the Secretary of the Desert Water Agency.

25. To disseminate information concerning the rights, properties, and activities of the agency.

SEC. 3. Section 14.1 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 14.1. Upon the formation of the district, the board may levy and collect an assessment of not to exceed one dollar ($1) per acre for each acre of land. The money collected shall be used by the board to pay the preliminary expenses incurred in forming the district.

CHAPTER 255

An act to amend Section 4848 of the Business and Professions Code, relating to veterinarians.

[Approved by Governor June 11, 1982 Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 4848 of the Business and Professions Code is amended to read:

4848. (a) The board shall by means of examination, ascertain the professional qualifications of all applicants for licenses to practice veterinary medicine in this state and shall issue a license to every person which it finds to be qualified.

The examination shall consist of a written examination and a practical examination which may be given at the same time or at different times as determined by the board. The written examination may be waived by the board in any case in which it determines that the applicant has taken an examination for license in another state substantially equivalent in scope and subject matter to the written examination last given in California before such determination is made, and has achieved a score on the out-of-state examination at least equal to the score required to pass such California written examination. Nothing in this chapter shall preclude the board from

permitting a person who has completed a portion of his educational program, as determined by the board, in a veterinary college, recognized by the board under Section 4846, to take the examination or any part thereof prior to satisfying the requirements for application for a license established by Section 4846.

(b) No license shall be issued to anyone who has not demonstrated his competency by examination.

(c) The board may waive the examination requirements of subdivision (a), and issue a license to an applicant to practice veterinary medicine, surgery and dentistry, provided such applicant meets the following requirements and would not be declined issuance of a license by any other provision of this code:

(1) The applicant is licensed in one or more other states in which the board has determined that he has taken licensing examinations consisting of a written and a practical examination each equivalent in scope and subject matter to the written and practical examinations last given in California, and he has achieved a score on each of the out-of-state examinations at least equal to the score required to pass such California examination.

(2) The applicant has been lawfully and continuously engaged in the practice of veterinary medicine, surgery and dentistry for four years or more in one or more states immediately preceding filing his application for licensure in this state.

(3) The applicant has graduated from a veterinary college recognized by the board under Section 4846.

(4) The board determines that no disciplinary action has been taken against the applicant by any public agency concerned with the practice of veterinary medicine and that the applicant has not been the subject of adverse judgments resulting from the practice of veterinary medicine which the board determines constitutes evidence of a pattern of incompetence or negligence.

(5) The applicant passes a practicing veterinarian examination administered by the board or a committee authorized by the board. It shall be oral or practical or clinical in nature and full consideration shall be given to the duration and character of the applicant's practice.

CHAPTER 256

An act to amend Sections 972 and 986 of the Evidence Code, relating to evidence.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 972 of the Evidence Code is amended to read:

972. A married person does not have a privilege under this article in:

(a) A proceeding brought by or on behalf of one spouse against the other spouse.

(b) A proceeding to commit or otherwise place his or her spouse or his or her spouse's property, or both, under the control of another because of the spouse's alleged mental or physical condition.

(c) A proceeding brought by or on behalf of a spouse to establish his or her competence.

(d) A proceeding under the Juvenile Court Law, Chapter 2 (commencing with Section 200) of Part 1 of Division 2 of the Welfare and Institutions Code.

(e) A criminal proceeding in which one spouse is charged with:

(1) A crime against the person or property of the other spouse or of a child of either, whether committed before or during marriage.

(2) A crime against the person or property of a third person committed in the course of committing a crime against the person or property of the other spouse, whether committed before or during marriage.

(3) Bigamy.

(4) A crime defined by Section 270 or 270a of the Penal Code.

SEC. 2. Section 986 of the Evidence Code is amended to read:

986. There is no privilege under this article in a proceeding under the Juvenile Court Law, Chapter 2 (commencing with Section 200) of Part 1 of Division 2 of the Welfare and Institutions Code.

CHAPTER 257

An act to amend Section 68073.4 of the Government Code, and to amend Section 1206.8 of the Penal Code, relating to fines and forfeitures.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982]

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

SECTION 1. Section 68073.4 of the Government Code is amended to read:

68073.4. Notwithstanding any other provision of law, to assist a county in the funding of county criminal justice facilities construction and the improvement of criminal justice automated information systems, the board of supervisors, operative upon the adoption of a resolution stating that the provisions of this section and

Section 1206.8 of the Penal Code are necessary to the establishment of adequate county criminal justice facilities in the county, may establish in the county treasury a County Criminal Justice Facility Temporary Construction Fund. From those surcharges and assessments that the board of supervisors has established in the resolution adopted pursuant to Section 1206.8 of the Penal Code, deposits shall be made to the fund as follows:

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

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

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

The fund moneys shall be held by the treasurer separate from any funds subject to transfer or division pursuant to Section 1463 of the Penal Code. The moneys in the County Criminal Justice Facility Temporary Construction Fund shall be payable only for construction, reconstruction, expansion, or improvement of county criminal justice and court facilities, and for the improvement of criminal justice automated information systems; the moneys in the fund may be utilized through any public agency funding mechanism, including, but not limited to, retirement of bonded indebtedness, loan repayments, and monthly payments involving lease-purchase programs, which reduce an obligation incurred in reliance upon the authority granted by this section. For the purposes of this section, "county criminal justice facilities" includes, but is not limited to jails, women's centers, detention facilities, juvenile halls, and courtrooms. Any new jail, or any addition to an existing jail that provides new cells or beds, which is constructed with moneys from the County Criminal Justice Facility Temporary Construction Fund shall comply with the "Minimum Standards for Local Detention Facilities" promulgated by the Board of Corrections.

Deposits to the fund in accordance with subdivisions (a), (b), and (c) shall continue through and including the 20th year after the initial calendar year in which the surcharge is collected.

SEC. 2. Section 1206.8 of the Penal Code is amended to read:

1206.8. (a) In each county, provided that the board of supervisors has adopted a resolution stating that the provisions of this section and Section 68073.1, 68073.2, or 68073.4 of the Government

Code are necessary to the establishment of adequate facilities in the county, the following surcharges and assessments shall be collected, except that a resolution adopted pursuant to Section 68073.4 of the Government Code may limit the collection to the assessments specified in paragraph (2):

(1) With respect to each fund established, for every parking offense where a fine or forfeiture is imposed, a surcharge of one dollar and fifty cents ($1.50) shall be included in the fine or forfeiture.

The judges of the county shall increase the bail schedule amounts as appropriate to reflect the surcharge provided for by this subdivision.

In those cities, districts, or other issuing agencies which elect to receive, deposit, accept forfeitures, and otherwise process the posting of bail for parking violations pursuant to subdivision (3) of Section 1463 of the Penal Code, that city, district, or issuing agency shall observe the increased bail amounts as established by the court reflecting the surcharge provided for by this paragraph.

(2) With respect to each fund established, there shall be levied an additional amount of one dollar ($1) for every ten dollars ($10) or fraction thereof which shall be collected together with and in the same manner as the assessment established by Section 1464, upon every fine, penalty, or forfeiture imposed and collected by the courts for criminal offenses, including all offenses involving a violation of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code, except offenses relating to parking or registration or offenses by pedestrians or bicyclists, or where an order is made to pay a sum to the general fund of the county pursuant to paragraph (iii) of subdivision (3) of Section 258 of the Welfare and Institutions Code. This amount shall be deposited with the county treasurer and placed in the fund established pursuant to Section 68073.1, 68073.2 or 68073.4 of the Government Code.

(b) The surcharge and assessment increase imposed pursuant to this section shall continue so long as deposits to the funds are required pursuant to Section 68073.1, 68073.2, or 68073.4 of the Government Code.

(c) No county, city and county, city, district or other issuing agency shall be required to contribute revenues to any fund in excess of those revenues generated from the surcharges and assessments established in the resolution adopted pursuant to this section.

CHAPTER 258

An act to add Section 1714.9 to the Civil Code, and to amend Section 3852 of the Labor Code, relating to liability.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 11, 1982.]

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

SECTION 1. Section 1714.9 is added to the Civil Code, to read:

1714.9. (a) Notwithstanding statutory or decisional law to the contrary, any person is responsible not only for the results of that person's willful acts causing injury to a peace officer, firefighter, or any emergency medical personnel employed by a public entity, but also for any injury occasioned to that person by the want of ordinary care or skill in the management of the person's property or person, in any of the following situations:

(1) Where the conduct causing the injury occurs after the person knows or should have known of the presence of the peace officer, firefighter, or emergency medical personnel.

(2) Where the conduct causing the injury occurs after the person knows or should have known of the presence of the peace officer, firefighter, or emergency medical personnel, violates a statute, ordinance, or regulation, and was the proximate cause of an injury which the statute, ordinance, or regulation was designed to prevent, and the statute, ordinance, or regulation was designed to protect the peace officer, firefighter, or emergency medical personnel.

As used in this subdivision, a statute, ordinance, or regulation prohibiting resistance or requiring a person to comply with an order of a peace officer or firefighter is designed to protect the peace officer, firefighter, or emergency medical personnel.

(3) Where the conduct causing the injury was intended to injure the peace officer, firefighter, or emergency medical personnel.

(b) This section does not preclude the reduction of an award of damages because of the comparative fault of the peace officer or firefighter in causing the injury.

(c) The employer of a firefighter, peace officer or emergency medical personnel may be subrogated to the rights granted by this section to the extent of the worker's compensation benefits, and other liabilities of the employer, including all salary, wage, pension, or other emolument paid to the employee or the employee's dependents.

(d) The liability imposed by this section shall not apply to an employer of a peace officer, firefighter, or emergency service personnel.

SEC. 2. Section 3852 of the Labor Code is amended to read:

3852. The claim of an employee, including, but not limited to, any peace officer or firefighter, for compensation does not affect his or her claim or right of action for all damages proximately resulting from the injury or death against any person other than the employer. Any employer who pays, or becomes obligated to pay compensation, or who pays, or becomes obligated to pay salary in lieu of compensation, or who pays or becomes obligated to pay an amount

to the Department of Industrial Relations pursuant to Section 4706.5, may likewise make a claim or bring an action against the third person. In the latter event the employer may recover in the same suit, in addition to the total amount of compensation, damages for which he or she was liable including all salary, wage, pension, or other emolument paid to the employee or to his or her dependents. The respective rights against the third person of the heirs of an employee claiming under Section 377 of the Code of Civil Procedure, and an employer claiming pursuant to this section, shall be determined by the court.

CHAPTER 259

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 June 11, 1982. Filed with Secretary of State June 11, 1982.]

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 24 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 12 months.

(b) The period of time specified in subdivision (a) shall not include any period of time during which a development moratorium, imposed after approval of the tentative map, is in existence, provided however, that the length of the moratorium does not exceed five years.

Once a moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

(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 the time period is approved by the local agency pursuant to this section. Within 10 days of the service of the initial petition or complaint in the lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving the application, the local agency shall either stay the time period for up to five years or deny

the requested stay. The local agency may, by ordinance, establish procedures for reviewing the requests, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

(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 the tentative map shall be filed with the legislative body pursuant to Section 66457 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 the map expires may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve tentative maps for a period or periods not exceeding a total of three years. If the advisory agency denies a subdivider's application for extension, the subdivider may appeal to the legislative body within 15 days after the advisory agency has denied the extension.

(f) For purposes of this section, a development moratorium shall include a water or sewer moratorium or a water and sewer moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land, other than the public agency with the authority to approve or conditionally approve the tentative map, which thereafter prevents, prohibits, or delays the approval of a final or parcel map.

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

In order to permit cities and counties to preserve development applications which are about to expire and which cannot presently be processed due to prevailing adverse economic conditions in the construction industry, it is necessary that this act take immediate effect.

CHAPTER 260

An act to amend Sections 69596 and 72190.1 of, to add Section 72190.2 to, and to repeal Section 72706.1 of, the Government Code, relating to courts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 11, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 69596 of the Government Code is amended to read:

69596. In the City and County of San Francisco there shall be 27 judges of the superior court, any one or more of whom may hold court; provided, that if the board of supervisors adopts a resolution to become effective on July 1, 1982, declaring that funds are available to finance an additional department of the superior court, there shall be 28 judges.

SEC. 2. Section 72190.1 of the Government Code is amended to read:

72190.1. A commissioner of a municipal court may conduct arraignment proceedings in the court if directed to perform such duties by the presiding or sole judge of the court, including the issuance and signing of bench warrants.

SEC. 3. Section 72190.2 is added to the Government Code, to read:

72190.2. If directed to perform such duties by the presiding judge or sole judge of the court, a commissioner of the municipal court may issue and sign a bench warrant for the arrest of a defendant who fails to appear in court when required to appear by law or who fails to perform any act required by court order.

SEC. 4. Section 72706.1 of the Government Code is repealed.

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

(a) In order to coordinate the increase in the number of judges of the Superior Court in San Francisco with the availability of necessary local funding, it is necessary that Section 1 of this act take effect immediately.

(b) In order to alleviate the burden of judicial business upon the courts, it is necessary that Sections 2 to 4, inclusive, of this act take effect immediately.

CHAPTER 261

An act to amend Section 25251.5 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 14, 1982 Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 25251.5 of the Vehicle Code is amended to read:

25251.5. (a) Any motor vehicle may also be equipped with a system in which an amber light is center mounted on the rear of a vehicle to communicate a component of deceleration of the vehicle, and which light pulses in a controlled fashion at a rate which varies exponentially with a component of deceleration.

(b) Any motor vehicle may be equipped with two amber lamps on the rear of the vehicle which operate simultaneously with not more than four flashes within four seconds after the accelerator pedal is in the deceleration position and which are not lighted at any other time. The lamps shall be mounted at the same height, with one lamp located on each side of the vertical centerline of the vehicle, not higher than the bottom of the rear window, or if the vehicle has no rear window, not higher than 60 inches. The light output from each of the lamps shall not exceed 200 candlepower at any angle horizontal or above. The amber lamps may be used either separately or in combination with another lamp.

CHAPTER 262

An act to add Section 14524.5 to the Government Code, and to amend Section 199 of, to amend and renumber Section 199.4 of, to add Sections 183.3 and 199.4 to, to repeal and add Sections 199.1, 199.2, and 199.3 of, and to repeal Sections 199.6, 199.7, 199.8, and 200 of, the Streets and Highways Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 14524.5 is added to the Government Code, to read:

14524.5. The estimate of the department and the estimate of the commission shall include an estimate of the funds from the State Highway Account and the Transportation Planning and Development Account in the State Transportation Fund that will be available for exclusive public mass transit guideway projects and the other transit capital improvements authorized by Sections 99317.8, 99318, 99318.3, and 99319 of the Public Utilities Code. When estimating the amount of the State Highway Account funds available for guideway projects, the department and commission shall first set aside sufficient funds to operate, maintain, and rehabilitate the state highway system and to match available federal funds for state highway purposes.

SEC. 1.5. Section 14524.5 is added to the Government Code, to

read:

14524.5. The estimate of the department and the estimate of the commission shall include an estimate of the funds from the State Highway Account and the Transportation Planning and Development Account in the State Transportation Fund that will be available for exclusive public mass transit guideway projects and the other transit capital improvements authorized by Section 99317 of the Public Utilities Code. When estimating the amount of the State Highway Account funds available for guideway projects, the department and commission shall first set aside sufficient funds to operate, maintain, and rehabilitate the state highway system and to match available federal funds for state highway purposes.

SEC. 2. Section 183.3 is added to the Streets and Highways Code, to read:

183.3. Funds appropriated for exclusive public mass transit guideway projects and the other transit capital improvements authorized by Sections 99317.8, 99318, 99318.3, and 99319 of the Public Utilities Code from the State Highway Account and from the Transportation Planning and Development Account in the State Transportation Fund shall be available for encumbrance through allocation by the commission in the fiscal year appropriated and the next two fiscal years and shall be available for expenditure for two fiscal years after the last date available for encumbrance.

SEC. 2.5. Section 183.3 is added to the Streets and Highways Code, to read:

183.3. Funds appropriated for exclusive public mass transit guideway projects and the other transit capital improvements authorized by Section 99317 of the Public Utilities Code from the State Highway Account and from the Transportation Planning and Development Account in the State Transportation Fund shall be available for encumbrance through allocation by the commission in the fiscal year appropriated and the next two fiscal years and shall be available for expenditure for two fiscal years after the last date available for encumbrance.

SEC. 3. Section 199 of the Streets and Highways Code is amended to read:

199. Upon the approval of a proposition by the voters of an area pursuant to Section 4 of Article XIX of the California Constitution, the entity, including, but not limited to, a transit district, responsible for construction of an exclusive public mass transit guideway project in that area may submit the project to the department for inclusion in its resource allocation recommendations. If the project is located within an area under the jurisdiction of a statutorily created transportation planning agency, a county transportation commission, or the San Diego Metropolitan Transit Development Board, the project shall be approved by that agency, commission, or board, as the case may be, prior to being submitted to the department.

The department shall submit its resource allocation recommendations for that project for the comment and review of the

transportation planning agency designated in Section 29532 of the Government Code for the area, except that, in the case of a project located within an area under the jurisdiction of a statutorily created transportation planning agency, a county transportation commission, or the San Diego Metropolitan Transit Development Board the project shall be approved by that agency, commission, or board, as the case may be. Each project shall be submitted by the department to the California Transportation Commission for the allocation of funds to the project from those funds appropriated for guideway purposes from the State Highway Account. Allocations shall be made under terms and conditions that the commission deems appropriate, taking into consideration any recommendation of the department and any agency, commission, or board.

The funds set aside pursuant to this section from the State Highway Account shall be deemed expenditures on the highway system for purposes of Sections 188 and 188.8 and shall be separately identified in the budget report submitted to the Legislature.

SEC. 4. Section 199.1 of the Streets and Highways Code is repealed.

SEC. 5. Section 199.1 is added to the Streets and Highways Code, to read:

199.1. (a) With respect to the sum of the money appropriated each fiscal year from the State Highway Account and the Transportation Planning and Development Account in the State Transportation Fund for exclusive public mass transit guideway purposes and the other transit capital improvements authorized by Sections 99317.8, 99318, 99318.3, and 99319 of the Public Utilities Code, the commission shall include, in the state transportation improvement program, one-half of the sum for expenditure in those counties which have adopted a proposition pursuant to Section 4 of Article XIX of the California Constitution and which meet all of the following conditions:

(1) The transportation planning agency, or the county transportation commission in the case of a county with such a commission or the San Diego Metropolitan Transit Development Board for the area under its jurisdiction, has submitted a guideway financial plan to the commission and the department by November 1 of the year preceding the fiscal year in which the allocation is to be made.

(2) The commission determines that the plan demonstrates that an amount at least equal to the allocation can be fully encumbered by the end of the fiscal year.

(b) The portion of the amount specified in subdivision (a) to be included in the state transportation improvement program for each of those counties shall be in the proportion that its population bears to the total population of all those counties.

SEC. 5.5. Section 199.1 is added to the Streets and Highways Code, to read:

199.1. (a) With respect to the sum of the money appropriated

each fiscal year from the State Highway Account and the Transportation Planning and Development Account in the Transportation Fund for exclusive public mass transit guideway purposes and the other transit capital improvements authorized by Section 99317 of the Public Utilities Code, the commission shall include, in the state transportation improvement program, one-half of the sum for expenditure in those counties which have adopted a proposition pursuant to Section 4 of Article XIX of the California Constitution and which meet all of the following conditions:

(1) The transportation planning agency, or the county transportation commission in the case of a county with such a commission or the San Diego Metropolitan Transit Development Board for the area under its jurisdiction, has submitted a guideway financial plan to the commission and the department by November 1 of the year preceding the fiscal year in which the allocation is to be made.

(2) The commission determines that the plan demonstrates that an amount at least equal to the allocation can be fully encumbered by the end of the fiscal year.

(b) The portion of the amount specified in subdivision (a) to be included in the state transportation improvement program for each of those counties shall be in the proportion that its population bears to the total population of all those counties.

SEC. 6. Section 199.2 of the Streets and Highways Code is repealed:

SEC. 7. Section 199.2 is added to the Streets and Highways Code, to read:

199.2. (a) If the commission determines from the guideway financial plan of a county that the amount to be allocated for expenditure in the county pursuant to subdivision (b) of Section 199.1 cannot be encumbered by the allocation recipient in the county during the fiscal year in which the funds are appropriated, the commission shall reduce the amount allocated to the level which the commission determines can be encumbered.

(b) If an allocation recipient is unable to encumber funds by the end of the fiscal year in which they are allocated, the commission may count the unencumbered balance against the amount to be allocated to the county of the recipient pursuant to subdivision (b) of Section 199.1 in the subsequent year if the commission determines that the recipient will be unable to encumber both the remaining balance of the prior year's allocation and the amount to be allocated in the subsequent year.

SEC. 8. Section 199.3 of the Streets and Highways Code is repealed.

SEC. 9. Section 199.3 is added to the Streets and Highways Code, to read:

199.3. The commission, in determining the adequacy of a guideway financial plan, shall consider the ability of proposed allocation recipients to encumber the state funds at the rate

projected by the plan.

The commission shall adopt procedures for developing, submitting, and reviewing guideway financial plans after consultation with the department and with transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board.

The commission shall allocate funds to projects placed in the state transportation improvement program pursuant to Section 199.1 in accordance with established procedures of the commission for environmental and project approval.

SEC. 10. Section 199.4 of the Streets and Highways Code is amended and renumbered to read:

199.6. Before the department may recommend the allocation of funds pursuant to Section 199 for an exclusive public mass transit guideway project, the applicant shall provide verification that the local ordinances governing offstreet parking requirements for nonresidential developments in the areas adjacent to the guideway project do not prohibit the substitution of offsite parking at guideway stations or in-lieu fees or facilities for some or all of the onsite parking spaces required.

SEC. 11. Section 199.4 is added to the Streets and Highways Code, to read:

199.4. (a) In lieu of repaying advances made pursuant to the Section 199.2 repealed by the act enacting this section during the 1981–82 Regular Session of the Legislature, no funds shall be allocated in the 1982–83 and 1983–84 fiscal years to the San Diego Metropolitan Transit Development Board pursuant to Section 199.1 from the State Highway Account and the Transportation Planning and Development Account in the State Transportation Fund.

(b) Funds allocated by the commission to the reserve for exclusive public mass transit guideway construction purposes in the County of Los Angeles prior to the enactment of this section at the 1981–82 Regular Session of the Legislature, pursuant to former Section 199.6 repealed by the act enacting this section, shall be available for encumbrance for an exclusive public mass transit guideway project in the County of Los Angeles until July 1, 1985. In lieu of the allocation the County of Los Angeles would otherwise receive during the 1982–83 fiscal year pursuant to Section 199.1 from the State Highway Account and the Transportation Planning and Development Account in the State Transportation Fund, the commission shall allocate thirty-eight million eight hundred thousand dollars ($38,800,000) from the State Highway Account for exclusive public mass transit purposes in the County of Los Angeles.

(c) Notwithstanding subdivision (b) of Section 199.1, the commission shall include, in the state transportation improvement program for the 1982–83 fiscal year, the amount specified in subdivision (a) of Section 199.1 to the following counties in the following portions:

County	*Portion*
Orange	12%
Sacramento	5%
Santa Clara	8%
San Mateo	4%
San Francisco	4%
Alameda	7%
Contra Costa	4%

SEC. 12. Section 199.6 of the Streets and Highways Code is repealed.

SEC. 13. Section 199.7 of the Streets and Highways Code is repealed.

SEC. 14. Section 199.8 of the Streets and Highways Code is repealed.

SEC. 15. Section 200 of the Streets and Highways Code is repealed.

SEC. 16. Sections 1 to 15, inclusive, of this act shall become operative July 1, 1982.

SEC. 17. Sections 1.5, 2.5, and 5.5 of this act shall become operative only if Senate Bill No. 1335 of the 1981–82 Regular Session of the Legislature is enacted and adds Section 99317 to the Public Utilities Code, and, in this event, Sections 1, 2, and 5 of this act shall not become operative.

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 the necessity are:

In order to facilitate the financing of exclusive public mass transit guideway projects which will alleviate transportation problems at the earliest opportunity, it is necessary that this act take effect immediately.

CHAPTER 263

An act to add Section 64 to the Harbors and Navigation Code, relating to the control of water hyacinth, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 64 is added to the Harbors and Navigation Code, to read:

64. (a) The Legislature hereby finds and declares that the growth of water hyacinth in the Sacramento-San Joaquin Delta and the Suisun Marsh has occurred at an unprecedented level and that the resulting accumulations of water hyacinth obstruct navigation, impair other recreational uses of waterways, have the potential for damaging manmade facilities, and may threaten the health and stability of fisheries and other ecosystems within the delta and marsh. Accordingly, it is necessary that the state, in cooperation with agencies of the United States, undertake an aggressive program for the effective control of water hyacinth in the delta and the marsh.

(b) The department is designated as the lead agency of the state for the purpose of cooperating with agencies of the United States and other public agencies in controlling water hyacinth in the delta and the marsh.

(c) The department, other state agencies, cities, counties, and districts are hereby authorized to cooperate with one another and with agencies of the United States in controlling water hyacinth in the delta and the marsh and may furnish money, services, equipment, and other property to that end.

SEC. 2. Notwithstanding Sections 71.4 and 85.2 of the Harbors and Navigation Code, the sum of one hundred twenty-five thousand dollars ($125,000) is hereby appropriated from the Harbors and Watercraft Revolving Fund to the Department of Boating and Waterways for expenditure during the 1982 calendar year for the following purposes:

(a) The development of a long-range water hyacinth control program in the Sacramento-San Joaquin Delta and the Suisun Marsh, to be undertaken in cooperation with agencies of the United States and other public agencies.

(b) The implementation of a short-term program for the control of water hyacinth until the long-term control program is ready for implementation; provided that the Department of Boating and Waterways shall notify the Department of Finance and the Joint Legislative Budget Committee at least 30 days prior to any expenditure of funds pursuant to this subdivision.

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

In order that control of water hyacinth can be substantially underway prior to the summer growth season, it is necessary that this act take effect immediately.

CHAPTER 264

An act to amend Section 12751 of the Public Utilities Code, relating to municipal utility districts.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 12751 of the Public Utilities Code is amended to read:

12751. The purchase of all supplies and materials, when the expenditure required exceeds twenty thousand dollars ($20,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published pursuant to Section 6061 of the Government Code at least 10 days before bids are received. The board may reject any and all bids and readvertise in its discretion.

CHAPTER 265

An act to amend Sections 120050 and 120050.5 of the Public Utilities Code, relating to transportation.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 120050 of the Public Utilities Code is amended to read:

120050. There is hereby created the San Diego Metropolitan Transit Development Board in that portion of the County of San Diego as described in Section 120052 and, if the board assumes the operation of the San Diego Transit Corporation, Section 120054.

The board shall consist of eight members selected as follows:

(a) One member of the County of San Diego Board of Supervisors appointed by the board of supervisors.

(b) Four members of the City Council of the City of San Diego, one of whom may be the mayor, appointed by the city council.

(c) One councilman appointed jointly by the City Councils of the Cities of Chula Vista, Imperial Beach, and National City from their membership.

(d) One councilman appointed jointly by the City Councils of the Cities of El Cajon, La Mesa, and Lemon Grove from their membership.

(e) One member, a resident of the area described in Section 120052 and, if the board assumes the operation of the San Diego

Transit Corporation, Section 120054, appointed by the Governor, with the advice and consent of the Senate.

SEC. 2. Section 120050.5 of the Public Utilities Code is amended to read:

120050.5. Notwithstanding Section 120050, any person who is a member of the board may be appointed by his or her appointing authority to continue to serve as a member of the board after the termination of his or her term of office for a period not to exceed four years after the date of termination of his or her term of elected office, except that anyone so continued prior to January 1, 1982, may serve until January 1, 1986.

CHAPTER 266

An act to amend Section 408 of the Corporations Code, relating to investments.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 408 of the Corporations Code is amended to read:

408. (a) A corporation may adopt and carry out a stock purchase plan or agreement or stock option plan or agreement providing for the issue and sale for such consideration as may be fixed of its unissued shares, or of issued shares acquired or to be acquired, to one or more of the employees or directors of the corporation or of a subsidiary or parent thereof or to a trustee on their behalf and for the payment for such shares in installments or at one time, and may provide for aiding any such persons in paying for such shares by compensation for services rendered, promissory notes or otherwise.

(b) A stock purchase plan or agreement or stock option plan or agreement may include, among other features, the fixing of eligibility for participation therein, the class and price of shares to be issued or sold under the plan or agreement, the number of shares which may be subscribed for, the method of payment therefor, the reservation of title until full payment therefor, the effect of the termination of employment, an option or obligation on the part of the corporation to repurchase the shares upon termination of employment, subject to the provisions of Chapter 5, restrictions upon transfer of the shares and the time limits of and termination of the plan.

(c) Sections 406 and 407 of the Labor Code shall not apply to shares issued by any foreign or domestic corporation to the following persons:

(1) Any employee of the corporation or of any parent or

subsidiary thereof, pursuant to a stock purchase plan or agreement or stock option plan or agreement provided for in subdivision (a).

(2) In any transaction in connection with securing employment, to a person who is or is about to become an officer of the corporation or of any parent or subsidiary thereof.

CHAPTER 267

An act to add Section 61765.7 to the Government Code, to amend Section 830.31 of the Penal Code, and to amend Section 71631.5 of, and to add Sections 30547, 31031.5, and 31104.6 to, the Water Code, relating to special districts.

[Approved by Governor June 14, 1982. Filed with Secretary of State June 14, 1982.]

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

SECTION 1. Section 61765.7 is added to the Government Code, to read:

61765.7. Notwithstanding Section 61765, in the Brooktrails Community Services District, the water standby or availability charge shall not exceed thirty dollars ($30) per year for each acre of land on which the charge is levied or thirty dollars ($30) per year for a parcel less than one acre.

This section, applicable only to the Brooktrails Community Services District, is necessary because of the unique and special water management and financing problems in the area included within the district.

SEC. 2. Section 830.31 of the Penal Code is amended to read:

830.31. The following persons are peace officers whose authority extends to any place in the state for the purpose of performing their primary duty or when making an arrest pursuant to Section 836 as to any public offense with respect to which there is immediate danger to person or property, or of the escape of the perpetrator of such offense, or pursuant to Section 8597 or 8598 of the Government Code. Such peace officers may carry firearms only if authorized and under terms and conditions specified by their employing agency.

(a) Members of an arson-investigating unit, regularly employed and paid as such, of a fire protection agency of the state, of a county, city, or district, and members of a fire department or fire protection agency of the state, or a county, city, or district regularly paid and employed as such, if the primary duty of arson investigators is the detection and apprehension of persons who have violated any fire law or committed insurance fraud, and the primary duty of fire department or fire protection agency members other than arson investigators when acting as peace officers shall be the enforcement of laws relating to fire prevention and fire suppression.

(b) Persons designated by a local agency as park rangers, and regularly employed and paid as such, if the primary duty of any such peace officer is the protection of park property and the preservation of the peace therein.

(c) Members of a community college police department appointed pursuant to Section 72330 of the Education Code, if the primary duty of any such peace officer is the enforcement of the law as prescribed in Section 72330 of the Education Code.

(d) A welfare fraud investigator or inspector, regularly employed and paid as such by a county, if the primary duty of any such peace officer is the enforcement of the provisions of the Welfare and Institutions Code.

(e) A child support investigator or inspector, regularly employed and paid as such by a district attorney's office, if the primary duty of any such peace officer is the enforcement of the provisions of the Welfare and Institutions Code and Section 270.

(f) The coroner and deputy coroners, regularly employed and paid as such, of a county, if the primary duty of any such peace officer are those duties set forth in Sections 27469 and 27491 to 27491.4, inclusive, of the Government Code.

(g) A member of the San Francisco Bay Area Rapid Transit District Police Department appointed pursuant to Section 28767.5 of the Public Utilities Code, if the primary duty of any such peace officer is the enforcement of the law in or about properties owned, operated, or administered by the district or when performing necessary duties with respect to patrons, employees, and properties of the district.

(h) Harbor or port police regularly employed and paid as such by a county, city, or district other than peace officers authorized under Section 830.1, and the port warden and special officers of the Harbor Department of the City of Los Angeles, if the primary duty of any such peace officer is the enforcement of the law in or about the properties owned, operated, or administered by the harbor or port or when performing necessary duties with respect to patrons, employees, and properties of the harbor or port.

(i) Persons designated as a security officer by a municipal utility district pursuant to Section 12820 of the Public Utilities Code, if the primary duty of any such officer is the protection of the properties of the utility district and the protection of the persons thereon.

(j) Persons designated as a security officer by a county water district pursuant to Section 30547 of the Water Code, if the primary duty of any such officer is the protection of the properties of the county water district and the protection of the persons thereon.

SEC. 3. Section 30547 is added to the Water Code, to read:

30547. (a) A district may employ a suitable security force. The employees of the district that are designated by the general manager as security officers shall have the authority and powers conferred by Section 830.31 of the Penal Code upon peace officers. The district shall adhere to the standards for recruitment and training of peace

officers established by the Commission on Peace Officers Standards and Training pursuant to Title 4 (commencing with Section 13500) of Part 4 of the Penal Code.

(b) Every security officer employed by a district shall conform to the standards for peace officers of the Commission on Peace Officers Standards and Training. Any officer who fails to conform to those standards shall not have the powers of a peace officer.

SEC. 4. Section 31031.5 is added to the Water Code, to read:

31031.5. Notwithstanding Sections 31031 and 31032.1, in any improvement district situated within the Joshua Basin Water District, the water standby or availability charge or assessment shall not exceed thirty dollars ($30) per acre per year for land on which the charge or assessment is levied or thirty dollars ($30) per year for a parcel less than one acre. In any such improvement district, the proceeds from any water standby or availability charge or assessment 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 the improvement district.

This section, applicable only to the Joshua Basin Water District, is necessary because of the unique and special water management and financing problems of the area included within the district.

SEC. 5. Section 31104.6 is added to the Water Code, to read:

31104.6. Notwithstanding Sections 31031 and 31032.1, in the Coachella Valley Water District, the sewage and waste service standby or availability charge shall not exceed thirty dollars ($30) per acre per year for land on which the charge is levied or thirty dollars ($30) per year for a parcel less than one acre.

This section, applicable only to the Coachella Valley Water District, is necessary because of the unique and special sewage and waste water management and financing problems in the area included within the district.

SEC. 6. Section 71631.5 of the Water Code is amended to read:

71631.5. Notwithstanding Section 71631, in any improvement district situated within the Eastern Municipal Water District, the Western Municipal Water District of Riverside County, the Elsinore Valley Municipal Water District, the Rincon Del Diablo Municipal Water District, the Ramona Municipal Water District, the Rainbow Municipal Water District, or the Lake Hemet Municipal Water District, 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 thirty dollars ($30) 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, the Western Municipal Water District of Riverside County, the Elsinore Valley Municipal Water District, the Rincon Del Diablo

Municipal Water District, the Ramona Municipal Water District, the Rainbow Municipal Water District, and the Lake Hemet Municipal Water District, is necessary because of the unique and special water management problems of those areas included within those districts.

CHAPTER 268

An act to add Chapter 12.5 (commencing with Section 25965) to Division 20 of the Health and Safety Code, relating to housing.

[Became law without Governor's signature. Filed with Secretary of State June 15, 1982.]

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

SECTION 1. Chapter 12.5 (commencing with Section 25965) is added to Division 20 of the Health and Safety Code, to read:

CHAPTER 12.5. WATER HEATERS

25965. A warning label shall be affixed near the thermostat of all new water heaters to be sold in the state for residential use. This warning shall read as follows:

"Warning: Setting of the water heater thermostat in excess of 130 degrees Fahrenheit or 54 degrees centigrade may cause accidental scalding or other injury, particularly to children or elderly persons."

The Legislature does not intend by the enactment of this section to impose any duty on public utilities to affix this warning label or otherwise warn their customers relative to existing water heaters.

CHAPTER 269

An act to add Sections 852.5, 7604.5, 11203.5, 14854.5, and 18318.5 to the Financial Code, relating to financial institutions.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 852.5 is added to the Financial Code, to read:

852.5. (a) As used in this section, "pay-on-death provision" means:

(1) A provision of a bank account agreement for an account which is in the name of one person, which provides that upon the death of that person the moneys in the account shall become the property of

and are payable to, one or more designated payees.

(2) A provision of a bank account agreement for an account which is in the name of two or more persons, which provides that upon the death of all of such persons the moneys in the account shall become the property of, and are payable to, one or more designated payees.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the bank account agreement and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(c) The bank shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the bank from liability with respect to the moneys so paid, unless prior to the payment the bank has been served with a court order restraining the payment.

SEC. 2. Section 7604.5 is added to the Financial Code, to read:

7604.5. (a) As used in this section, "pay-on-death provision" means:

(1) A provision or term of a share or investment certificate which is in the name of one person, which provides that upon the death of that person the share or investment certificate shall become the property of one or more designated payees.

(2) A provision or term of a share or investment certificate which is in the name of two or more persons which provides that upon the death of all of such persons the share or investment certificate shall become the property of one or more designated payees.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the share or certificate and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(c) The association shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the association from liability with respect to the moneys so paid, unless prior to the payment the association has been served with a court order restraining the payment.

SEC. 3. Section 11203.5 is added to the Financial Code, to read:

11203.5. (a) As used in this section, "pay-on-death provision" means:

(1) A provision or term of a share, share account, or savings account of a federal savings and loan association which is in the name

of one person, which provides that upon the death of that person the share or account shall become the property of one or more designated payees.

(2) A provision or term of a share, share account, or savings account of a federal savings and loan association which is in the name of two or more persons, which provides that upon the death of all of such persons the share or account shall become the property of one or more designated payees.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the share or account involved and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effectuate a valid testamentary disposition of property.

(c) The association shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the association from liability with respect to the moneys so paid, unless prior to the payment the association has been served with a court order restraining the payment.

SEC. 4. Section 14854.5 is added to the Financial Code, to read:

14854.5. (a) As used in this section, "pay-on-death provision" means:

(1) A provision or term of a credit union share or certificate for funds which is in the name of one person, which provides that upon the death of that person the account shall become the property of one or more designated payees.

(2) A provision or term of a credit union share or certificate for funds which is in the name of two or more persons, which provides that upon the death of all of such persons the account shall become the property of one or more designated payees.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the share or certificate and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(c) The credit union shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the credit union from liability with respect to the moneys so paid, unless prior to the payment the credit union has been served with a court order restraining the payment.

SEC. 5. Section 18318.5 is added to the Financial Code, to read:

18318.5. (a) As used in this section, "pay-on-death provision"

means:

(1) A provision or term of an investment or thrift certificate which is in the name of one person, which provides that upon the death of that person the investment or thrift certificate shall become the property of one or more designated payees.

(2) A provision or term of an investment or thrift certificate which is in the name of two or more persons which provides that upon the death of all of such persons the investment or thrift certificate shall become the property of one or more designated payees.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the investment or thrift certificate and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(c) The company shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the industrial loan company from liability with respect to the moneys so paid, unless prior to the payment the company has been served with a court order restraining the payment.

CHAPTER 270

An act to amend Sections 14202 and 15000 of the Financial Code, relating to credit unions.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 14202 of the Financial Code is amended to read:

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 two years following the end of the calendar year in which such regulation was promulgated.

SEC. 2. Section 15000 of the Financial Code is amended to read:

15000. The interest rate on loans shall be determined by the board of directors from time to time. Any interest rate established pursuant to this section and applied to any loan may be decreased, but shall not be increased during the term of the loan or pursuant to

an open end loan agreement, until a further advance is made, unless otherwise provided in the loan agreement. Any interest rate established pursuant to this section does 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 shall not be included in computing the interest rate permitted pursuant to this section, whether or not an overdraft results in a loan advance, provided that the same charge is applied to the share account whether or not an extension of credit occurs.

CHAPTER 271

An act to amend Section 99 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 99 of the Revenue and Taxation Code is amended to read:

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 allocation of property tax revenue determined pursuant to Section 96 or 97, or the annual tax increment determined pursuant to Section 98, for local agencies whose service area or service responsibility would be altered by such jurisdictional change, as determined pursuant to subdivision (b) or (c).

(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 allocation 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 allocation 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) Upon the filing of an application or a resolution pursuant to the Municipal Organization Act (Part 2 (commencing with Section 35000) of Division 2 of Title 4 of the Government Code) or the District Reorganization Act of 1965 (Part 1 (commencing with

Section 56000) of Division 1 of Title 6 of the Government Code), but prior to the issuance of a certificate of filing, the executive officer shall give notice of such filing to the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. Such notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change.

(1) (A) The county assessor shall provide to the county auditor, within 30 days of the notice of filing, a report which identifies the assessed valuations for the territory subject to the jurisdictional change and the tax rate area or areas in which the territory exists.

(B) The auditor shall estimate the amount of property tax revenue generated within the territory which is the subject of the jurisdictional change during the current fiscal year.

(2) The auditor shall estimate what proportion of the property tax revenue determined pursuant to paragraph (1) is attributable to each local agency pursuant to Section 96 or 97, and Section 98, notwithstanding the provisions of Section 98.6.

(3) Within 45 days of notice of the filing of an application or resolution, the auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) which is subject to a negotiated exchange.

(4) Upon receipt of the estimates pursuant to paragraph (3) the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among such local agencies. Such negotiation period shall not exceed 30 days.

Such exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years.

(5) In the event that 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 the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues.

(6) Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Sections 35152, 54791, or 56198 of the Government Code until such local agencies included in the property tax revenue exchange negotiation, within the 30-day negotiation period, present resolutions adopted by each such county and city whereby each such county and city agrees to accept the exchange of property tax revenues.

(7) In the event that the commission modifies the proposal or its resolution of determination, any local agency whose service area or service responsibility would be altered by the proposed jurisdictional

change may request, and the executive officer shall grant, 15 days for the affected agencies, pursuant to paragraph (4) to renegotiate an exchange of property tax revenues. Notwithstanding the time period specified in paragraph (4), if the resolutions required pursuant to paragraph (6) are not presented to the executive officer within the 15-day period, all proceedings of the jurisdictional change shall automatically be terminated.

(8) No later than the date on which the certificate of completion of the jurisdictional change is recorded with the county recorder, the executive officer shall notify the auditor or auditors of the exchange of property tax revenues and the auditor or auditors shall make the appropriate adjustments as provided in subdivision (a).

(c) Whenever a jurisdictional change is not required to be reviewed and approved by a local agency formation commission, the local agencies whose service area or service responsibilities would be altered by the proposed change, shall give notice to the State Board of Equalization and the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. Such notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change and request the auditor and assessor to make the determinations required pursuant to paragraphs (1) and (2) of subdivision (b). Upon notification by the auditor of the amount of, and allocation factors with respect to, property tax subject to exchange, such local agencies, pursuant to the provisions of paragraphs (4), (5), and (6) of subdivision (b), shall determine the amount of property tax revenues to be exchanged between and among such local agencies. Notwithstanding any other provision of law, no such jurisdictional change shall become effective until each county and city included in such negotiations agrees, by resolution, to accept the negotiated exchange of property tax revenues. Such exchange may be limited to an exchange of property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years. Upon the adoption of the resolutions required pursuant to this section, the adopting agencies shall notify the auditor who shall make the appropriate adjustments as provided in subdivision (a).

(d) With respect to adjustments in the allocation of property taxes pursuant to this section, a county and any local agency or agencies within the county may develop and adopt a master property tax transfer agreement. Such agreement may be revised from time to time by the parties subject to such agreement.

(e) Except as otherwise provided in subdivision (f), for the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and thereafter for those local agencies which were affected by a jurisdictional change which was filed with

the State Board of Equalization after January 1, 1978 but on or before January 1, 1979. The local agencies shall 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.

(f) For the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and thereafter, for a city incorporation which was filed pursuant to Sections 54900 to 54904 after January 1, 1978, but on or before January 1, 1979, 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. Except, however, in the event that the final commission report did not specify the amount of property tax revenue projected for such incorporation, the commission shall by October 10, determine pursuant to Section 54790.3 of the Government Code the amount of property tax to be transferred to the city.

The provisions of this subdivision shall also apply to the allocation of property taxes for the 1980–81 fiscal year and thereafter for incorporations approved by the voters in June 1979.

(g) For the purpose of the computations made pursuant to this section, in the case of a district formation which was filed pursuant to Sections 54900 to 54904, inclusive, of the Government Code after January 1978, but before January 1, 1979, the amount of property tax to be allocated to such district for the 1979–80 fiscal year and each fiscal year thereafter shall be determined pursuant to Section 54790.3 of the Government Code.

(h) For the purposes of the computations required by this chapter, in the case of a jurisdictional change, other than a change requiring an adjustment by the auditor pursuant to subdivision (a), the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 97, or the annual tax increment determined pursuant to Section 98, for each local school district, community college district, or county superintendent of schools whose service area or service responsibility would be altered by such jurisdictional change, as determined as follows:

(1) The governing body of each such district, county superintendent of schools, or county whose service areas or service responsibilities would be altered by such change shall determine the amount of property tax revenues to be exchanged between and among such affected jurisdictions. Such determination shall be adopted by each affected jurisdiction by resolution. For the purpose of negotiation, the county auditor shall furnish the parties and the

county board of education with an estimate of the property tax revenue subject to negotiation.

(2) In the event that such affected jurisdictions are unable to agree, within 60 days after the effective date of the jurisdictional change, and if all the jurisdictions are wholly within one county, the county board of education shall, by resolution, determine the amount of property tax revenue to be exchanged. If the jurisdictions are in more than one county, the State Board of Education shall, by resolution, within 60 days after the effective date of the jurisdictional change, determine the amount of property tax to be exchanged.

(3) Upon adoption of any resolution pursuant to this subdivision, the adopting jurisdictions or State Board of Education shall notify the county auditor who shall make the appropriate adjustments as provided in subdivision (a).

(i) For purposes of subdivision (h), the annexation by a community college district of territory within a county not previously served by a community college district is an alteration of service area. The community college district and the county shall negotiate the amount, if any, of property tax revenues to be exchanged. In such negotiations, there shall be taken into consideration the amount of revenue received from the timber yield tax and forest reserve receipts by the community college district in the area not previously served. In no event shall the property tax revenue to be exchanged exceed the amount of property tax revenue collected prior to such annexation for the purposes of paying tuition expenses of residents enrolled in such community college district, adjusted each year by the percentage change in population and the percentage change in cost of living, or per capita personal income, whichever is lower, less the amount of revenue received by the community college district in the annexed area from the timber yield tax and forest reserve receipts.

SEC. 2. The Legislature finds and declares that the addition of the phrase "35152, 54791 or 56198" in Section 99 of the Revenue and Taxation Code, as amended by this act, is declaratory of existing law.

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

Chapter 801 of the Statutes of 1980 established the policy that certificates of filing are not to be issued until local agencies affected by a jurisdictional change agree to an exchange of property tax revenues, but made an incomplete cross-reference. In order to rectify this error and eliminate confusion surrounding the processing of proposed jurisdictional changes, it is necessary that this act go into effect immediately.

CHAPTER 272

An act to amend Section 425.12 of the Code of Civil Procedure, relating to pleadings.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 425.12 of the Code of Civil Procedure is amended to read:

425.12. The Judicial Council shall develop and approve official forms for use in trial courts of this state for any complaint, cross-complaint or answer in any action based upon personal injury, property damage, wrongful death, unlawful detainer, breach of contract or fraud. Use of the approved forms shall be optional until January 1, 1985, and mandatory thereafter. The clerk shall accept a pleading referred to in this section on an unapproved form; provided, however, that the pleading on an approved form shall thereafter be required by the court.

In developing the forms required by this act, the Judicial Council shall consult with a representative advisory committee which shall include, but not be limited to, representatives of the plaintiff's bar, the defense bar, the public interest bar, court administrators and the public. The forms shall be drafted in nontechnical language and shall be made available through the office of the clerk of the appropriate trial court.

CHAPTER 273

An act to amend Section 68546 of, and to add Section 69753 to, the Government Code, relating to courts.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 68546 of the Government Code is amended to read:

68546. If the Chairman of the Judicial Council assigns a judge of a municipal or justice court in a county to sit on the superior court of the same county, the presiding judge of the municipal or justice court may with the consent of the presiding judge of the superior court also assign the court reporter, deputy clerk and deputy marshal or constable, or any of them, of the municipal or justice court from which such judge is assigned to act as court reporter, deputy clerk

and deputy sheriff, respectively, for the superior court during the period for which the judge is assigned. During the period for which the court reporter, deputy clerk, or deputy marshal is assigned, they shall receive the same salary as a court reporter, deputy clerk, or deputy sheriff, respectively, for the superior court. If there be no presiding judge, the senior or sole judge may make or consent to the assignment of the attachés. This section shall not apply to the assignment of the deputy clerk or deputy marshal or constable in any county until the board of supervisors by ordinance has adopted its provisions. An ordinance is not required where the deputy clerk and deputy marshal or constable consent to serve as part of their regular duties without additional compensation.

SEC. 2. Section 69753 is added to the Government Code, to read:

69753. Notwithstanding any other provision of this code, the presiding or sole judge of a superior court may, in the absence of a timely objection in a civil case or proceeding and with the express consent of the parties in a criminal action, direct that a session of the court be held at any place in the county where a municipal or justice court regularly conducts sessions, if:

(1) The judge presiding at the superior court session is a judge of a municipal or justice court or a retired judge assigned to serve as a superior court judge under Section 6 of Article VI of the Constitution.

(2) The presiding or sole judge of the municipal or justice court has informed the presiding judge of the superior court that the superior court session will not interfere with the normal conduct of municipal or justice court business.

The Judicial Council shall provide by rule for the timely filing of any objection to hearing a civil matter at a municipal or justice court location, and for obtaining the consent of the parties in a criminal action.

CHAPTER 274

An act to amend Sections 53856 and 53858 of the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 53856 of the Government Code is amended to read:

53856. Any taxes, income, revenue, cash receipts, or other moneys of the local agency, including moneys deposited in inactive or term deposits, may be pledged to the payment of the note or notes and the interest thereon, except, however, that no moneys which,

when received by the local agency, will be encumbered for a special purpose may be pledged for the payment of the note or notes or the interest thereon unless an equivalent amount of the proceeds from said note or notes is set aside for and used for said special purpose. The resolution authorizing the issuance of the note or notes shall specify what taxes, income, revenue, cash receipts or other moneys are pledged for the payment thereof. The note or notes and the interest thereon shall be a first lien and charge against, and shall be payable from the first moneys received by the local agency from, such pledged moneys.

For the purposes of this section, "revenue" includes, but is not limited to, revenue from the state and federal governments.

SEC. 2. Section 53858 of the Government Code is amended to read:

53858. Notes shall not be issued pursuant to this article in any fiscal year in an amount which, when added to the interest payable thereon, shall exceed 85 percent of the estimated amount of the then uncollected taxes, income, revenue, cash receipts, and other moneys of the local agency which will be available for the payment of said notes and the interest thereon; provided, however, that to the extent that any principal of or interest on such notes is secured by a pledge of the amount in any inactive or term deposit of the local agency, the term of which will terminate during said fiscal year, such principal and interest may be disregarded in computing said limit.

For the purposes of this section, "revenue" includes, but is not limited to, revenue from the state and federal governments.

SEC. 3. This act does not constitute a change in, but is declaratory of, existing law. The Legislature hereby finds and declares that the revenue of a local agency, for the purposes of temporary borrowing pursuant to Sections 53856 and 53858 of the Government Code, includes revenue from federal and state governments.

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

In order to clarify the authority of local agencies to include revenue from the state and federal governments, for the purposes of temporary borrowing, as subject to pledge and in the computation of the maximum amount of notes, it is necessary that this act take effect immediately.

CHAPTER 275

An act to amend Sections 17238 and 24383 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 17238 of the Revenue and Taxation Code is amended 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. The installation of emergency egress/safe area refuge systems shall be eligible for such deductions.

(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. If, however, the cost of that repair or remodeling exceeds the limit set forth in subdivision (g), the remaining balance may be charged to capital account.

(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.

(j) (1) The State Fire Marshal in cooperation with the Department of Rehabilitation and the Department of Aging shall adopt building standards and regulations for emergency egress/safe area refuge systems. The building standards and regulations shall include, but not be limited to, minimum requirements for safety, reliability, durability and usability. Emergency egress/safe area refuge systems that comply with the building standards and regulations adopted pursuant to this section shall be eligible for the deduction provided by this section.

(2) It is the intent of the Legislature that this section and the building standards adopted pursuant to this section do not supersede more restrictive building standards and regulations adopted by the state and local governments.

(k) "Emergency egress/safe area refuge system" shall include, but not be limited to, all of the following:

(1) A building floor divided into not less than two compartments by not less than one-hour fire-resistive construction. Each door opening in such construction shall be protected by a twenty minute fire-resistive assembly as defined in regulations of the State Fire Marshal. Duct openings shall be protected by single-blade or curtain-type fire dampers to restrict the passage of smoke or flame. The smaller of the compartmental areas shall be not less than one-fourth the floor area of the story. Each such compartment shall contain a stairway or elevator or other means of ready egress from the building.

(2) A fire alarm system defined in regulations by the State Fire Marshal.

(3) Use of existing exiting systems and warning devices when practical, including, but not limited to, stairways, elevators, and fire alarms.

(4) Accommodations for wheelchairs and all attached wheelchair equipment, as well as wheelchair occupants.

(5) Its own power source.

SEC. 2. Section 24383 of the Revenue and Taxation Code is amended to read:

24383. (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 the 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. The installation of emergency egress/safe area refuge systems shall be eligible for such deductions.

(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. If, however, the costs of that repair or remodeling exceed the limit set forth in subdivision (g), the remaining balance may be charged to capital account.

(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.

(j) (1) The State Fire Marshal in cooperation with the Department of Rehabilitation and the Department of Aging shall adopt building standards and regulations for emergency egress/safe area refuge systems. The building standards and regulations shall

include, but not be limited to, minimum requirements for safety, reliability, durability and usability. Emergency egress/safe area refuge systems that comply with the building standards and regulations adopted pursuant to this section shall be eligible for the deduction provided by this section.

(2) It is the intent of the Legislature that this section and the building standards adopted pursuant to this section do not supersede more restrictive building standards and regulations adopted by the state and local governments.

(k) "Emergency egress/safe area refuge system" shall include, but not be limited to, all of the following:

(1) A building floor divided into not less than two compartments by not less than one-hour fire-resistive construction. Each door opening in the construction shall be protected by a twenty minute fire-resistive assembly as defined in regulations of the State Fire Marshal. Duct openings shall be protected by single-blade or curtain-type fire dampers to restrict the passage of smoke or flame. The smaller of the compartmental areas shall be not less than one-fourth the floor area of the story. Each such compartment shall contain a stairway or elevator or other means of ready egress from the building.

(2) A fire alarm system defined in regulations by the State Fire Marshal.

(3) Use of existing exiting systems and warning devices when practical, including, but not limited to, stairways, elevators, and fire alarms.

(4) Accommodations for wheelchairs and all attached wheelchair equipment, as well as wheelchair occupants.

(5) Its own power source.

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 or income 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 or income years beginning on or after the first day of the calendar year following the effective date.

CHAPTER 276

An act to amend Section 24908 of the Public Utilities Code, relating to transit districts.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 24908 of the Public Utilities Code is amended to read:

24908. The board shall establish rules for its proceedings and may provide by ordinance that each member shall receive for each attendance at the meetings of the board, and for each day any member is engaged in authorized district business other than attendance at meetings of the board, the sum of one hundred dollars ($100), but not to exceed five hundred dollars ($500) in any calendar month, and shall be allowed the necessary traveling and personal expenses incurred in the performance of his duties as authorized by the board.

CHAPTER 277

An act to amend Sections 14002.5 of, and to add and repeal Section 14035.4 of, the Government Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. Section 14002.5 of the Government Code is amended to read:

14002.5. As used in this part, unless the context otherwise requires:

(a) "Department" means the Department of Transportation.

(b) "Director" means the Director of Transportation.

(c) "Secretary" means the Secretary of the Business, Transportation and Housing Agency.

(d) "Board" or "commission" means the California Transportation Commission.

(e) "Displaced worker" includes all of the following:

(1) Those workers displaced from regular employment due to factory, plant, or business closures or mass layoffs.

(2) Workers eligible for training or retraining benefits under Article 1.8 (commencing with Section 1274) of Chapter 5 of Part 1 of Division 1 of the Unemployment Insurance Code.

(3) Workers eligible for retraining under the federal Trade Act of 1974 (P.L. 93-618).

(4) Workers eligible for retraining under the federal Redwood National Park Act of 1968 (P.L. 95-250).

(5) Employees participating in shared-work unemployment

compensation benefits pursuant to Section 1279.5 of the Unemployment Insurance Code.

(6) Workers otherwise affected by economic or industrial changes which have resulted in loss or substantial reduction of their employment opportunities.

SEC. 2. Section 14002.5 of the Government Code, as amended by Section 1 of this bill, is amended to read:

14002.5. As used in this part, unless the context otherwise requires:

(a) "Department" means the Department of Transportation.

(b) "Director" means the Director of Transportation.

(c) "Secretary" means the Secretary of the Business, Transportation and Housing Agency.

(d) "Board" or "commission" means the California Transportation Commission.

(e) "Displaced worker" means displaced worker as defined in Section 9952 of the Unemployment Insurance Code.

SEC. 3. Section 14035.4 is added to the Government Code, to read:

14035.4. (a) The department, in cooperation with the Employment Development Department, may provide, or assist in the provision of, demonstration projects to furnish worker-pooling transportation services for displaced workers to assist persons who live in areas where plant closures have contributed to high unemployment to obtain transportation to areas of greater employment opportunities as defined in Section 14035.2.

(b) Worker-pooling transportation services may include transportation services by existing commuter bus and rail services including special ticket discounts and timed transfers, buspooling, vanpooling, carpooling, and other ridesharing programs to and from the place of employment by any mode of ground transportation.

(c) Demonstration projects to provide worker-pooling transportation services to displaced workers shall accomplish all of the following:

(1) Be carried out in cooperation with the Employment Development Department.

(2) Include at least one northern California and one southern California test area.

(3) Give priority to demonstration projects which meet the criteria of Section 14035.2 and, in particular, transportation services between counties not included in a multi-county transit district, as defined in Part 1 (commencing with Section 24501) and Part 2 (commencing with Section 28500) of Division 10 of the Public Utilities Code, except that the department may assist intracounty transportation services where there is no regularly scheduled public transit service useable by displaced workers by cooperating with local and regional public and private agencies and the Public Utilities Commission.

(d) The department shall give special consideration also to

demonstration programs requiring coordination between the ridesharing programs of its adjacent state transportation districts where displaced workers in one state transportation district require transportation to places of employment within an adjacent state transportation district. For purposes of this section, state transportation districts shall be identical to those state highway districts established by the department for administrative purposes as of June 30, 1960, except as provided in Section 189.1 of the Streets and Highways Code.

(e) The demonstration programs may include transportation allowances, reduced fares, or subsidies for a period not to exceed six months.

(f) Funds for demonstration projects to provide worker-pooling transportation services to displaced workers shall be appropriated in the Budget Act from the Transportation Planning and Development Account in the State Transportation Fund and shall be expended on the basis of not exceeding 15 percent for administration and at least 85 percent for contract services, fare subsidies, and implementation of ridesharing services, including, but not limited to, information distribution, organization of car, van, and buspools, and manual and computer matching of ridesharing participants.

(g) Advance payments from funds appropriated pursuant to subdivision (f) for fare subsidies and vehicle leases may be expended for the purposes of these demonstration projects.

(h) This section shall remain in effect only until January 1, 1985, and on that date is repealed unless a later enacted statute chaptered before that date deletes or extends that date.

SEC. 4. It is the intent of the Legislature that if this bill and Senate Bill 1109 are both chaptered and become effective on or before January 1, 1983, and Senate Bill 1109 defines "displaced worker," that this bill incorporate that definition in Senate Bill 1109 by reference. Therefore, Section 2 of this bill shall become operative only if Senate Bill 1109 is chaptered, and shall become effective at the same time as Senate Bill 1109 becomes effective or at the same time that this bill becomes effective, whichever is later.

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

In order to provide for the immediate reemployment of displaced workers and to prevent the adverse consequences to workers, families and communities and the costs to the state of long-term unemployment, it is necessary that this act take effect immediately.

CHAPTER 278

An act to amend Sections 17325, 17326, 17431, 17432, 17433, 17440, 17461, 17462, 17532, 17854, 18586, 18649, 18650, 18651, 18652, 19058, 19085, 24455, 24521, 24531, 24532, 24540, 24562, 24563, 25403, 25663, 25672, 25672b, 25672c, 25672d, 26076, and 26103a of, to add Sections 17145.5, 17368, 17480, 17552.5, 18698, 24492, 24519, 24570, and 25959 to, and to repeal and add Sections 17142, 18054, 24307, 24918, and 25672a of, the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor June 16, 1982. Filed with Secretary of State June 16, 1982.]

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

SECTION 1. This act shall be known and may be cited as the Bankruptcy Tax Act of 1981.

SEC. 2. Section 17142 of the Revenue and Taxation Code is repealed.

SEC. 3. Section 17142 is added to the Revenue and Taxation Code, to read:

17142. (a) (1) Gross income does not include any amount which (but for this subdivision) would be includible in gross income by reason of the discharge (in whole or in part) of indebtedness of the taxpayer if—

(A) The discharge occurs when the taxpayer is insolvent, or

(B) The indebtedness discharged is qualified business indebtedness.

(2) Subparagraph (B) of paragraph (1) shall not apply to a discharge to the extent that the taxpayer is insolvent.

(3) In the case of a discharge to which paragraph (1) (A) applies, the amount excluded under paragraph (1) (A) shall not exceed the amount by which the taxpayer is insolvent.

(b) (1) The amount excluded from gross income under subparagraph (A) of paragraph (1) of subdivision (a) shall be applied to reduce the tax attributes of the taxpayer as provided in paragraph (2).

(2) Except as provided in paragraph (5), the reduction referred to in paragraph (1) shall be made in the following tax attributes in the following order:

(A) Any net capital loss for the taxable year of the discharge, and any capital loss carryover to such taxable year under Section 18152.

(B) (i) The basis of the property of the taxpayer.

(ii) For provisions for making the reduction described in clause (i), see Section 18054.

(3) The reductions described in paragraph (2) shall be one dollar ($1) for each dollar excluded by subdivision (a).

(4) (A) The reductions described in paragraph (2) shall be made

after the determination of the tax imposed by this chapter for the taxable year of the discharge.

(B) The reductions described in subparagraph (A) of paragraph (2) shall be made first in the loss for the taxable year of the discharge and then in the carryovers to such taxable year in the order of the taxable years from which each such carryover arose.

(5) (A) The taxpayer may elect to apply any portion of the reduction referred to in paragraph (1) to the reduction under Section 18054 of the basis of the depreciable property of the taxpayer.

(B) The amount to which an election under subparagraph (A) applies shall not exceed the aggregate adjusted bases of the depreciable property held by the taxpayer as of the beginning of the taxable year following the taxable year in which the discharge occurs.

(C) Paragraph (2) shall not apply to any amount to which an election under this paragraph applies.

(c) In the case of a discharge of qualified business indebtedness—

(1) (A) The amount excluded from gross income under subparagraph (B) of paragraph (1) of subdivision (a) shall be applied to reduce the basis of the depreciable property of the taxpayer.

(B) For provisions for making the reduction described in subparagraph (A), see Section 18054.

(2) The amount excluded under subparagraph (B) of paragraph (1) of subdivision (a) shall not exceed the aggregate adjusted bases of the depreciable property held by the taxpayer as of the beginning of the taxable year following the taxable year in which the discharge occurs (determined after any reductions under subdivision (b)).

(d) (1) For purposes of this section, the term "indebtedness of the taxpayer" means any indebtedness—

(A) For which the taxpayer is liable, or

(B) Subject to which the taxpayer holds property.

(2) For purposes of this section, the term "insolvent" means the excess of liabilities over the fair market value of assets. With respect to any discharge, whether or not the taxpayer is insolvent, and the amount by which the taxpayer is insolvent, shall be determined on the basis of the taxpayer's assets and liabilities immediately before the discharge.

(3) Indebtedness of the taxpayer shall be treated as qualified business indebtedness if (and only if)—

(A) The indebtedness was incurred or assumed—

(i) By a corporation, or

(ii) By an individual in connection with property used in his or her trade or business, and

(B) Such taxpayer makes an election under this paragraph with respect to such indebtedness.

(4) The term "depreciable property" has the same meaning as when used in Section 18054.

(5) In the case of a partnership, subdivisions (a), (b), and (c) shall be applied at the partner level.

(6) (A) An election under paragraph (3) of this subdivision or under paragraph (5) of subdivision (b) shall be made on the taxpayer's return for the taxable year in which the discharge occurs or at such other time as may be permitted in regulations prescribed by the Franchise Tax Board.

(B) An election referred to in subparagraph (A), once made, may be revoked only with the consent of the Franchise Tax Board.

(C) An election referred to in subparagraph (A) shall be made in such manner as the Franchise Tax Board may by regulations prescribe.

(e) For purposes of this title—

(1) Except as otherwise provided in this section, there shall be no insolvency exception from the general rule that gross income includes income from the discharge of indebtedness.

(2) No income shall be realized from the discharge of indebtedness to the extent that payment of the liability would have given rise to a deduction.

(3) The amount taken into account with respect to any discharge shall be properly adjusted for unamortized premium and unamortized discount with respect to the indebtedness discharged.

(4) (A) For purposes of determining income of the debtor from discharge of indebtedness, to the extent provided in regulations prescribed by the Franchise Tax Board, the acquisition of outstanding indebtedness by a person bearing a relationship to the debtor specified in Section 17288 or 17865(a) from a person who does not bear such a relationship to the debtor shall be treated as the acquisition of such indebtedness by the debtor. Such regulations shall provide for such adjustments in the treatment of any subsequent transactions involving the indebtedness as may be appropriate by reason of the application of the preceding sentence.

(B) For purposes of this paragraph, Sections 17288 and 17865(a) shall be applied as if Section 17289(d) provided that the family of an individual consists of the individual's spouse, the individual's children, grandchildren, and parents, and any spouse of the individual's children or grandchildren.

(C) For purposes of this paragraph, two entities which are treated as a single employer under subsection (b) or (c) of Section 414 of the Internal Revenue Code shall be treated as bearing a relationship to each other which is described in Section 17288.

(5) If—

(A) The debt of a purchaser of property to the seller of such property which arose out of the purchase of such property is reduced,

(B) Such reduction does not occur—

(i) In a Title 11 case, or

(ii) When the purchaser is insolvent, and

(C) But for this paragraph, such reduction would be treated as

income to the purchaser from the discharge of indebtedness, then such reduction shall be treated as a purchase price adjustment.

(6) (A) If a creditor acquires stock of a debtor corporation in satisfaction of such corporation's indebtedness, for purposes of Section 18211—

(i) Such stock (and any other property the basis of which is determined in whole or in part by reference to the adjusted basis of such stock) shall be treated as Section 18211 property, and

(ii) The aggregate amount allowed to the creditor—

(I) As deductions under subdivision (a), (b), or (c) of Section 17207 (by reason of the worthlessness or partial worthlessness of the indebtedness), or

(II) As an ordinary loss on the exchange,

shall be treated as an amount allowed as a deduction for depreciation.

The amount determined under clause (ii) shall be reduced by the amount (if any) included in the creditor's gross income on the exchange.

(B) In the case of a taxpayer to whom subdivision (c) of Section 17207 (relating to reserve for bad debts) applies, the amount determined under clause (ii) of subparagraph (A) shall be the aggregate charges to the reserve resulting from the worthlessness or partial worthlessness of the indebtedness.

(C) In the case of any creditor who computes his or her taxable income under the cash receipts and disbursements method, proper adjustment shall be made in the amount taken into account under clause (ii) of subparagraph (A) for any amount which was not included in the creditor's gross income but which would have been included in such gross income if such indebtedness had been satisfied in full.

(D) For purposes of this paragraph, stock of a corporation in control (within the meaning of Section 17463) of the debtor corporation shall be treated as stock of the debtor corporation.

(E) For purposes of this paragraph, the term "debtor corporation" includes a successor corporation.

(F) Under regulations prescribed by the Franchise Tax Board, rules similar to the rules of subparagraphs (A), (B), (C), (D), and (E) of this paragraph shall apply with respect to the indebtedness of a partnership.

(8) For purposes of determining income of the debtor from discharge of indebtedness, the stock for debt exception shall not apply—

(A) To the issuance of nominal or token shares, or

(B) With respect to an unsecured creditor, where the ratio of the value of the stock received by such unsecured creditor to the amount of his indebtedness canceled or exchanged for stock in the workout is less than 50 percent of a similar ratio computed for all unsecured creditors participating in the workout.

(9) Any amount included in gross income by reason of the

discharge of indebtedness shall not be taken into account for purposes of paragraphs (2) and (3) of Section 17822.

SEC. 4. Section 17145.5 is added to the Revenue and Taxation Code, to read:

17145.5. For purposes of subdivision (d) of Section 17145, an increase in a carryover which has not expired shall be treated as a reduction in tax.

SEC. 5. Section 17325 of the Revenue and Taxation Code is amended to read:

17325. If a corporation redeems its stock (within the meaning of subdivision (b) of Section 17383), and if subdivision (a), (b), or (c) of Section 17326 apply, such redemption shall be treated as a distribution in part or full payment in exchange for the stock.

SEC. 6. Section 17326 of the Revenue and Taxation Code is amended to read:

17326. (a) Section 17325 shall apply if the redemption is not essentially equivalent to a dividend.

(b) (1) Section 17325 shall apply if the distribution is substantially disproportionate with respect to the shareholder.

(2) This subdivision shall not apply unless immediately after the redemption the shareholder owns less than 50 percent of the total combined voting power of all classes of stock entitled to vote.

(3) For purposes of this subdivision, the distribution is substantially disproportionate if—

(A) The ratio which the voting stock of the corporation owned by the shareholder immediately after the redemption bears to all of the voting stock of the corporation at such time,

is less than 80 percent of—

(B) The ratio which the voting stock of the corporation owned by the shareholder immediately before the redemption bears to all of the voting stock of the corporation at such time.

For purposes of this subdivision, no distribution shall be treated as substantially disproportionate unless the shareholder's ownership of the common stock of the corporation (whether voting or nonvoting) after and before redemption also meets the 80 percent requirement of the preceding sentence. For purposes of the preceding sentence, if there is more than one class of common stock, the determinations shall be made by reference to fair market value.

(4) Subdivision (b) shall not apply to any redemption made pursuant to a plan the purpose or effect of which is a series of redemptions resulting in a distribution which (in the aggregate) is not substantially disproportionate with respect to the shareholder.

(c) Section 17325 shall apply if the redemption is in complete redemption of all of the stock of the corporation owned by the shareholder.

(d) In determining whether a redemption meets the requirements of subdivision (a), the fact that such redemption fails to meet the requirements of subdivision (b) or (c), shall not be taken into account. If a redemption meets the requirements of subdivision

(c) and also the requirements of subdivision (a), or (b), then so much of subdivision (b) of Section 17327 as would (but for this sentence) apply in respect of the acquisition of an interest in the corporation within the 10-year period beginning on the date of the distribution shall not apply.

SEC. 7. Section 17368 is added to the Revenue and Taxation Code, to read:

17368. (a) The earnings and profits of a corporation shall not include income from the discharge of indebtedness to the extent of the amount applied to reduce basis under Section 24918.

(b) If—

(1) The interest of any shareholder of a corporation is terminated or extinguished in a Title 11 or similar case (within the meaning of paragraph (1) of subdivision (d) of Section 17461), and

(2) There is a deficit in the earnings and profits of the corporation,

then such deficit shall be reduced by an amount equal to the paid-in capital which is allocable to the interest of the shareholder which is so terminated or extinguished.

SEC. 8. Section 17431 of the Revenue and Taxation Code is amended to read:

17431. (a) No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation and immediately after the exchange such person or persons are in control (as defined in Section 17463) of the corporation.

(b) If subsection (a) would apply to an exchange but for the fact that there is received, in addition to the stock or securities permitted to be received under subsection (a), other property or money, then—

(1) Gain (if any) to such recipient shall be recognized, but not in excess of—

(A) The amount of money received; plus

(B) The fair market value of such other property received; and

(2) No loss to such recipient shall be recognized.

(c) In determining control, for purposes of this section, the fact that any corporate transferor distributes part or all of the stock which it receives in the exchange to its shareholders shall not be taken into account.

(d) For purposes of this section, stock or securities issued for—

(1) Services,

(2) Indebtedness of the transferee corporation which is not evidenced by a security, or

(3) Interest on indebtedness of the transferee corporation which accrued on or after the beginning of the transferor's holding period for the debt,

shall not be considered as issued in return for property.

(e) This section shall not apply to a transfer of property of a debtor pursuant to a plan while the debtor is under the jurisdiction of a court

in a Title 11 or similar case (within the meaning of paragraph (1) of subdivision (d) of Section 17461), to the extent that the stock or securities received in the exchange are used to satisfy the indebtedness of such debtor.

(f) (1) For special rule where another party to the exchange assumes a liability, or acquires property subject to a liability, see Section 17440.

(2) For the basis of stock, securities, or property received in an exchange to which this section applies, see Sections 17441 to 17444.

(3) For special rule in the case of an exchange described in this section but which has the effect of the payment of compensation by the corporation or by a transferor, see Section 17071.

SEC. 9. Section 17432 of the Revenue and Taxation Code is amended to read:

17432. (a) (1) No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization.

(2) Paragraph (1) shall not apply if—

(A) (i) The principal amount of any such securities received exceeds the principal amount of any such securities surrendered, or

(ii) Any such securities are received and no such securities are surrendered.

(B) Neither paragraph (1) nor so much of Sections 17435 to 17439, inclusive, as relate to paragraph (1) shall apply to the extent that any stock, securities, or other property received is attributable to interest which has accrued on securities on or after the beginning of the holder's holding period.

(3) (A) For treatment of the exchange if any property is received which is not permitted to be received under this subdivision (including an excess principal amount of securities received over securities surrendered, but not including property to which paragraph (2) (B) applies), see Sections 17435 to 17439, inclusive.

(B) For treatment of accrued interest in the case of an exchange described in paragraph (2) (B), see Section 17071.

(b) (1) Subdivision (a) shall not apply to an exchange in pursuance of a plan of reorganization within the meaning of paragraphs (4) and (7) of subdivision (a) of Section 17461, unless,

(A) The corporation to which the assets are transferred acquires substantially all of the assets of the transferor of such assets; and

(B) The stock, securities, and other properties received by such transferor, as well as the other properties of such transferor, are distributed in pursuance of the plan of reorganization.

(2) For special rules for certain exchanges in pursuance of plans of reorganization within the meaning of paragraphs (4) and (7) of subdivision (a) of Section 17461, see Sections 17433 and 17434.

SEC. 10. Section 17433 of the Revenue and Taxation Code is amended to read:

17433. (a) If—

(1) A corporation (referred to in this section as the "distributing corporation")—

(A) Distributes to a shareholder, with respect to its stock; or

(B) Distributes to a security holder, in exchange for its securities, solely stock or securities of a corporation (referred to in this section and Section 17434 as "controlled corporation") which it controls immediately before the distribution;

(2) The transaction was not used principally as a device for the distribution of the earnings and profits of the distributing corporation or the controlled corporation or both (but the mere fact that subsequent to the distribution stock or securities in one or more of such corporations are sold or exchanged by all or some of the distributees (other than pursuant to an arrangement negotiated or agreed upon prior to such distribution) shall not be construed to mean that the transaction was used principally as such a device);

(3) The requirements of Section 17434 (relating to active businesses) are satisfied; and

(4) As part of the distribution, the distributing corporation distributes—

(A) All of the stock and securities in the controlled corporation held by it immediately before the distribution; or

(B) An amount of stock in the controlled corporation constituting control within the meaning of Section 17463, and it is established to the satisfaction of the Franchise Tax Board that the retention by the distributing corporation of stock (or stock and securities) in the controlled corporation was not in pursuance of a plan having as one of its principal purposes the avoidance of income tax,

then no gain or loss shall be recognized to (and no amount shall be includible in the income of) such shareholder or security holder on the receipt of such stock or securities.

(b) Subdivision (a) shall be applied without regard to the following:

(1) Whether or not the distribution is pro rata with respect to all of the shareholders of the distributing corporation;

(2) Whether or not the shareholder surrenders stock in the distributing corporation; and

(3) Whether or not the distribution is in pursuance of a plan of reorganization (within the meaning of Section 17461(a)(4)).

(c) Subdivision (a) shall not apply if—

(1) (A) The principal amount of the securities in the controlled corporation which are received exceeds the principal amount of the securities which are surrendered in connection with such distribution, or

(B) Securities in the controlled corporation are received and no securities are surrendered in connection with such distribution.

(2) For purposes of this section and Section 17434 (other than paragraph (4) of subdivision (a)) and so much of Sections 17435 to

17439, inclusive, as relate to this section and Section 17434, stock of a controlled corporation acquired by the distributing corporation by reason of any transaction—

(A) Which occurs within five years of the distribution of such stock, and

(B) In which gain or loss was recognized in whole or in part, shall not be treated as stock of such controlled corporation, but as other property.

(3) Neither subdivision (a) nor so much of Sections 17435 to 17439, inclusive, as relate to subdivision (a) shall apply to the extent that any stock, securities, or other property received is attributable to interest which has accrued on securities on or after the beginning of the holder's holding period.

(d) (A) For treatment of the exchange if any property is received which is not permitted to be received under this section (including an excess principal amount of securities received over securities surrendered, but not including property to which paragraph (3) of subdivision (c) applies), see Sections 17435 to 17439, inclusive.

(B) For treatment of accrued interest in the case of an exchange described in paragraph (3) of subdivision (c), see Section 17071.

SEC. 11. Section 17440 of the Revenue and Taxation Code is amended to read:

17440. (a) Except as provided in subdivisions (b) and (c), if—

(1) The taxpayer received property which would be permitted to be received under Sections 17431 and 17481 to 17484, inclusive, without the recognition of gain if it were the sole consideration, and

(2) As part of the consideration, another party to the exchange assumes a liability of the taxpayer, or acquires from the taxpayer property subject to a liability,

then such assumption or acquisition shall not be treated as money or other property, and shall not prevent the exchange from being within the provisions of Sections 17431 and 17481 to 17484, inclusive, as the case may be.

(b) (1) If, taking into consideration the nature of the liability and the circumstances in the light of which the arrangement for the assumption or acquisition was made, it appears that the principal purpose of the taxpayer with respect to the assumption or acquisition described in subsection (a)—

(A) Was a purpose to avoid income tax on the exchange, or

(B) If not such purpose, was not a bona fide business purpose, then such assumption or acquisition (in the total amount of the liability assumed or acquired pursuant to such exchange) shall, for purposes of Sections 17431 and 17481 to 17484, inclusive (as the case may be), be considered as money received by the taxpayer on the exchange.

(2) In any suit or proceeding where the burden is on the taxpayer to prove such assumption or acquisition is not to be treated as money received by the taxpayer, such burden shall not be considered as

sustained unless the taxpayer sustains such burden by the clear preponderance of the evidence.

(c) (1) In the case of an exchange to which Section 17431 applies, if the sum of the amount of the liabilities assumed, plus the amount of the liabilities to which the property is subject, exceeds the total of the adjusted basis of the property transferred pursuant to such exchange, then such excess shall be considered as a gain from the sale or exchange of a capital asset or of property which is not a capital asset, as the case may be.

(2) Paragraph (1) shall not apply to any exchange—

(A) To which paragraph (1) of subdivision (b) of this section applies,

(B) To which Sections 17481 to 17484, inclusive, apply, or

(C) Which is pursuant to a plan of reorganization within the meaning of paragraph (7) of subdivision (a) of Section 17462 where no former shareholder of the transferor corporation receives any consideration for his stock.

SEC. 12. Section 17461 of the Revenue and Taxation Code is amended to read:

17461. (a) For the purposes of Article 1 (commencing with Section 17321) to Article 7 (commencing with Section 17431), inclusive, of this chapter, the term "reorganization" means—

(1) A statutory merger or consolidation;

(2) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of stock of another corporation if, immediately after the acquisition, the acquiring corporation has control of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition);

(3) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded;

(4) A transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor, or one or more of its shareholders (including persons who were shareholders immediately before the transfer), or any combination thereof, is in control of the corporation to which the assets are transferred; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Sections 17432 to 17439, inclusive;

(5) A recapitalization;

(6) A mere change in identity, form, or place of organization,

however effected; or

(7) A transfer by a corporation of all or part of its assets to another corporation in a Title 11 or similar case; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Sections 17432 to 17439, inclusive.

(b) (1) If a transaction is described in both paragraph (3) and paragraph (4) of subdivision (a), then, for purposes of this chapter, such transactions shall be treated as described only in paragraph (4) of subdivision (a).

(2) If—

(A) One corporation acquires substantially all of the properties of another corporation,

(B) The acquisition would qualify under paragraph (3) of subdivision (a) but for the fact that the acquiring corporation exchanges money or other property in addition to voting stock, and

(C) The acquiring corporation acquires, solely for voting stock described in paragraph (3) of subdivision (a), property of the other corporation having a fair market value which is at least 80 percent of the fair market value of all of the property of the other corporation,

then such acquisition shall (subject to paragraph (1) of this subdivision) be treated as qualifying under paragraph (3) of subdivision (a). Solely for the purpose of determining whether subparagraph (C) of the preceding sentence applies, the amount of any liability assumed by the acquiring corporation, and the amount of any liability to which any property acquired by the acquiring corporation is subject, shall be treated as money paid for the property.

(3) A transaction otherwise qualifying under paragraph (1), paragraph (2) or paragraph (3) of subdivision (a) shall not be disqualified by reason of the fact that part or all of the assets which were acquired in the transaction are transferred to a corporation controlled by the corporation acquiring such assets. A similar rule shall apply to a transaction otherwise qualifying under paragraph (7) of subdivision (a) where the requirements of subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 17432 are met with respect to the acquisition of the assets or stock.

(4) The acquisition by one corporation, in exchange for stock of a corporation (referred to in this paragraph as "controlling corporation") which is in control of the acquiring corporation, of substantially all of the properties of another corporation which in the transaction is merged into the acquiring corporation shall not disqualify a transaction under paragraph (1) or paragraph (7) of subdivision (a), if—

(A) No stock of the acquiring corporation is used in the transaction, and

(B) In the case of a transaction under paragraph (1) of subdivision

(a), such transaction would have qualified under paragraph (1) of subdivision (a) had the merger been into the controlling corporation.

(5) A transaction otherwise qualifying under paragraph (1) of subdivision (a) shall not be disqualified by reason of the fact that stock of a corporation (referred to in this paragraph as the "controlling corporation") which before the merger was in control of the merged corporation is used in the transaction, if—

(A) After the transaction, the corporation surviving the merger holds substantially all of its properties and of the properties of the merged corporation (other than stock of the controlling corporation distributed in the transaction); and

(B) In the transaction, former shareholders of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, an amount of stock in the surviving corporation which constitutes control of such corporation.

(6) (A) If immediately before a transaction described in subdivision (a) (other than paragraph (5) thereof), two or more parties to the transaction were investment companies, then the transaction shall not be considered to be a reorganization with respect to any such investment company (and its shareholders and security holders) unless it was a regulated investment company, a real estate investment trust, or a corporation which meets the requirements of subparagraph (B).

(B) A corporation meets the requirements of this subparagraph if not more than 25 percent of the value of its total assets is invested in the stock and securities of any one issuer, and not more than 50 percent of the value of its total assets is invested in the stock and securities of five or fewer issuers. For purposes of this paragraph, all members of a controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code of 1954) shall be treated as one issuer.

(C) For purposes of this paragraph the term "investment company" means a regulated investment company, a real estate investment trust, or a corporation 50 percent or more of the value of whose total assets are stock and securities and 80 percent or more of the value of whose total assets are assets held for investment. In making the 50-percent and 80-percent determinations under the preceding sentence, stock and securities in any subsidiary corporation shall be disregarded and the parent corporation shall be deemed to own its ratable share of the subsidiary's assets, and a corporation shall be considered a subsidiary if the parent owns 50 percent or more of the combined voting power of all classes of stock entitled to vote, or 50 percent or more of the total value of shares of all classes of stock outstanding.

(D) For purposes of this paragraph, in determining total assets there shall be excluded cash and cash items (including receivables), government securities, and, under regulations prescribed by the Franchise Tax Board, assets acquired (through incurring

indebtedness or otherwise) for purposes of meeting the requirements of subparagraph (B) or ceasing to be an investment company.

(E) This paragraph shall not apply if the stock of each investment company is owned substantially by the same persons in the same proportions.

(F) If an investment company which does not meet the requirement of subparagraph (B) acquires assets of another corporation, subparagraph (A) shall be applied to such investment company and its shareholders and security holders as though its assets had been acquired by such other corporation. If such investment company acquires stock of another corporation in a reorganization described in Section 17461(a)(2) (hereafter referred to as the "actual acquisition") subparagraph (A) shall be applied to the shareholders of such investment company as though they had exchanged with such other corporation all of their stock in such investment company for stock having a fair market value equal to the fair market value of their stock of such investment company immediately after the exchange.

(G) For purposes of subparagraphs (B) and (C), the term "securities" includes obligations of state and local governments, commodity future contracts, shares of regulated investment companies and real estate investment trusts, and other investments constituting a security within the meaning of the Investment Company Act of 1940, 15 U.S.C. 80a-2(36).

(H) In applying subdivision (c) of Section 17288 in respect of any transaction to which this paragraph applies, the reference to a personal holding company in subdivision (c) of Section 17288 shall be treated as including a reference to an investment company and the determination of whether a corporation is an investment company shall be made as of the time immediately before the transaction instead of with respect to the taxable year referred to in subdivision (c) of Section 17288.

(c) The amendments made to this section by the 1971 First Extraordinary Session of the Legislature shall apply to statutory mergers occurring after December 31, 1970.

(d) (1) For purposes of Articles 7 and 8, the term "Title 11 or similar case" means—

(A) A case under Title 11 of the United States Code, to the extent Articles 7 and 8 are not in conflict with Section 346(g)(1)(C) of Title 11, or

(B) A receivership, foreclosure, or similar proceeding in a federal or state court.

(2) In applying paragraph (7) of subdivision (a), a transfer of the assets of a corporation shall be treated as made in a Title 11 or similar case if and only if—

(A) Such corporation is under the jurisdiction of the court in such case, and

(B) The transfer is pursuant to a plan of reorganization

approved by the court.

(3) If a transaction would (but for this subparagraph) qualify both—

(A) Under paragraph (7) of subdivision (a), and

(B) Under any other paragraph of subdivision (a) or under Section 17431,

then, for purposes of this chapter (other than paragraph (1) of subdivision (c) of Section 17440), such transaction shall be treated as qualifying only under paragraph (7) of subdivision (a).

(4) In the case of a Title 11 or similar case, the requirement of subparagraph (B) of paragraph (5) of subdivision (b) shall be treated as met if—

(A) No former shareholder of the surviving corporation received any consideration for his stock, and

(B) The former creditors of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, debt of the surviving corporation which had a fair market value equal to 80 percent or more of the total fair market value of the debt of the surviving corporation.

SEC. 13. Section 17462 of the Revenue and Taxation Code is amended to read:

17462. For purposes of this article, the term "a party to a reorganization" includes—

(a) A corporation resulting from a reorganization, and

(b) Both corporations, in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another.

In the case of a reorganization qualifying under paragraph (2) or paragraph (3) of subdivision (a) of Section 17461, if the stock exchanged for the stock or properties is stock of a corporation which is in control of the acquiring corporation, the term "a party to reorganization" includes the corporation so controlling the acquiring corporation. In the case of a reorganization qualifying under paragraph (1), paragraph (2), paragraph (3), or paragraph (7) of subdivision (a) of Section 17461 by reason of paragraph (3) of subdivision (b) of Section 17461, the term "a party to a reorganization" includes the corporation controlling the corporation to which the acquired assets or stock are transferred. In the case of a reorganization qualifying under paragraph (1) or paragraph (7) of subdivision (a) by reason of paragraph (4) of subdivision (b) of Section 17461, the term "a party to a reorganization" includes the controlling corporation referred to in such paragraph (4) of subdivision (b). In the case of a reorganization qualifying under paragraph (1) of subdivision (a) of Section 17461, by reason of paragraph (5) of subdivision (b) of Section 17461, the term "party to a reorganization" includes the controlling corporation referred to in paragraph (5) of subdivision (b) of Section 17461.

(c) The amendments made to this section by the 1971 First Extraordinary Session of the Legislature shall apply to statutory

mergers occurring after December 31, 1970.

SEC. 14. Section 17480 is added to the Revenue and Taxation Code, to read:

17480. This article shall not apply to any proceeding which is begun after September 30, 1979.

SEC. 15. Section 17532 of the Revenue and Taxation Code is amended to read:

17532. (a) Subject to the provisions of subsection (c) (1), Section 17531(a) shall apply with respect to the transfer of a share of stock to an individual pursuant to his exercise of a qualified stock option if—

(1) No disposition of such share is made by such individual within the three-year period beginning on the day after the day of the transfer of such share, and

(2) At all times during the period beginning with the date of the granting of the option and ending on the day three months before the date of such exercise, such individual was an employee of either the corporation granting such option, a parent or subsidiary corporation of such corporation, or a corporation or a parent or subsidiary corporation of such corporation issuing or assuming a stock option in a transaction to which Section 17535(a) applies.

(b) For purposes of this article, the term "qualified stock option" means an option granted to an individual after December 31, 1963 (other than a restricted stock option granted pursuant to a contract described in Section 17534(c) (3) (A)), and before May 21, 1976 (or, if it meets the requirements of subdivision (c) (7), granted to an individual after May 20, 1976), for any reason connected with his employment by a corporation, if granted by the employer corporation or its parent or subsidiary corporation, to purchase stock of any of such corporations, but only if—

(1) The option is granted pursuant to a plan which includes the aggregate number of shares which may be issued under options, and the employees (or class of employees) eligible to receive options, and which is approved by the stockholders of the granting corporation within 12 months before or after the date such plan is adopted;

(2) Such option is granted within 10 years from the date such plan is adopted, or the date such plan is approved by the stockholders, whichever is earlier;

(3) Such option by its terms is not exercisable after the expiration of five years from the date such option is granted;

(4) Except as provided in subsection (c) (1), the option price is not less than the fair market value of the stock at the time such option is granted;

(5) Such option by its terms is not exercisable while there is outstanding (within the meaning of subsection (c) (2)) any qualified stock option (or restricted stock option) which was granted before the granting of such option, to such individual to purchase stock in his employer corporation or in a corporation which (at the time of

the granting of such option) is a parent or subsidiary corporation of the employer corporation, or in a predecessor corporation of any of such corporations;

(6) Such option by its terms is not transferable by such individual otherwise than by will or the laws of descent and distribution, and is exercisable, during his lifetime, only by him; and

(7) Such individual, immediately after such option is granted, does not own stock possessing more than 5 percent of the total combined voting power or value of all classes of stock of the employer corporation or of its parent or subsidiary corporation; except that if the equity capital of such corporation or corporations (determined at the time the option is granted) is less than two million dollars ($2,000,000), then, for purposes of applying the limitation of this paragraph, there shall be added to such 5 percent the percentage (not higher than 5 percent) which bears the same ratio to 5 percent as the difference between such equity capital and two million dollars ($2,000,000) bears to one million dollars ($1,000,000).

(c) (1) If a share of stock is transferred pursuant to the exercise by an individual of an option which fails to qualify as a qualified stock option under subsection (b) because there was a failure in an attempt, made in good faith, to meet the requirement of subsection (b) (4), the requirement of subsection (b) (4) shall be considered to have been met, but there shall be included as compensation (and not as gain upon the sale or exchange of a capital asset) in his gross income for the taxable year in which such option is exercised, an amount equal to the lesser of—

(A) One hundred fifty percent of the difference between the option price and the fair market value of the share at the time the option was granted, or

(B) The difference between the option price and the fair market value of the share at the time of such exercise. The basis of the share acquired shall be increased by an amount equal to the amount included in his gross income under this paragraph in the taxable year in which the exercise occurred.

(2) For purposes of subsection (b) (5)—

(A) Any restricted stock option which is not terminated before January 1, 1965, and

(B) Any qualified stock option granted after December 31, 1963, shall be treated as outstanding until such option is exercised in full or expires by reason of the lapse of time. For purposes of the preceding sentence, a restricted stock option granted before January 1, 1964, shall not be treated as outstanding for any period before the first day on which (under the terms of such option) it may be exercised.

(3) For purposes of subsection (b) (7)—

(A) The term "equity capital" means—

(i) In the case of one corporation, the sum of its money and other property (in an amount equal to the adjusted basis of such property

for determining gain), less the amount of its indebtedness (other than indebtedness to shareholders), and

(ii) In the case of a group of corporations consisting of a parent and its subsidiary corporations, the sum of the equity capital of each of such corporations adjusted, under regulations prescribed by the Franchise Tax Board, to eliminate the effect of intercorporate ownership and transactions among such corporations;

(B) The rules of Section 17535(d) shall apply in determining the stock ownership of the individual; and

(C) Stock which the individual may purchase under outstanding options shall be treated as stock owned by such individual. If an individual is granted an option which permits him to purchase stock in excess of the limitation of subsection (b) (7) (determined by applying the rules of this paragraph), such option shall be treated as meeting the requirement of subsection (b) (7) to the extent that such individual could if the option were fully exercised at the time of grant, purchase stock under such option without exceeding such limitation. The portion of such option which is treated as meeting the requirement of subsection (b) (7) shall be deemed to be that portion of the option which is first exercised.

(4) If—

(A) An individual who has acquired a share of stock by the exercise of a qualified stock option makes a disposition of such share within the three-year period described in subsection (a) (1), and

(B) Such disposition is a sale or exchange with respect to which a loss (if sustained) would be recognized to such individual,

then the amount which is includable in the gross income of such individual, as compensation attributable to the exercise of such option shall not exceed the excess (if any) of the amount realized on such sale or exchange over the adjusted basis of such share.

(5) If an insolvent individual holds a share of stock acquired pursuant to his exercise of a qualified stock option, and if such share is transferred to a trustee, receiver, or other similar fiduciary, in any proceeding under Title 11 of the United States Code or any other similar insolvency proceeding, neither such transfer, nor any other transfer of such share for the benefit of his creditors in such proceeding, shall constitute a "disposition of such share" for purposes of subsection (a) (1).

(6) The requirement of subsection (b) (5) shall be considered to have been met in the case of any option (referred to in this paragraph as "new option") granted to an individual if—

(A) The new option and all outstanding options referred to in subsection (b) (5) are to purchase stock of the same class in the same corporation, and

(B) The new option by its terms is not exercisable while there is outstanding (within the meaning of paragraph (2)) any qualified stock option (or restricted stock option) which was granted, before the granting of the new option, to such individual to purchase stock

in such corporation at a price (determined as of the date of grant of the new option) higher than the option price of the new option.

(7) For purposes of subdivision (b), an option granted after May 20, 1976, meets the requirements of this paragraph—

(A) If such option is granted to an individual pursuant to a written plan adopted before May 21, 1976, or

(B) If such option is a new option substituted in a transaction to which Section 17535(a) applies, for an old option which was granted before May 21, 1976, or which met the requirements of subparagraph (A). An option described in the preceding sentence shall be treated as ceasing to meet the requirements of this paragraph if it is not exercised before May 21, 1981.

SEC. 16. Section 17552.5 is added to the Revenue and Taxation Code, to read:

17552.5. Notwithstanding Section 17552, an estate subject to tax under Section 346(b)(2) of Title 11 of the United States Code may change its annual accounting period one time without the approval of the Franchise Tax Board.

SEC. 17. Section 17854 of the Revenue and Taxation Code is amended to read:

17854. (a) The taxable income of a partnership shall be computed in the same manner as in the case of an individual except that—

(1) The items described in Section 17852 shall be separately stated; and

(2) The following deductions shall not be allowed to the partnership:

(A) The standard deduction provided in Section 17171;

(B) The deduction for taxes provided in Section 17204(a) with respect to taxes, described in Section 18006, paid to another state;

(C) The deduction for charitable contributions provided in Sections 17214 to 17216, inclusive;

(D) The deduction for political contributions provided in Section 17234; and

(E) The additional itemized deductions for individuals provided in Article 7 of Chapter 3.

(b) Any election affecting the computation of taxable income derived from a partnership shall be made by the partnership, except that any election under—

(1) Section 17064(d) (defining net lease),

(2) Subdivision (b)(5) or (d)(4) of Section 17142 (relating to income from discharge of indebtedness),

(3) Section 17203 (relating to limitation of interest on investment indebtedness), or

(4) Section 17689.5 (relating to deduction and recapture of certain mining exploration expenditures),

shall be made by each partner separately.

SEC. 18. Section 18054 of the Revenue and Taxation Code is repealed.

SEC. 19. Section 18054 is added to the Revenue and Taxation Code, to read:

18054. (a) If—

(1) An amount is excluded from gross income under subdivision (a) of Section 17142 (relating to discharge of indebtedness), and

(2) Under subdivision (b)(2)(B), (b)(5), or (c)(1)(A) of Section 17142, any portion of such amount is to be applied to reduce basis,

then such portion shall be applied in reduction of the basis of any property held by the taxpayer at the beginning of the taxable year following the taxable year in which the discharge occurs.

(b) (1) The amount of reduction to be applied under subdivision (a) (not in excess of the portion referred to in subdivision (a)), and the particular properties the bases of which are to be reduced, shall be determined under regulations prescribed by the Franchise Tax Board.

(2) In the case of a discharge to which subparagraph (A) of Section 17142 applies, the reduction in basis under subdivision (a) of this section shall not exceed the excess of—

(A) The aggregate of the bases of the property held by the taxpayer immediately after the discharge, over

(B) The aggregate of the liabilities of the taxpayer immediately after the discharge.

The preceding sentence shall not apply to any reduction in basis by reason of an election under paragraph (5) of subdivision (b) of Section 17142.

(3) (A) Any amount which under paragraph (5) of subdivision (b) or subparagraph (A) of paragraph (1) of subdivision (c) of Section 17142 is to be applied to reduce basis shall be applied only to reduce the basis of depreciable property held by the taxpayer.

(B) For purposes of this section, the term "depreciable property" means any property of a character subject to the allowance for depreciation, but only if a basis reduction under subdivision (a) will reduce the amount of depreciation or amortization which otherwise would be allowable for the period immediately following such reduction.

(C) For purposes of this section, any interest of a partner in a partnership shall be treated as depreciable property to the extent of such partner's proportionate interest in the depreciable property held by such partnership. The preceding sentence shall apply only if there is a corresponding reduction in the partnership's basis in depreciable property with respect to such partner.

(D) (i) At the election of the taxpayer, for purposes of this section, the term "depreciable property" includes any real property which is described in Section 18161(a).

(ii) An election under clause (i) shall be made on the taxpayer's return for the taxable year in which the discharge occurs or at such other time as may be permitted in regulations prescribed by the Franchise Tax Board. Such an election, once made, may be revoked

only with the consent of the Franchise Tax Board.

(c) For purposes of this title, a reduction in basis under this section shall not be treated as a disposition.

(d) (1) For purposes of Sections 18211 and 18212 to 18218, inclusive—

(A) Any property the basis of which is reduced under this section and which is neither Section 18211 property nor Section 18212–18218 property shall be treated as Section 18211 property, and

(B) Any reduction under this section shall be treated as a deduction allowed for depreciation.

(2) For purposes of Section 18213, the determination of what would have been the depreciation adjustments under the straight-line method shall be made as if there had been no reduction under this section.

SEC. 20. Section 18649 of the Revenue and Taxation Code is amended to read:

18649. (a) On the appointment of a receiver for any taxpayer in any receivership proceeding before any court of the United States or of any state or territory or of the District of Columbia, any deficiency (together with all interest, additional amounts, or additions to the tax provided for by law) determined by the Franchise Tax Board in respect of a tax imposed by this part upon the taxpayer may be immediately assessed.

(b) Any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Franchise Tax Board in respect of a tax imposed by this part on:

(1) The debtor's estate in a case under Title 11 of the United States Code, or

(2) The debtor, but only if liability for the tax has become res judicata pursuant to a determination in a case under Title 11 of the United States Code,

may be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

SEC. 21. Section 18650 of the Revenue and Taxation Code is amended to read:

18650. (a) Every trustee in a case under Title 11 of the United States Code, receiver, assignee for the benefit of creditors or like fiduciary shall give notice of his qualification as such to the Franchise Tax Board in such manner and at such time as may be required by regulations of the Franchise Tax Board. The Franchise Tax Board may by regulation provide such exemptions from the requirements of this section as the Franchise Tax Board deems proper.

(b) If the regulations issued pursuant to this section require the giving of any notice by any fiduciary in any case under Title 11 of the United States Code, or by a receiver in any other court proceeding to the Franchise Tax Board of his qualification as such, the running of the period for mailing notice of proposed additional assessments shall be suspended for the period from the date of the institution of

the proceeding to a date 30 days after the date upon which the notice from the receiver or other fiduciary is received by the Franchise Tax Board; but the suspension under this section shall in no case be for a period in excess of two years.

SEC. 22. Section 18651 of the Revenue and Taxation Code is amended to read:

18651. (a) Claims for the deficiency and such interest, additional amounts and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the receivership proceeding (or case under Title 11 of the United States Code) is pending, despite the pendency of an appeal to the board.

(b) In the case of a receivership proceeding, no appeal shall be filed with the board after the appointment of the receiver.

SEC. 23. Section 18652 of the Revenue and Taxation Code is amended to read:

18652. Upon notice and demand from the Franchise Tax Board after termination of the receivership proceeding, the taxpayer shall pay any portion of the claim allowed in the proceeding which is unpaid. The unpaid amount may be collected in the manner provided in this part for the collection of delinquent taxes at any time within six years after termination of the proceeding.

SEC. 24. Section 18698 is added to the Revenue and Taxation Code, to read:

18698. (a) No addition to the tax shall be made under Section 18684.2 or 18685.05 for failure to make timely payment of tax with respect to a period during which a case is pending under Title 11 of the United States Code—

(1) If such tax was incurred by the estate and the failure occurred pursuant to an order of the court finding probable insufficiency of funds of the estate to pay administrative expenses, or

(2) If—

(A) Such tax was incurred by the debtor before the earlier of the order for relief or (in the involuntary case) the appointment of a trustee, and

(B) (i) The petition was filed before the due date prescribed by law (including extensions) for filing a return of such tax, or

(ii) The date for making the addition to the tax occurs on or after the day on which the petition was filed.

(b) Subdivision (a) shall not apply to any liability for an addition to the tax which arises from the failure to pay or deposit a tax withheld or collected from others and required to be paid to the State of California.

SEC. 25. Section 19058 of the Revenue and Taxation Code is amended to read:

19058. If the Franchise Tax Board fails to mail notice of action on any refund claim within six months after the claim is filed, the taxpayer may prior to mailing of notice of action on the refund claim consider the claim disallowed and appeal to the board. For

substitution of the 120-day period for the six-month period contained in this section in a Title 11 case, see Section 505(a)(2) of Title 11 of the United States Code.

SEC. 26. Section 19085 of the Revenue and Taxation Code is amended to read:

19085. If the Franchise Tax Board fails to mail notice of action on any refund claim within six months after the claim was filed, the taxpayer may, prior to mailing of notice of action on the refund claim, consider the claim disallowed and bring an action against the Franchise Tax Board on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment. For substitution of 120-day period for the six-month period contained in this section in a Title 11 case, see Section 505(a)(2) of Title 11 of the United States Code.

SEC. 27. Section 24307 of the Revenue and Taxation Code is repealed.

SEC. 28. Section 24307 is added to the Revenue and Taxation Code, to read:

24307. (a) (1) Gross income does not include any amount which (but for this subdivision) would be includible in gross income by reason of the discharge (in whole or in part) of indebtedness of the taxpayer if—

(A) The discharge occurs when the taxpayer is insolvent, or

(B) The indebtedness discharged is qualified business indebtedness.

(2) Subparagraph (B) of paragraph (1) shall not apply to a discharge to the extent that the taxpayer is insolvent.

(3) In the case of a discharge to which subparagraph (A) of paragraph (1) applies, the amount excluded under subparagraph (A) of paragraph (1) shall not exceed the amount by which the taxpayer is insolvent.

(b) (1) The amount excluded from gross income under subparagraph (A) of paragraph (1) of subdivision (a) shall, except as provided in paragraph (5), be applied to reduce the basis of the property of the taxpayer.

(2) For provisions for making the reduction see Section 24918.

(3) The reduction shall be one dollar ($1.) for each dollar excluded by subdivision (a).

(4) The reduction shall be made after the determination of the tax imposed by this chapter for the income year of the discharge.

(5) (A) The taxpayer may elect to apply any portion of the reduction referred to in paragraph (1) to the reduction under Section 24918 of the basis of the depreciable property of the taxpayer.

(B) The amount to which an election under this subdivision applies shall not exceed the aggregate adjusted bases of the depreciable property held by the taxpayer as of the beginning of the income year following the income year in which the discharge occurs.

(C) Paragraph (1) shall not apply to any amount to which an

election under this subdivision applies.

(c) (1) In the case of a discharge of qualified business indebtedness, the amount excluded from gross income under subparagraph (B) of paragraph (1) of subdivision (a) shall be applied to reduce the basis of the depreciable property of the taxpayer.

(2) For provisions for making the reduction see Section 24918.

(3) The amount excluded under subparagraph (B) of paragraph (1) of subdivision (a) shall not exceed the aggregate adjusted bases of the depreciable property held by the taxpayer as of the beginning of the income year following the income year in which the discharge occurs (determined after any reductions under subdivision (b)).

(d) (1) For purposes of this section, the term "indebtedness of the taxpayer" means any indebtedness—

(A) For which the taxpayer is liable, or

(B) Subject to which the taxpayer holds property.

(2) For purposes of this section, the term "insolvent" means the excess of liabilities over the fair market value of assets. With respect to any discharge, whether or not the taxpayer is insolvent, and the amount by which the taxpayer is insolvent, shall be determined on the basis of the taxpayer's assets and liabilities immediately before the discharge.

(3) Indebtedness of the taxpayer shall be treated as qualified business indebtedness if (and only if)—

(A) The indebtedness was incurred or assumed—

(i) By a corporation, or

(ii) By an individual in connection with property used in his trade or business, and

(B) Such taxpayer makes an election under this paragraph with respect to such indebtedness.

(4) The term "depreciable property" has the same meaning as when used in Section 24918.

(5) In the case of a partnership, subdivisions (a), (b), and (c) shall be applied at the partner level.

(6) (A) An election under paragraph (3) of this subdivision or under paragraph (5) of subdivision (b) shall be made on the taxpayer's return for the income year in which the discharge occurs or at such other time as may be permitted in regulations prescribed by the Franchise Tax Board.

(B) An election referred to in subparagraph (A), once made, may be revoked only with the consent of the Franchise Tax Board.

(C) An election referred to in subparagraph (A) shall be made in such manner as the Franchise Tax Board may by regulations prescribe.

(7) For provision that no reduction is to be made in the basis of exempt property of an individual debtor, see Section 24918(c)(1).

(e) For purposes of this title—

(1) Except as otherwise provided in this section, there shall be no insolvency exception from the general rule that gross income

includes income from the discharge of indebtedness.

(2) No income shall be realized from the discharge of indebtedness to the extent that payment of the liability would have given rise to a deduction.

(3) The amount taken into account with respect to any discharge shall be properly adjusted for unamortized premium and unamortized discount with respect to the indebtedness discharged.

(4) (A) For purposes of determining income of the debtor from discharge of indebtedness, to the extent provided in regulations prescribed by the Franchise Tax Board, the acquisition of outstanding indebtedness by a person bearing a relationship to the debtor specified in Section 24428 or 17865(a) from a person who does not bear such a relationship to the debtor shall be treated as the acquisition of such indebtedness by the debtor. Such regulations shall provide for such adjustments in the treatment of any subsequent transactions involving the indebtedness as may be appropriate by reason of the application of the preceding sentence.

(B) For purposes of this paragraph, Sections 24428 and 17865(a) shall be applied as if Section 24429(d) provided that the family of an individual consists of the individual's spouse, the individual's children, grandchildren, and parents, and any spouse of the individual's children or grandchildren.

(5) If—

(A) The debt of a purchaser of property to the seller of such property which arose out of the purchase of such property is reduced,

(B) Such reduction does not occur when the purchaser is insolvent, and

(C) But for this paragraph, such reduction would be treated as income to the purchaser from the discharge of indebtedness,

then such reduction shall be treated as a purchase price adjustment.

(6) For purposes of determining income of the debtor from discharge of indebtedness, if a debtor corporation acquires its indebtedness from a shareholder as a contribution to capital, such corporation shall be treated as having satisfied the indebtedness with an amount of money equal to the shareholder's adjusted basis in the indebtedness.

(7) (A) If a creditor acquires stock of a debtor corporation in satisfaction of such corporation's indebtedness—

(i) Such stock (and any other property the basis of which is determined in whole or in part by reference to the adjusted basis of such stock) shall be treated as Section 18211 property, and

(ii) The aggregate amount allowed to the creditor—

(I) As deductions under subdivision (a) of Section 24348 (by reason of the worthlessness or partial worthlessness of the indebtedness), or

(II) As an ordinary loss on the exchange,

shall be treated as an amount allowed as a deduction for depreciation.

The amount determined under clause (ii) shall be reduced by the amount (if any) included in the creditor's gross income on the exchange.

(B) In the case of a taxpayer to whom the portion of subdivision (a) of Section 24348 (relating to reserve for bad debts) applies, the amount determined under clause (ii) of subparagraph (A) shall be the aggregate charges to the reserve resulting from the worthlessness or partial worthlessness of the indebtedness.

(C) In the case of any creditor who computes his taxable income under the cash receipts and disbursements method, proper adjustment shall be made in the amount taken into account under clause (ii) of subparagraph (A) for any amount which was not included in the creditor's gross income but which would have been included in such gross income if such indebtedness had been satisfied in full.

(D) For purposes of this paragraph, stock of a corporation in control (within the meaning of Section 24564) of the debtor corporation shall be treated as stock of the debtor corporation.

(E) For purposes of this paragraph, the term "debtor corporation" includes a successor corporation.

(F) Under regulations prescribed by the Franchise Tax Board, rules similar to the rules of subparagraphs (A), (B), (C), (D), and (E) of this paragraph shall apply with respect to the indebtedness of a partnership.

(8) For purposes of determining income of the debtor from discharge of indebtedness, the stock for debt exception shall not apply—

(A) To the issuance of nominal or token shares, or

(B) With respect to an unsecured creditor, where the ratio of the value of the stock received by such unsecured creditor to the amount of his indebtedness canceled or exchanged for stock in the workout is less than 50 percent of a similar ratio computed for all unsecured creditors participating in the workout.

(9) Any amount included in gross income by reason of the discharge of indebtedness shall not be taken into account for purposes of Section 24413.

SEC. 29. Section 24455 of the Revenue and Taxation Code is amended to read:

24455. (a) If a corporation redeems its stock (within the meaning of Section 24496(b)), and if paragraph (1), (2), or (3) of subdivision (b) applies, such redemption shall be treated as a distribution in part or full payment in exchange for the stock.

(b) (1) Subdivision (a) shall apply if the redemption is not essentially equivalent to a dividend.

(2) (A) Subdivision (a) shall apply if the distribution is substantially disproportionate with respect to the shareholder.

(B) This paragraph shall not apply unless immediately after the

redemption the shareholder owns less than 50 percent of the total combined voting power of all classes of stock entitled to vote.

(C) For purposes of this paragraph, the distribution is substantially disproportionate if—

(i) The ratio which the voting stock of the corporation owned by the shareholder immediately after the redemption bears to all of the voting stock of the corporation at such time, is less than 80 percent of—

(ii) The ratio which the voting stock of the corporation owned by the shareholder immediately before the redemption bears to all of the voting stock of the corporation at such time.

For purposes of this paragraph, no distribution shall be treated as substantially disproportionate unless the shareholder's ownership of the common stock of the corporation (whether voting or nonvoting) after and before redemption also meets the 80 percent requirement of the preceding sentence. For purposes of the preceding sentence, if there is more than one class of common stock, the determinations shall be made by reference to fair market value.

(D) This paragraph shall not apply to any redemption made pursuant to a plan the purpose or effect of which is a series of redemptions resulting in a distribution which (in the aggregate) is not substantially disproportionate with respect to the shareholder.

(3) Subdivision (a) shall apply if the redemption is in complete redemption of all of the stock of the corporation owned by the shareholder.

(4) In determining whether a redemption meets the requirements of paragraph (1), the fact that such redemption fails to meet the requirements of paragraph (2) or (3) shall not be taken into account. If a redemption meets the requirements of paragraph (3) and also the requirements of paragraph (1) or (2), then so much of subdivision (c) (2) as would (but for this sentence) apply in respect of the acquisition of an interest in the corporation within the 10-year period beginning on the date of the distribution shall not apply.

(c) (1) Except as provided in paragraph (2) of this subdivision, Section 24497(a) shall apply in determining the ownership of stock for purposes of this section.

(2) (A) In the case of a distribution described in subdivision (b) (3), Section 24497(a) (1) shall not apply if—

(i) Immediately after the distribution the distributee has no interest in the corporation (including an interest as officer, director, or employee), other than an interest as a creditor,

(ii) The distributee does not acquire any such interest (other than stock acquired by bequest or inheritance) within 10 years from the date of such distribution, and

(iii) The distributee, at such time and in such manner as the Franchise Tax Board by regulations prescribes, files an agreement

to notify the Franchise Tax Board of any acquisition described in clause (ii) and to retain such records as may be necessary for the application of this paragraph.

If the distributee acquires such an interest in the corporation (other than by bequest or inheritance) within 10 years from the date of the distribution, then the periods of limitation provided in Chapter 20 and Chapter 23 on the making of an assessment and the collection by levy or a proceeding in court shall, with respect to any deficiency (including interest and additions to the tax) resulting from such acquisition, include one year immediately following the date on which the distributee (in accordance with regulations prescribed by the Franchise Tax Board) notifies the Franchise Tax Board of such acquisition; and such assessment and collection may be made notwithstanding any provision of law or rule of law which otherwise would prevent such assessment and collection.

(B) Subparagraph (A) of this paragraph shall not apply if—

(i) Any portion of the stock redeemed was acquired, directly or indirectly, within the 10-year period ending on the date of the distribution by the distributee from a person the ownership of whose stock would (at the time of distribution) be attributable to the distributee under Section 24497(a), or

(ii) Any person owns (at the time of the distribution) stock the ownership of which is attributable to the distributee under Section 24497(a) and such person acquired any stock in the corporation, directly or indirectly, from the distributee within the 10-year period ending on the date of the distribution, unless such stock so acquired from the distributee is redeemed in the same transaction.

The preceding sentence shall not apply if the acquisition (or, in the case of clause (ii), the disposition) by the distributee did not have as one of its principal purposes the avoidance of bank and corporation tax.

(d) Except as otherwise provided in this chapter, if a corporation redeems its stock (within the meaning of Section 24496(b)), and if subdivision (a) of this section does not apply, such redemption shall be treated as a distribution of property to which Sections 24451 to 24454 applies.

SEC. 30. Section 24492 is added to the Revenue and Taxation Code, to read:

24492. (a) The earnings and profits of a corporation shall not include income from the discharge of indebtedness to the extent of the amount applied to reduce basis under Section 24918.

(b) If—

(1) The interest of any shareholder of a corporation is terminated or extinguished in a Title 11 or similar case (within the meaning of paragraph (1) of subdivision (d) of Section 24562, and

(2) There is a deficit in the earnings and profits of the corporation, then such deficit shall be reduced by an amount equal to the paid-in capital which is allocable to the interest of the

shareholder which is so terminated or extinguished.

SEC. 31. Section 24519 is added to the Revenue and Taxation Code, to read:

24519. If a corporation completely liquidates pursuant to a plan of complete liquidation adopted in a Title 11 or similar case (within the meaning of paragraph (1) of subdivision (d) of Section 24562.

(a) For purposes of Section 24512, the term "property" shall not include any item acquired on or after the date of the adoption of the plan of liquidation if such item is not property within the meaning of subdivision (b) of Section 24513, and

(b) Section 24512 shall apply to sales and exchanges by the corporation of property within the period beginning on the date of the adoption of the plan and ending on the date of the termination of the case.

SEC. 32. Section 24521 of the Revenue and Taxation Code is amended to read:

24521. (a) No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation and immediately after the exchange such person or persons are in control (as defined in Section 24564) of the corporation.

(b) If subsection (a) would apply to an exchange but for the fact that there is received, in addition to the stock or securities permitted to be received under subsection (a), other property or money, then—

(1) Gain (if any) to such recipient shall be recognized, but not in excess of—

(A) The amount of money received, plus

(B) The fair market value of such other property received; and

(2) No loss to such recipient shall be recognized.

(c) In determining control, for purposes of this section, the fact that any corporate transferor distributes part or all of the stock which it receives in the exchange to its shareholders shall not be taken into account.

(d) For purposes of this section, stock or securities issued for—

(1) Services,

(2) Indebtedness of the transferee corporation which is not evidenced by a security, or

(3) Interest on indebtedness of the transferee corporation which accrued on or after the beginning of the transferor's holding period for the debt, shall not be considered as issued in return for property.

(e) This section shall not apply to a transfer of property of a debtor pursuant to a plan while the debtor is under the jurisdiction of a court in a Title 11 of similar case (within the meaning of paragraph (1) of subdivision (d) of Section 24562), to the extent that the stock or securities received in the exchange are used to satisfy the indebtedness of such debtor.

SEC. 33. Section 24531 of the Revenue and Taxation Code is

amended to read:

24531. (a) (1) No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization.

(2) Paragraph (1) shall not apply if—

(A) (i) The principal amount of such securities received exceeds the principal amount of any such securities surrendered, or

(ii) Any such securities are received and no such securities are surrendered.

(B) Neither paragraph (1) nor so much of Sections 24535 to 24539, inclusive, as relate to paragraph (1) shall apply to the extent that any stock, securities, or other property received is attributable to interest which has accrued on securities on or after the beginning of the holder's holding period.

(3) (A) For treatment of the exchange if any property is received which is not permitted to be received under this subdivision (including an excess principal amount of securities received over securities surrendered, but not including property to which paragraph (2) (B) applies, see Sections 24535 to 24539, inclusive.

(B) For treatment of accrued interest in the case of an exchange described in paragraph (2) (B), see Section 24271.

(b) (1) Subsection (a) shall not apply to an exchange in pursuance of a plan of reorganization within the meaning of paragraph (4) or (7) of subdivision (a) of Section 24562, unless—

(A) The corporation to which the assets are transferred acquires substantially all of the assets of the transferor of such assets; and

(B) The stock, securities, and other properties received by such transferor, as well as the other properties of such transferor, are distributed in pursuance of the plan of reorganization.

(c) Notwithstanding any other provision of this chapter, subsection (a) (1) (and so much of Sections 24535 to 24539, inclusive, as relate to this section) shall apply with respect to a plan of reorganization (whether or not a reorganization within the meaning of Section 24562) for a railroad confirmed under Section 1173 of Title 11 of the United States Code, or approved by the Interstate Commerce Commission under subchapter IV of Chapter 113 of Title 49 of the United States Code, as being in the public interest.

SEC. 34. Section 24532 of the Revenue and Taxation Code is amended to read:

24532. (a) If—

(1) A corporation (referred to in this section and Section 24533 as the "distributing corporation")—

(A) Distributes to a shareholder, with respect to its stock; or

(B) Distributes to a security holder, in exchange for its securities solely stock or securities of a corporation (referred to in this section and Section 24533 as "controlled corporation") which it controls immediately before the distribution,

(2) The transaction was not used principally as a device for the distribution of the earnings and profits of the distributing corporation or the controlled corporation or both (but the mere fact that subsequent to the distribution stock or securities in one or more of such corporations are sold or exchanged by all or some of the distributees (other than pursuant to an arrangement negotiated or agreed upon prior to such distribution) shall not be construed to mean that the transaction was used principally as such a device),

(3) The requirements of Section 24533 (relating to active businesses) are satisfied; and

(4) As part of the distribution, the distributing corporation distributes—

(A) All of the stock and securities in the controlled corporation held by it immediately before the distribution; or

(B) An amount of stock in the controlled corporation constituting control within the meaning of Section 24564, and it is established to the satisfaction of the Franchise Tax Board that the retention by the distributing corporation of stock (or stock and securities) in the controlled corporation was not in pursuance of a plan having as one of its principal purposes the avoidance of California tax;

then no gain or loss shall be recognized to (and no amount shall be includable in the income of) such shareholder or security holder on the receipt of such stock or securities.

(b) Subsection (a) shall be applied without regard to the following:

(1) Whether or not the distribution is pro rata with respect to all of the shareholders of the distributing corporation;

(2) Whether or not the shareholder surrenders stock in the distributing corporation; and

(3) Whether or not the distribution is in pursuance of a plan of reorganization (within the meaning of Section 24562(a)(4)).

(c) Subsection (a) shall not apply if—

(1) (A) The principal amount of the securities in the controlled corporation which are received exceeds the principal amount of the securities which are surrendered in connection with such distribution, or

(B) Securities in the controlled corporation are received and no securities are surrendered in connection with such distribution.

(2) For purposes of this section and Section 24533 (other than paragraph (4) of subdivision (a)) and so much of Sections 24535 to 24539, inclusive, as relate to this section and Section 24533, stock of a controlled corporation acquired by the distributing corporation by reason of any transaction—

(A) Which occurs within five years of the distribution of such stock, and

(B) In which gain or loss was recognized in whole or in part, shall not be treated as stock of such controlled corporation, but as other property.

(3) Neither subdivision (a) nor so much of Sections 24535 to 24539, inclusive, as relate to subdivision (a) shall apply to the extent that any stock, securities, or other property received is attributable to interest which has accrued on securities on or after the beginning of the holder's holding period.

(d) (1) For treatment of the exchange if any property is received which is not permitted to be received under this subdivision (including an excess principal amount of securities received over securities surrendered, but not including property to which paragraph (3) of subdivision (c) applies), see Sections 24535 to 24539, inclusive.

(2) For treatment of accrued interest in the case of an exchange described in paragraph (3) of subdivision (c), see Section 24271.

SEC. 35. Section 24540 of the Revenue and Taxation Code is amended to read:

24540. (a) Except as provided in subdivisions (b) and (c), if—

(1) The taxpayer receives property which would be permitted to be received under Section 24521, 24551, 24571 or 24578 without the recognition of gain if it were the sole consideration; and

(2) As part of the consideration, another party to the exchange assumes a liability of the taxpayer, or acquires from the taxpayer property subject to a liability;

then such assumption or acquisition shall not be treated as money or other property, and shall not prevent the exchange from being within the provisions of Section 24521, 24551, 24571, or 24578, as the case may be.

(b) (1) If, taking into consideration the nature of the liability and the circumstances in the light of which the arrangement for the assumption or acquisition was made, it appears that the principal purpose of the taxpayer with respect to the assumption or acquisition described in subsection (a)—

(A) Was a purpose to avoid tax under this part on the exchange; or

(B) If not such purpose, was not a bona fide business purpose; then such assumption or acquisition (in the total amount of the liability assumed or acquired pursuant to such exchange) shall, for the purposes of Section 24521, 24551, 24571 or 24578 (as the case may be), be considered as money received by the taxpayer on the exchange.

(2) In any suit or proceeding where the burden is on the taxpayer to prove such assumption or acquisition is not to be treated as money received by the taxpayer, such burden shall not be considered as sustained unless the taxpayer sustains such burden by the clear preponderance of the evidence.

(c) (1) In the case of an exchange—

(A) To which Section 24521 applies; or

(B) To which Section 24551 applies by reason of a plan of reorganization within the meaning of Section 24562(a)(4),

if the sum of the amount of the liabilities assumed, plus the amount of the liabilities to which the property is subject, exceeds the total of the adjusted basis of the property transferred pursuant to such exchange, then such excess shall be considered as a gain from the sale or exchange of a capital asset or of property which is not a capital asset, as the case may be.

(2) Paragraph (1) shall not apply to any exchange—

(A) To which paragraph (1) of subdivision (b) of this section applies;

(B) To which Sections 24571 to 24574, inclusive, or 24578, apply; or

(C) Which is pursuant to a plan of reorganization within the meaning of paragraph (7) of subdivision (a) of Section 24562 where no former shareholder of the transferor corporation receives any consideration for his stock.

(3) (A) (i) If the taxpayer's taxable income is computed under the cash receipts and disbursements method of accounting, and

(ii) Such taxpayer transfers, in an exchange to which Section 24521 applies, a liability which is either—

(I) An account payable payment of which would give rise to a deduction, or

(II) An amount payable which is described in Section 736(a), of the Internal Revenue Code of 1954,

then, for purposes of paragraph (1), the amount of such liability shall be excluded in determining the amount of liabilities assumed or to which the property transferred is subject.

(B) Subparagraph (A) shall not apply to any liability to the extent that the incurrence of the liability resulted in the creation of, or an increase in, the basis of any property.

SEC. 36. Section 24562 of the Revenue and Taxation Code is amended to read:

24562. (a) For purposes of Chapters 8 (commencing with Section 24451) and 9 (commencing with Section 24501) and this chapter, the term "reorganization" means—

(1) A statutory merger or consolidation;

(2) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of stock of another corporation if, immediately after the acquisition, the acquiring corporation has control of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition);

(3) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring

corporation), of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded;

(4) A transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor, or one or more of its shareholders (including persons who were shareholders immediately before the transfer), or any combination thereof, is in control of the corporation to which the assets are transferred; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Section 24531, 24533, or 24535;

(5) A recapitalization;

(6) A mere change in identity, form, or place of organization, however effected; or

(7) A transfer by a corporation of all or part of its assets to another corporation in a Title 11 or similar case; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Section 24531, 24533, or 24535.

(b) (1) If a transaction is described in both paragraph (3) and paragraph (4) of subdivision (a), then, for purposes of this chapter, such transaction shall be treated as described only in paragraph (4) of subdivision (a).

(2) If—

(A) One corporation acquires substantially all of the properties of another corporation;

(B) The acquisition would qualify under paragraph (3) of subdivision (a) but for the fact that the acquiring corporation exchanges money or other property in addition to voting stock; and

(C) The acquiring corporation acquires, solely for voting stock described in paragraph (3) of subdivision (a), property of the other corporation having a fair market value which is at least 80 percent of the fair market value of all of the property of the other corporation;

then such acquisition shall (subject to paragraph (1) of this subdivision) be treated as qualifying under paragraph (3) of subdivision (a). Solely for the purpose of determining whether subparagraph (C) of the preceding sentence applies, the amount of any liability assumed by the acquiring corporation, and the amount of any liability to which any property acquired by the acquiring corporation is subject, shall be treated as money paid for the property.

(3) A transaction otherwise qualifying under paragraph (1), paragraph (2) or paragraph (3) of subdivision (a) shall not be disqualified by reason of the fact that part or all of the assets or stock which were acquired in the transaction are transferred to a

corporation controlled by the corporation acquiring such assets or stock. A similar rule shall apply to a transaction otherwise qualifying under paragraph (7) of subdivision (a) where the requirements of subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 24531 are met with respect to the acquisition of the assets or stock.

(4) The acquisition by one corporation, in exchange for stock of a corporation (referred to in this paragraph as "controlling corporation") which is in control of the acquiring corporation, of substantially all of the properties of another corporation which in the transaction is merged into the acquiring corporation shall not disqualify a transaction under paragraph (1) or paragraph (7) of subdivision (a), if—

(A) No stock of the acquiring corporation is used in the transaction, and

(B) In the case of a transaction under paragraph (1) of subdivision (a), such transaction would have qualified under paragraph (1) of subdivision (a) had the merger been into the controlling corporation.

(5) A transaction otherwise qualifying under paragraph (1) of subdivision (a) shall not be disqualified by reason of the fact that stock of a corporation (referred to in this paragraph as the "controlling corporation") which before the merger was in control of the merged corporation is used in the transaction, if—

(A) After the transaction, the corporation surviving the merger holds substantially all of its properties and of the properties of the merged corporation (other than stock of the controlling corporation distributed in the transaction); and

(B) In the transaction, former shareholders of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, an amount of stock in the surviving corporation which constitutes control of such corporation.

(6) (A) If immediately before a transaction described in subdivision (a) (other than paragraph (5) thereof), two or more parties to the transaction were investment companies, then the transaction shall not be considered to be a reorganization with respect to any such investment company (and its shareholders and security holders) unless it was a regulated investment company, a real estate investment trust, or a corporation which meets the requirements of subparagraph (B).

(B) A corporation meets the requirements of this subparagraph if not more than 25 percent of the value of its total assets is invested in the stock and securities of any one issuer, and not more than 50 percent of the value of its total assets is invested in the stock and securities of five or fewer issuers. For purposes of this paragraph, all members of a controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code of 1954) shall be treated as one issuer.

(C) For purposes of this paragraph the term "investment

company" means a regulated investment company, a real estate investment trust, or a corporation 50 percent or more of the value of whose total assets are stock and securities and 80 percent or more of the value of whose total assets are assets held for investment. In making the 50-percent and 80-percent determinations under the preceding sentence, stock and securities in any subsidiary corporation shall be disregarded and the parent corporation shall be deemed to own its ratable share of the subsidiary's assets, and a corporation shall be considered a subsidiary if the parent owns 50 percent or more of the combined voting power of all classes of stock entitled to vote, or 50 percent or more of the total value of shares of all classes of stock outstanding.

(D) For purposes of this paragraph, in determining total assets there shall be excluded cash and cash items (including receivables), government securities, and, under regulations prescribed by the Franchise Tax Board, assets acquired (through incurring indebtedness or otherwise) for purposes of meeting the requirements of subparagraph (B) or ceasing to be an investment company.

(E) This paragraph shall not apply if the stock of each investment company is owned substantially by the same persons in the same proportions.

(F) If an investment company which does not meet the requirements of subparagraph (B) acquires assets of another corporation, subparagraph (A) shall be applied to such investment company and its shareholders and security holders as though its assets had been acquired by such other corporation. If such investment company acquires stock of another corporation in a reorganization described in Section 24562(a) (2) (hereafter referred to as the "actual acquisition") subparagraph (A) shall be applied to the shareholders of such investment company as though they had exchanged with such other corporation all of their stock in such investment company for stock having a fair market value equal to the fair market value of their stock of such investment company immediately after the exchange.

(G) For purposes of subparagraphs (b) and (c), the term "securities" includes obligations of state and local governments, commodity futures contracts, shares of regulated investment companies and real estate investment trusts, and other investments constituting a security within the meaning of the Investment Company Act of 1940, 15 U.S.C. 80a-2(36).

(c) The amendments made to this section by the 1971 First Extraordinary Session of the Legislature shall apply to statutory mergers occurring after December 31, 1970.

(d) (1) For purposes of this chapter, the term "Title 11 or similar case" means—

(A) A case under Title 11 of the United States Code, to the extent this chapter is not in conflict with Section 346 (q) (17) (C) of Title 11, or

(B) A receivership, foreclosure, or similar proceeding in a federal or state court.

(2) In applying paragraph (7) of subdivision (a), a transfer of the assets of a corporation shall be treated as made in a Title 11 or similar case if and only if—

(A) Such corporation is under the jurisdiction of the court in such case, and

(B) The transfer is pursuant to a plan of reorganization approved by the court.

(3) If a transaction (but for this paragraph) qualify both—

(A) Under paragraph (7) of subdivision (a), and

(B) Under any other paragraph of subdivision (a) or under Section 24502 or 24521, then, for purposes of this chapter (other than Section 24540 (c) (1)), such transaction shall be treated as qualifying only under paragraph (7) of subdivision (a).

(4) For purposes of paragraphs (1) and (2), in the case of a receivership, foreclosure, or similar proceeding before a federal or state agency involving a financial institution to which Section 585 or 593 of the Internal Revenue Code applies, the agency shall be treated as a court.

(5) In the case of a Title 11 or similar case, the requirement of subparagraph (B) of paragraph (5) of subdivision (b) shall be treated as met if—

(A) No former shareholder of the surviving corporation received any consideration for his stock, and

(B) The former creditors of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, debt of the surviving corporation which had a fair market value equal to 80 percent or more of the total fair market value of the debt of the surviving corporation.

SEC. 37. Section 24563 of the Revenue and Taxation Code is amended to read:

24563. For purposes of this article, the term "a party to a reorganization" includes:

(a) A corporation resulting from a reorganization; and

(b) Both corporations, in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another.

In the case of a reorganization qualifying under paragraph (2) or paragraph (3) of subdivision (a) of Section 24562, if the stock exchanged for the stock or properties is stock of a corporation which is in control of the acquiring corporation, the term "a party to a reorganization" includes the corporation so controlling the acquiring corporation. In the case of a reorganization qualifying under paragraph (1), paragraph (2), paragraph (3) or paragraph (7) of subdivision (a) of Section 24562 by reason of paragraph (3) of subdivision (b) of Section 24562, the term "a party to a reorganization" includes the corporation controlling the corporation to which the acquired assets or stock are transferred.

In the case of a reorganization qualifying under paragraph (1) or paragraph (7) of subdivision (a) of Section 24562 by reason of paragraph (4) of subdivision (b) of Section 24562, the term "a party to a reorganization" includes the controlling corporation referred to in paragraph (4) of subdivision (b) of Section 24562. In the case of a reorganization qualifying under paragraph (1) of subdivision (a) of Section 24562, by reason of paragraph (5) of subdivision (b) of Section 24562, the term "party to a reorganization" includes the controlling corporation referred to in paragraph (5) of subdivision (b) of Section 24562.

(c) The amendments made to this section by the 1971 First Extraordinary Session of the Legislature shall apply to statutory mergers occurring after December 31, 1970.

SEC. 38. Section 24570 is added to the Revenue and Taxation Code, to read:

24570. This article shall not apply to any proceeding which is begun after September 30, 1979.

SEC. 39. Section 24918 of the Revenue and Taxation Code is repealed.

SEC. 40. Section 24918 is added to the Revenue and Taxation Code, to read:

24918. (a) If—

(1) An amount is excluded from gross income under subdivision (a) of Section 24307 (relating to discharge of indebtedness), and

(2) Under subparagraph (D) of paragraph (2) of subdivision (b), paragraph (5) of subdivision (b), or subparagraph (A) of paragraph (1) of subdivision (c) of Section 24307, any portion of such amount is to be applied to reduce basis,

then such portion shall be applied in reduction of the basis of any property held by the taxpayer at the beginning of the taxable year following the taxable year in which the discharge occurs.

(b) (1) The amount of reduction to be applied under subdivision (a) (not in excess of the portion referred to in subdivision (a)), and the particular properties the bases of which are to be reduced, shall be determined under regulations prescribed by the Franchise Tax Board.

(2) In the case of a discharge to which subparagraph (B) of paragraph (1) of subdivision (a) of Section 24307 applies, the reduction in basis under subdivision (a) of this section shall not exceed the excess of—

(A) The aggregate of the bases of the property held by the taxpayer immediately after the discharge, over

(B) The aggregate of the liabilities of the taxpayer immediately after the discharge.

The preceding sentence shall not apply to any reduction in basis by reason of an election under paragraph (5) of subdivision (b) of Section 24307.

(3) (A) Any amount which under paragraph (5) of subdivision (b) or subparagraph (A) of paragraph (1) of subdivision (c) of

Section 24307 is to be applied to reduce the basis shall be applied only to reduce the basis of depreciable property held by the taxpayer.

(B) For purposes of this section, the term "depreciable property" means any property of a character subject to the allowance for depreciation, but only if a basis reduction under subdivision (a) will reduce the amount of depreciation or amortization which otherwise would be allowable for the period immediately following such reduction.

(C) For purposes of this section, any interest of a partner in a partnership shall be treated as depreciable property to the extent of such partner's proportionate interest in the depreciable property held by such partnership. The preceding sentence shall apply only if there is a corresponding reduction in the partnership's basis in depreciable property with respect to such partner.

(D) For purposes of this section, if—

(i) A corporation holds stock in another corporation (hereinafter in this subparagraph referred to as the "subsidiary"), and

(ii) Such corporations are members of the same unitary group which file a combined report under Section 25101 for the income year in which the discharge occurs,

then such stock shall be treated as depreciable property to the extent that such subsidiary consents to a corresponding reduction in the basis of its depreciable property.

(E) (i) At the election of the taxpayer, for purposes of this section, the term "depreciable property" includes any real property which is described in subdivision (a) of Section 18161.

(ii) An election under clause (i) shall be made on the taxpayer's return for the income year in which the discharge occurs or at such other time as may be permitted in regulations prescribed by the Franchise Tax Board. Such an election, once made, may be revoked only with the consent of the Franchise Tax Board.

(c) For purposes of this title, a reduction in basis under this section shall not be treated as a disposition.

SEC. 41. Section 25403 of the Revenue and Taxation Code is amended to read:

25403. Every return required by this part to be filed with the Franchise Tax Board shall be signed by a principal officer of the taxpayer and contain or be verified by a written declaration that it is made under the penalties of perjury.

In cases where receivers, trustees in a case under Title 11 of the United States Code, or assignees are operating the property or business of a bank or corporation such receivers, trustees, or assignees shall make returns for such bank or corporation in the same manner and form as such a bank or corporation is required to make a return.

SEC. 42. Section 25663 of the Revenue and Taxation Code is amended to read:

25663. (a) Except in the case of a fraudulent return, and except

as otherwise expressly provided in this part, every notice of additional tax proposed to be assessed shall be mailed to the taxpayer within four years after the return was filed. No deficiency shall be assessed or collected with respect to the year for which such return was filed unless the notice is mailed within the four-year period or as otherwise provided.

(b) For the purposes of this section and Sections 25663a and 25663c a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day. For purposes of Section 26073, payment of any portion of the tax made before the last day prescribed for the payment of the tax shall be considered made on such last day.

(c) If a taxpayer determines in good faith that it is an exempt organization and files a return as such under Section 23772, and if such taxpayer is thereafter held to be a taxable organization for the taxable year for which the return is filed, such return shall be deemed the return of the organization for the purposes of this section.

(d) The running of the period of limitations provided in subdivision (a) on mailing a notice of additional tax proposed to be assessed shall, in a case under Title 11 of the United States Code, be suspended for any period during which the Franchise Tax Board is prohibited by reason of such case from mailing a notice of additional tax proposed to be assessed and 60 days thereafter.

SEC. 43. Section 25672 of the Revenue and Taxation Code is amended to read:

25672. (a) On the appointment of a receiver for any taxpayer in any receivership proceeding before any court of the United States or of any state or territory or of the District of Columbia, any deficiency (together with all interest, additional amounts, or additions to the tax provided for by law) determined by the Franchise Tax Board in respect of a tax imposed by this part upon such taxpayer may be immediately assessed.

(b) Any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Franchise Tax Board in respect of a tax imposed by this part on the debtor, but only if liability for such tax has become res judicata pursuant to a determination in a case under Title 11 of the United States Code, may be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

SEC. 44. Section 25672a of the Revenue and Taxation Code is repealed.

SEC. 45. Section 25672a is added to the Revenue and Taxation Code, to read:

25672a. Claims for the deficiency and for interest, additional amounts, and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the receivership proceeding (or the case under Title 11 of the United States Code) is pending, despite the pendency of an appeal to the board; but in

the case of a receivership proceeding, no appeal for any such redetermination shall be filed with the board after the appointment of the receiver.

SEC. 46. Section 25672b of the Revenue and Taxation Code is amended to read:

25672b. Every receiver, trustee in a case under Title 11 of the United States Code, assignee for benefit of creditors, or other like fiduciary, shall give notice of his qualification as such to the Franchise Tax Board in such manner and at such time as may be required by regulations of the Franchise Tax Board. The Franchise Tax Board may by regulation provide such exemptions from the requirements of this section as the Franchise Tax Board deems proper.

SEC. 47. Section 25672c of the Revenue and Taxation Code is amended to read:

25672c. If the regulations issued pursuant to Section 25672b require the giving of notice by any fiduciary in any case under Title 11 of the United States Code, or by a receiver in any other court proceeding, to the Franchise Tax Board of his qualification as such, the running of the period of limitations on the mailing of notice of proposed additional assessments shall be suspended for the period from the date of the institution of the proceeding to a date 30 days after the date upon which the notice from the receiver or other fiduciary is received by the Franchise Tax Board; but the suspension under this section shall in no case be for a period in excess of two years.

SEC. 48. Section 25672d of the Revenue and Taxation Code is amended to read:

25672d. Any portion of a claim allowed in a receivership proceeding which is unpaid shall be paid by the taxpayer upon notice and demand from the Franchise Tax Board after the termination of such proceeding and may be collected in the manner provided in this part for the collection of delinquent taxes at any time within six years after termination of such proceeding.

SEC. 49. Section 25959 is added to the Revenue and Taxation Code, to read:

25959. (a) No addition to the tax shall be made under Section 25934.2 or 25951 for failure to make timely payment of tax with respect to a period during which a case is pending under Title 11 of the United States Code—

(1) If such tax was incurred by the estate and the failure occurred pursuant to an order of the court finding probable insufficiency of funds of the estate to pay administrative expenses, or

(2) If—

(A) Such tax was incurred by the debtor before the earlier of the order for relief or (in the involuntary case) the appointment of a trustee, and

(B) (i) The petition was filed before the due date prescribed by law (including extensions) for filing a return of such tax, or

(ii) The date for making the addition to the tax occurs on or after

the day on which the petition was filed.

(b) Subdivision (a) shall not apply to any liability for an addition to the tax which arises from the failure to pay or deposit a tax withheld or collected from others and required to be paid to the State of California.

SEC. 50. Section 26076 of the Revenue and Taxation Code is amended to read:

26076. If the Franchise Tax Board fails to mail notice of action on any refund claim within six months after the claim is filed, the taxpayer may, prior to mailing of notice of action on the refund claim, consider the claim disallowed and appeal to the board. For substitution of the 120-day period for the 6-month period contained in this section in a Title 11 case, see Section 505(a)(2) of Title 11 of the United States Code.

SEC. 51. Section 26103a of the Revenue and Taxation Code is amended to read:

26103a. If the Franchise Tax Board fails to mail notice of action on any refund claim within six months after the claim was filed, the taxpayer may, prior to mailing of notice of action on the refund claim, consider the claim disallowed and bring an action against the Franchise Tax Board on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment. For substitution of the 120-day period for the 6-month period contained in this section in a Title 11 case, see Section 505(a)(2) of Title 11 of the United States Code.

SEC. 52. (a) (1) Except as provided in subdivision (b), the amendments made by Sections 17142, 17145.5, 17854, and 18054 shall apply to any transaction which occurs after December 31, 1981, other than a transaction which occurs in a proceeding in a bankruptcy case or similar judicial proceeding (or in a proceeding under the Bankruptcy Act) commencing on or before December 31, 1981, or a transaction controlled by Section 346 of Title 11 of the United States Code.

(2) In the case of any discharge of indebtedness to which subparagraph (A) of paragraph (1) of subdivision (a) of Section 17142 (relating to exclusion from gross income), as amended by this act, applies and which occurs in a similar judicial proceeding commencing before January 1, 1982, then—

(A) Paragraph (2) of subdivision (b) of Section 17142 (relating to reduction of tax attributes), as so amended, shall be applied without regard to subparagraph (A) thereof, and

(B) The basis of any property shall not be reduced under Section 18054 (relating to reduction in basis in connection with discharges of indebtedness), as so amended, below the fair market value of such property on the date the debt is discharged.

(b) The amendments made by Section 17552.5 shall apply to any bankruptcy case commencing after the effective date of this act.

(c) (1) The amendments made by Sections 17432, 17433, 17440, 17461, 17462, and 17480 shall apply to any bankruptcy case or similar

judicial proceeding commencing after December 31, 1981.

(2) The amendments made by Sections 17432 and 17433 (relating to treatment of property attributable to accrued interest) shall also apply to any exchange—

(A) Which occurs after December 31, 1981, and

(B) Which does not occur in a bankruptcy case or similar judicial proceeding (or in a proceeding under the Bankruptcy Act) commenced on or before December 31, 1981.

(d) (1) The amendments made by Sections 17325 and 17326 shall apply to stock which is issued after December 31, 1981 (other than stock issued pursuant to a plan of reorganization approved on or before that date).

(2) The amendments made by Section 17431 shall apply as provided in subdivision (a) of this section.

(3) The amendments made by Section 17368 shall apply as provided in subdivision (a) of this section.

(e) The amendments made by Sections 17532, 18586, 18649, 18650, 18651, 18652, 18698, 19058, and 19085 shall take effect on the effective date of this act, but shall not apply to any proceeding under the Bankruptcy Act commenced before October 1, 1979.

(f) (1) The debtor (or debtors) in a bankruptcy case or similar judicial proceeding may (with the approval of the court) elect to apply subdivisions (a), (c), and (d) by substituting "September 30, 1979," for "December 31, 1981," each place it appears in such subdivisions.

(2) Any election made under paragraph (1) with respect to any proceeding shall apply to all parties to the proceeding.

(3) Any election under this subdivision may be revoked only with the consent of the Franchise Tax Board.

(4) Any election under this subdivision shall be made at such time, and in such manner, as the Franchise Tax Board may prescribe.

(g) For purposes of this section—

(1) The term "bankruptcy case" means any case under Title 11 of the United States Code (as recodified by Public Law 95-598).

(2) The term "similar judicial proceeding" means a receivership, foreclosure, or similar proceeding in a federal or state court.

SEC. 53. (a) (1) Except as provided in paragraph (2), the amendments made by Sections 24307 and 24918 shall apply to any transaction which occurs after December 31, 1981, other than a transaction which occurs in a proceeding in a bankruptcy case or similar judicial proceeding (or in a proceeding under the Bankruptcy Act) commencing on or before December 31, 1981, or a transaction controlled by Section 346 of Title 11 of the United States Code.

(2) In the case of any discharge of indebtedness to which subparagraph (A) of paragraph (1) of subdivision (a) of Section 24307 (relating to exclusion from gross income), as amended by this act, applies and which occurs in a similar judicial proceeding commencing before January 1, 1982, then the basis of any property

shall not be reduced under Section 24918 (relating to reduction in basis in connection with discharges of indebtedness), as so amended, below the fair market value of such property on the date the debt is discharged.

(b) (1) The amendments made by Sections 24531 (except for subdivision (c)), 24532, 24540, 24562, 24563, and 24570 shall apply to any bankruptcy case or similar judicial proceeding commencing after December 31, 1981.

(2) The amendments made by Sections 24531 and 24532 (relating to treatment of property attributable to accrued interest) shall also apply to any exchange—

(A) Which occurs after December 31, 1981, and

(B) Which does not occur in a bankruptcy case or similar judicial proceeding (or in a proceeding under the Bankruptcy Act) commenced on or before December 31, 1981.

(c) (1) The amendments made by Section 24455 shall apply to stock which is issued after December 31, 1981 (other than stock issued pursuant to a plan of reorganization approved on or before that date).

(2) The amendment made by Section 24519 shall apply to any bankruptcy case or similar judicial proceeding commenced after December 31, 1981.

(3) The amendments made by Section 24521 shall apply as provided in subdivision (a) of this section.

(4) The amendment made by Section 24492 shall apply as provided in subdivision (a) of this section.

(d) The amendments made by subdivision (c) of Section 24531 and Sections 25403, 25663, 25672, 25672a, 25672b, 25672c, 25672d, 25959, 26076, and 26103a shall take effect on the effective date of this act, but shall not apply to any proceeding under the Bankruptcy Act commenced before October 1, 1979.

(e) (1) The debtor (or debtors) in a bankruptcy case or similar judicial proceeding may (with the approval of the court) elect to apply subdivisions (a), (b), and (c) by substituting "September 30, 1979," for "December 31, 1981," each place it appears in such subdivisions.

(2) Any election made under paragraph (1) with respect to any proceeding shall apply to all parties to the proceeding.

(3) Any election under this subdivision may be revoked only with the consent of the Franchise Tax Board.

(4) Any election under this subdivision shall be made at such time, and in such manner, as the Franchise Tax Board may prescribe.

(f) For purposes of this section—

(1) The term "bankruptcy case" means any case under Title 11 of the United States Code (as recodified by Public Law 95-598).

(2) The term "similar judicial proceeding" means a receivership, foreclosure, or similar proceeding in a federal or state court (as modified by paragraph (4) of subdivision (d) of Section 24562).

SEC. 54. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 279

An act to amend Sections 22145, 22724, 22809, 22901, 23002, 23003, 23006, and 44987 of, and to add Section 22114.5 to, the Education Code, relating to the State Teachers' Retirement System.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 22114.5 is added to the Education Code, to read:

22114.5. "Contribution rate for additional service credit" means the contribution rate adopted by the board to purchase service credit.

This rate shall be based upon the most recent valuation of the system and increased to include any subsequently required contribution rates designated for funding subsequent allowance increases.

SEC. 2. Section 22145 of the Education Code is amended to read:

22145. "Regular interest" is interest which is compounded annually based upon the annual equivalent of the average rate yielded on commitments during the prior year for maturities of more than one year in length of fixed-income senior securities. For purposes of this section, "senior securities" means all investments except common and preferred stock investments and real estate ownership.

SEC. 3. Section 22724 of the Education Code is amended to read:

22724. Notwithstanding any other provision of this chapter, the governing board of a school district or a community college district may establish regulations which allow an employee who is a member of this system to reduce his or her workload from full-time to part-time duties, and receive the service credit the member would receive if the member was employed on a full-time basis and have his or her retirement allowance, as well as any other benefits that the member is entitled to under this part, based upon the salary that the member would have received if employed on a full-time basis.

Such regulations shall include, but shall not be limited to, the following:

(a) The option of part-time employment shall be exercised at the request of the member and can be revoked only with the mutual consent of the employer and the member.

(b) The member shall have been employed full time in a position requiring membership in this system 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 shall have been employed full time in a position requiring membership in this system 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 member shall have reached the age of 55 prior to reduction in workload.

(e) The period of such part-time employment shall not extend beyond the end of the school year during which the member reaches his or her 70th birthday.

(f) The period of such part-time employment shall not exceed five years.

(g) The minimum part-time employment shall be the equivalent of one-half of the number of days of service required by the member's contract of employment during his or her final year of service in a full-time position.

(h) The member shall be paid a salary which is the pro rata share of the salary the member would be earning had he or she not elected to exercise the option of part-time employment.

Prior to the reduction of an employee's workload under this section, the district personnel responsible for the administration of this program, in conjunction with the administrative staff of the State Teachers' Retirement System and the Public Employees' Retirement System, shall verify the eligibility of the applicant for the reduced workload program.

The member shall contribute to the Teachers' Retirement Fund the amount that would have been contributed had the member been employed full time.

The employer shall contribute to the Teachers' Retirement Fund an amount which when added to the required member contributions is equal to the product of the contribution rate for additional service credit and the current salary that would have been paid to the member had the member been employed full time.

The employer shall maintain the necessary records to separately identify each member receiving credit pursuant to this section.

SEC. 4. Section 22809 of the Education Code is amended to read:

22809. Subject to rules prescribed by the board, any member may elect to make annuity deposit contributions for the purpose of providing additional retirement income; provided, however, that on and after January 1, 1983, the system shall not accept any annuity deposit contribution.

Accumulated annuity deposit contributions may be withdrawn as provided in Section 23107.

SEC. 5. Section 22901 of the Education Code is amended to read:

22901. A member who elects to receive additional service credit as provided in this chapter shall pay, prior to retirement or receipt of a disability allowance, all contributions with respect to such service at the contribution rate for additional service credit in effect at the

time of the election.

If the member is currently employed in a position requiring membership in this system, the contributions shall be based upon the compensation earnable in the current school year or either of the two immediately preceding school years, whichever is highest.

If the member is not currently employed in a position requiring membership in this system, the contributions shall be based upon the compensation earnable in the last school year of credited service or either of the two immediately preceding school years, whichever is highest. Regular interest shall be charged on all contributions from the end of the school year on which the contributions were based to the date of payment.

The employer may pay the amount required as employer contributions for additional service credited under subdivisions (b), (f), and (g) of Section 22902.

Regular interest shall be charged on the monthly unpaid balance if the member pays in installments.

SEC. 6. Section 23002 of the Education Code is amended to read:

23002. Member and employer contributions required by this part and Section 44987 are due in the office of the system five working days immediately following the period covered by the monthly report upon which the salary earned during the period is being reported and from and upon which the contributions are due. Payments shall be delinquent on the sixth working day thereafter and regular interest on delinquent payments shall begin to accrue as of that day. The board shall authorize estimated payments of not less than 95 percent of the contributions due, and, in such case, the balance of contributions payable shall be due in the office of the system no more than 15 working days following the period covered by the monthly report upon which the contributions are based. This additional payment shall be delinquent on the 16th working day thereafter, and regular interest shall begin to accrue as of that day.

SEC. 7. Section 23003 of the Education Code is amended to read:

23003. If a county superintendent of schools or employing agency other than a school district or community college district fails to make payment of contributions as provided in Section 23002, the board may assess penalties.

The board may charge regular interest on any delinquent contributions until they have been paid to the system.

SEC. 8. Section 23006 of the Education Code is amended to read:

23006. If a county superintendent of schools or employing agency other than a school district or community college district submits monthly reports late or in unacceptable form, the board may assess penalties.

The board may assess penalties, based on the sum of the employer and employee contributions required by the report for late or unacceptable submission of reports at a rate of interest equal to the regular interest rate or a fee of five hundred dollars ($500), whichever is the greater.

SEC. 9. Section 44987 of the Education Code is amended to read:

44987. (a) The governing board of a school district shall grant to any employee, upon request, a leave of absence without loss of compensation for the purpose of enabling such emloyee to serve as an elected officer of any statewide public employee organization, national organization with which such statewide organization is affiliated, or local school district public employee organization which is affiliated with such state and national organizations.

Such leave shall include, but is not limited to, absence for purposes of attendance by the employee at periodic, stated, special, or regular meetings of the body of such organization on which such employee serves as an officer. Compensation during such leave shall include retirement fund contributions required of the school district as employer. The required employer contribution rate shall be the contribution rate for additional service credit less the member contribution rate prescribed by Section 22804. The employee shall earn full service credit during such leave of absence and shall pay member contributions as prescribed by Section 22804. The maximum amount of such service credit earned shall not exceed eight calendar years. Any such employee who serves as a full-time officer of a public employee organization shall not be eligible for disability benefits under the State Teachers' Retirement System while on such a leave of absence.

Following the school district's payment of the employee for such leave of absence, the school district shall be reimbursed by the employee organization of which the employee is an elected officer for all compensation paid the employee on account of such leave. Reimbursement by the employee organization shall be made within 10 days after its receipt of the school district's certification of payment of compensation to the employee.

The leave of absence without loss of compensation provided for by this section is in addition to the released time without loss of compensation granted to representatives of an exclusive representative by subdivision (c) of Section 3543.1 of the Government Code.

For purposes of this section, "school district" also means "county superintendent of schools."

(b) An employee who after August 31, 1978, was absent on account of elected-officer service, shall receive full service credit in the State Teachers' Retirement System; provided that, not later than April 30, 1981: (1) the employee makes a written request to the employer for a leave of absence for the period of such elected-officer service, and (2) the employee organization of which the employee is an elected officer pays to the employee's school district an amount equal to the required State Teachers' Retirement System member and employer retirement contributions, as prescribed by this section.

The school district, following such written request and payment, shall transmit the amount received to the State Teachers' Retirement System, informing it of the period of the employee's

leave of absence. The State Teachers' Retirement System shall credit the employee with all service credit earned for the period of such elected-officer leave of absence.

In the event that the employee has been compensated by the school district for the period of such service, then, as a condition to the employee's entitlement to service credit for such period, the school district shall be reimbursed by the employee organization for the amount of such compensation.

The provisions of this subdivision shall apply retroactively to all service as an elective officer in a public employee organization occurring after August 31, 1978.

CHAPTER 280

An act to amend Sections 7150.5 and 7151.6 of the Health and Safety Code, relating to dead bodies.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 7150.5 of the Health and Safety Code is amended to read:

7150.5. As used in this chapter:

(a) "Bank or storage facility" means a facility licensed, accredited, or approved under the laws of any state for storage of human bodies or parts thereof.

(b) "Decedent" means a deceased individual, and includes a stillborn infant or fetus.

(c) "Donor" means an individual who makes a gift of all or part of his or her body.

(d) "Hospital" means a hospital licensed, accredited, or approved under the laws of any state, and includes a hospital operated by the United States government, a state, or a subdivision thereof, although not required to be licensed under state laws.

(e) "Part" means organs, tissues, the cornea, sclera, or vitreous and other segments of, or the whole, eye, bones, arteries, blood, other fluids, and any other portions of a human body.

(f) "Person" means an individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership, or association, or any other legal entity.

(g) "Physician" or "surgeon" means a physician or surgeon licensed or authorized to practice under the laws of any state.

SEC. 2. Section 7151.6 of the Health and Safety Code is amended to read:

7151.6. When all of the persons enumerated in subdivisions (a) to (e), inclusively of Section 7151.5 are determined after diligent search

to be not available, then, subject to Section 7151.7, any specified parts of the decedent's body may be given to any of the donees for any of the purposes stated in Section 7153.5. Such determination of nonavailability shall be made only by a hospital which is accredited by the Joint Commission on Accreditation of Hospitals. The hospital shall certify such nonavailability and shall authorize and specify the removal and donation of such parts. Such search shall include a check of local police missing persons records, examination of personal effects, and the questioning of any persons visiting the decedent, before his or her death, in a hospital, accompanying the decedent's body, or reporting the death in order to obtain information which might lead to the location of any persons who might be authorized to consent to such donation. The search may be initiated in anticipation of death but the determination of nonavailability may not be made until such search has been underway for at least 24 hours except in the case of corneal material to be used for the purpose of human transplantation. Any such determination of nonavailability shall be made only after examination of all evidence leads to the conclusion that no relatives are available. Any such determination shall be subject to a review by such office as is designated by the board of supervisors of the county in which the death occurs.

A cemetery authority, a licensed funeral director, a physician, or any authorized assistant of a cemetery authority, licensed funeral director, or physician is not liable for performing an autopsy and donating specified body parts pursuant to such authorization unless such person or authority has actual notice that such representation of nonavailability is untrue at the time of the autopsy.

CHAPTER 281

An act to repeal Article 8 (commencing with Section 6045) of Chapter 9 of Part 1 of Division 4 of the Food and Agricultural Code, and to amend Sections 4799.08 and 4799.10 of the Public Resources Code, relating to Dutch elm disease, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Article 8 (commencing with Section 6045) of Chapter 9 of Part 1 of Division 4 of the Food and Agricultural Code is repealed.

SEC. 2. Section 4799.08 of the Public Resources Code is amended to read:

4799.08. The purpose of this chapter is to:

(a) Arrest the decline of our urban forest resources, facilitate the

planting of trees in the city, and improve the quality of the environment in urban areas through establishment and improved management of urban forest resources.

(b) Facilitate the creation of permanent jobs in tree maintenance and related urban forestry activities in neighborhood, local, and regional urban areas.

(c) Maximize the potential of tree and vegetative cover in reducing energy consumption and producing fuel and other products.

(d) Encourage the coordination of state and local agency activities in urban forestry and related programs and encourage maximum citizen participation in their development and implementation.

(e) Prevent the introduction and spread within this state of the Dutch elm disease caused by the fungus Ceralocystis ulmi and to reduce or eliminate the loss of elm trees resulting from the disease.

SEC. 3. Section 4799.10 of the Public Resources Code is amended to read:

4799.10. (a) The department is authorized to implement a program in urban forestry to encourage better tree management and planting in urban areas, to assist the cities in seeking innovative solutions to problems such as tree maintenance and vandalism, encourage demonstration projects to maximize the benefits of urban forests, and otherwise accomplish the purposes of this chapter.

The department shall assume the primary responsibility in carrying out the intent of this chapter in cooperation with other private and public entities or persons and appropriate local, state, and federal agencies such as the Cooperative Extension, the Department of Parks and Recreation, the Department of Transportation, resource conservation districts, and the United States Forest Service.

(b) The department shall be the agent of the state and shall have full power to cooperate with those agencies of the federal government which have powers and duties concerning urban forestry, and shall perform all things necessary to secure for this state the benefits of federal urban forestry programs.

To facilitate implementation of this chapter, the director is authorized to enter into agreements and contracts with any public or private organization including local agencies having forestry-related jurisdictional responsibilities and established and operating urban forestry programs. The director shall consult with such agencies when carrying out the provisions of this chapter in their respective areas.

(c) The director shall take all steps necessary to prevent or retard the introduction, establishment, and spread of the Dutch elm disease including the detection and removal of infected and high hazard elm trees.

The department and the Department of Food and Agriculture shall cooperate in setting quarantine boundary lines and in enforcing

the provisions relating to quarantine and pest abatement contained in Division 4 (commencing with Section 5001) of the Food and Agricultural Code when a quarantine is established with regard to the Dutch elm disease.

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

In order to ensure that administration of the Dutch elm disease control program continues without suspending the current eradication project, it is necessary that this act take effect immediately.

CHAPTER 282

An act to amend Section 1203h of the Penal Code, relating to child abuse or neglect convictions.

[Approved by Governor June 21, 1982 Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 1203h of the Penal Code is amended to read:

1203h. If the court initiates an investigation pursuant to subdivision (a) or (d) of Section 1203 and the convicted person was convicted of violating any section of this code in which a minor is a victim of an act of abuse or neglect, then the investigation may include a psychological evaluation to determine the extent of counseling necessary for successful rehabilitation and which may be mandated by the court during the term of probation. Such evaluation may be performed by psychiatrists, psychologists, or licensed clinical social workers. The results of the examination shall be included in the probation officer's report to the court.

CHAPTER 283

An act to amend Sections 676 and 707 of the Welfare and Institutions Code, relating to juvenile court law, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1982 Filed with Secretary of State June 21, 1982]

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

SECTION 1. Section 676 of the Welfare and Institutions Code is amended to read:

676. (a) Unless requested by the minor concerning whom the petition has been filed and any parent or guardian present, the public shall not be admitted to a juvenile court hearing. The judge or referee may nevertheless admit such persons as he deems to have a direct and legitimate interest in the particular case or the work of the court. However, except as provided in subdivision (b), members of the public shall be admitted, on the same basis as they may be admitted to trials in a court of criminal jurisdiction, to hearings concerning petitions filed pursuant to Section 602 alleging that a minor is a person described in Section 602 by reason of the violation of any one of the following offenses:

(1) Murder.

(2) Arson of an inhabited building.

(3) Robbery while armed with a dangerous or deadly weapon.

(4) Rape with force or violence or threat of great bodily harm.

(5) Sodomy by force, violence, duress, menace, or threat of great bodily harm.

(6) Oral copulation by force, violence, duress, menace, or threat of great bodily harm.

(7) Any offense specified in Section 289 of the Penal Code.

(8) Kidnapping for ransom.

(9) Kidnapping for purpose of robbery.

(10) Kidnapping with bodily harm.

(11) Assault with intent to murder or attempted murder.

(12) Assault with a firearm or destructive device.

(13) Assault by any means of force likely to produce great bodily injury.

(14) Discharge of a firearm into an inhabited or occupied building.

(15) Any offense described in Section 1203.09 of the Penal Code.

(16) Any offense described in Section 12022.5 of the Penal Code committed by a minor 16 years of age or older.

(17) Any felony offense in which a minor 16 years of age or older personally used a weapon listed in subdivision (a) of Section 12020 of the Penal Code.

(b) Where the petition filed alleges that the minor is a person described in Section 602 by reason of the commission of rape with force or violence or great bodily harm; sodomy by force, violence, duress, menace, or threat of great bodily harm; oral copulation by force, violence, duress, menace, or threat of great bodily harm; or any offense specified in Section 289 of the Penal Code, members of the public shall not be admitted to the hearing in either of the following instances:

(1) Upon a motion for a closed hearing by the district attorney, who shall make the motion if so requested by the victim.

(2) During the victim's testimony, if, at the time of the offense the victim was under 16 years of age.

SEC. 2. Section 707 of the Welfare and Institutions Code is amended to read:

707. (a) In any case in which a minor is alleged to be a person described in Section 602 by reason of the violation, when he or she was 16 years of age or older, of any criminal statute or ordinance except those listed in subdivision (b), upon motion of the petitioner made prior to the attachment of jeopardy the court shall cause the probation officer to investigate and submit a report on the behavioral patterns and social history of the minor being considered for a determination of unfitness. Following submission and consideration of the report, and of any other relevant evidence which the petitioner or the minor may wish to submit, the juvenile court may find that the minor is not a fit and proper subject to be dealt with under the juvenile court law if it concludes that the minor would not be amenable to the care, treatment, and training program available through the facilities of the juvenile court, based upon an evaluation of the following criteria:

(1) The degree of criminal sophistication exhibited by the minor.

(2) Whether the minor can be rehabilitated prior to the expiration of the juvenile court's jurisdiction.

(3) The minor's previous delinquent history.

(4) Success of previous attempts by the juvenile court to rehabilitate the minor.

(5) The circumstances and gravity of the offense alleged to have been committed by the minor.

A determination that the minor is not a fit and proper subject to be dealt with under the juvenile court law may be based on any one or a combination of the factors set forth above, which shall be recited in the order of unfitness. In any case in which a hearing has been noticed pursuant to this section, the court shall postpone the taking of a plea to the petition until the conclusion of the fitness hearing, and no plea which may already have been entered shall constitute evidence at such hearing.

(b) The provisions of subdivision (c) shall be applicable in any case in which a minor is alleged to be a person described in Section 602 by reason of the violation, when he or she was 16 years of age or older, of one of the following offenses:

(1) Murder;

(2) Arson of an inhabited building;

(3) Robbery while armed with a dangerous or deadly weapon;

(4) Rape with force or violence or threat of great bodily harm;

(5) Sodomy by force, violence, duress, menace, or threat of great bodily harm;

(6) Lewd or lascivious act as provided in subdivision (b) of Section 288 of the Penal Code;

(7) Oral copulation by force, violence, duress, menace, or threat of great bodily harm;

(8) Any offense specified in Section 288 of the Penal Code;

(9) Kidnapping for ransom;

(10) Kidnapping for purpose of robbery;

(11) Kidnapping with bodily harm;

(12) Assault with intent to murder or attempted murder;

(13) Assault with a firearm or destructive device;

(14) Assault by any means of force likely to produce great bodily injury;

(15) Discharge of a firearm into an inhabited or occupied building;

(16) Any offense described in Section 1203.09 of the Penal Code.

(17) Any offense described in Section 12022.5 of the Penal Code.

(18) Any felony offense in which the minor personally used a weapon listed in subdivision (a) of Section 12020 of the Penal Code.

(c) With regard to a minor alleged to be a person described in Section 602 by reason of the violation, when he or she was 16 years of age or older, of any of the offenses listed in subdivision (b), upon motion of the petitioner made prior to the attachment of jeopardy the court shall cause the probation officer to investigate and submit a report on the behavioral patterns and social history of the minor being considered for a determination of unfitness. Following submission and consideration of the report, and of any other relevant evidence which the petitioner or the minor may wish to submit the minor shall be presumed to be not a fit and proper subject to be dealt with under the juvenile court law unless the juvenile court concludes, based upon evidence, which evidence may be of extenuating or mitigating circumstances, that the minor would be amenable to the care, treatment, and training program available through the facilities of the juvenile court based upon an evaluation of each of the following criteria:

(1) The degree of criminal sophistication exhibited by the minor.

(2) Whether the minor can be rehabilitated prior to the expiration of the juvenile court's jurisdiction.

(3) The minor's previous delinquent history.

(4) Success of previous attempts by the juvenile court to rehabilitate the minor.

(5) The circumstances and gravity of the offenses alleged to have been committed by the minor.

A determination that the minor is a fit and proper subject to be dealt with under the juvenile court law shall be based on a finding of amenability after consideration of the criteria set forth above, and findings therefor recited in the order as to each of the above criteria that the minor is fit and proper under each and every one of the above criteria. In making a finding of fitness, the court may consider extenuating or mitigating circumstances in evaluating each of the above criteria. In any case in which a hearing has been noticed pursuant to this section, the court shall postpone the taking of a plea to the petition until the conclusion of the fitness hearing and no plea which may already have been entered shall constitute evidence at

such hearing.

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

It is necessary to protect society at the earliest possible time.

CHAPTER 284

An act to repeal Section 3 of Chapter 1216 of the Statutes of 1980, and to amend Section 4 of Chapter 1216 of the Statutes of 1980 as amended by Section 1 of Chapter 432 of the Statutes of 1981, relating to jury trials.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 3 of Chapter 1216 of the Statutes of 1980 is repealed.

SEC. 2. Section 4 of Chapter 1216 of the Statutes of 1980, as amended by Section 1 of Chapter 432 of the Statutes of 1981, is amended to read:

Sec. 4. This act shall remain in effect only until January 1, 1988, and as of that date is repealed.

CHAPTER 285

An act to amend Section 27201 of the Government Code, relating to county recorders.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 27201 of the Government Code is amended to read:

27201. The recorder shall, upon payment of proper fees and taxes, accept for recordation any instrument, paper, or notice which is authorized or required by law to be recorded, if such instrument, paper, or notice contains sufficient information to be indexed as provided by statute and is photographically reproducible. The county recorder shall not refuse to record any instrument, paper, or notice which is authorized or required by law to be recorded on the basis of its lack of legal sufficiency.

CHAPTER 286

An act to amend Section 23302 of the Elections Code, relating to elections and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 23302 of the Elections Code is amended to read:

23302. Whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and such question, proposition, or office to be filled is to appear upon the same ballot as that provided for such statewide election, the district, city, or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the county clerk, a resolution of its governing board requesting such consolidation and setting forth the exact form of any question, proposition, or office to be voted upon at such election, as the same is to appear on the ballot. The question or proposition to appear on the ballot shall conform to the provisions of this code governing the wording of propositions submitted to the voters at a statewide election. The resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution or order calling the election. The names of the candidates to appear upon the ballot where district, city, or other political subdivision offices are to be filled shall be filed with the county clerk no later than 81 days prior to the election.

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

In order that the provision of this act may apply to the conduct of elections to be held and consolidated with the upcoming General Election, it is necessary that this act take effect immediately.

CHAPTER 287

An act to amend Section 35423 of, and to add Section 35470.5 to, the Water Code, relating to water districts.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 35423 of the Water Code is amended to read:

35423. A district may establish, print, and distribute equitable rules and regulations for the sale and distribution of water. A district may provide therein that water shall not be furnished to (1) persons who violate the rules and regulations or against whom there are delinquent water, standby, facility, or other charges, or penalties or interest on any such charges, or (2) land against which there is a delinquent assessment.

SEC. 2. Section 35470.5 is added to the Water Code, to read:

35470.5. The district may, by resolution, provide that a penalty not in excess of 10 percent shall be added to water, standby, facility, or other charges which are delinquent, and the delinquent charges shall bear interest at a rate not in excess of 1½ percent per month.

SEC. 3. The Legislature finds and declares that the provisions of Section 35423 of the Water Code, as amended by Section 1 of this act, and the provisions of Section 35470.5 of the Water Code, as added by Section 2 of this act, are declaratory of and do not constitute a change in existing law.

CHAPTER 288

An act to amend Section 39645 of, and to add Section 1276 to, the Education Code, relating to data-processing systems.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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 recognize the authority of school districts, under the permissive Education Code, to contract for data-processing systems and services necessary to maintain those systems and the supporting software. The Legislature further intends to give greater effect to the permissive code and to increase local control and flexibility for school districts.

It is not the intent of the Legislature, by deleting prescriptive provisions authorizing school districts to contract for data-processing systems, to prohibit districts from making these contracts. Rather, it is the intent of the Legislature that school districts shall have the power to so act under the general authority of Section 35160 of the Education Code.

SEC. 2. Section 1276 is added to the Education Code, to read:

1276. The county superintendent of schools may contract with an acceptable party who is one of the three lowest responsible bidders for the lease, purchase, or maintenance of electronic data-processing

systems and for the lease, purchase, or maintenance of supporting software.

SEC. 3. Section 39645 of the Education Code is amended to read:

39645. The governing board of any school district may contract with an acceptable party who is one of the three lowest responsible bidders for the procurement or maintenance, or both, of electronic data-processing systems and supporting software in any manner the board deems appropriate.

CHAPTER 289

An act to amend Sections 54990, 54991, and 54992 of, to add Section 54994 to, and to add Chapter 13.5 (commencing with Section 54995) to Part 1 of Division 2 of Title 5 of, the Government Code, relating to fees.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 54990 of the Government Code is amended to read:

54990. Notwithstanding any other provision of law, when a local agency charges fees for zoning variances, zoning changes, use permits, building inspections, building permits, the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7, or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 or under any other authority, such fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

SEC. 2. Section 54991 of the Government Code is amended to read:

54991. Notwithstanding any other provision of law, when a local agency charges fees for water connections or sewer connections, such fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue. "Sewer connection" means the connection of a building to a public sewer system. "Water connection" means the connection of a building to a public water system, as defined in subdivision (e) of Section 4010.1 of the Health and Safety Code.

SEC. 3. Section 54992 of the Government Code is amended to read:

54992. (a) Prior to levying a new fee or service charge, or prior to approving an increase in an existing fee or service charge, a local agency shall hold at least one public meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for such mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for such mailed notices shall be filed on or before April 1st of each year. The legislative body may establish a reasonable annual charge for sending such notices based on the estimated cost of providing such a service. At least 10 days prior to the meeting, the local agency shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including general fund revenues. Unless there has been voter approval, as prescribed by Section 54990 or 54991, no local agency shall levy a new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.

(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution.

(c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.

SEC. 4. Section 54994 is added to the Government Code, to read:

54994. As used in this article, "local agency" means a county or city, including, but not limited to, a charter city, city and county, district, authority, public corporation, agency, or other political subdivision of the state.

SEC. 5. Chapter 13.5 (commencing with Section 54995) is added to Part 1 of Division 2 of Title 5 of the Government Code, to read:

CHAPTER 13.5. LIMITATION OF ACTIONS TO REVIEW LOCAL AGENCY FEES AND CHARGES

54995. Any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion levying a new fee or service charge, or modifying or amending an existing fee or service charge, duly enacted by a local agency, as defined in Section 54994, shall be commenced within 120 days of the effective

date of the ordinance, resolution, or motion or January 1, 1983, whichever date is later.

If an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge, and the automatic adjustment results in an increase in the amount of a fee or service charge, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 120 days of the effective date of the increase.

54996. Any action by a local agency, as defined in Section 54994, or interested person under Section 54995 shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

CHAPTER 290

An act to add Section 40312 to the Vehicle Code, relating to traffic warrants.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982]

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

SECTION 1. Section 40312 is added to the Vehicle Code, to read:

40312. A peace officer shall not arrest, on the basis of an outstanding warrant arising from a violation of this code, any person who presents to the peace officer a receipt, from a proper official of the court, indicating that the person has paid the fine for the violation that caused the warrant to be issued. The receipt shall contain sufficient information to identify the name and number of the court issuing the receipt, the date the case was adjudicated or the fine was paid, the case number or docket number, and the violations disposed of.

CHAPTER 291

An act to add Section 31032.12 to the Water Code, relating to county water districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1982 Filed with Secretary of State June 21, 1982]

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

SECTION 1. Section 31032.12 is added to the Water Code, to read:

31032.12. (a) Notwithstanding any other provision of this division, the Yorba Linda County Water District may fix, in each fiscal year, within Improvement District No. 1 of the district, water

standby or availability assessments of not to exceed ninety dollars ($90) per year for each acre or portion thereof. The Board of Directors of the Yorba Linda County Water District may vary the assessment according to the land uses and the degree of availability or quantity of use of water upon the affected lands within Improvement District No. 1.

(b) The Yorba Linda County Water District may elect to have the assessments authorized by subdivision (a) for the fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time, as, and together with and not separately from, county taxes. In that event, the district shall prepare a written report which shall be filed with the secretary. The report shall contain a description of each parcel of real property and the amount of the assessment for each parcel for the year.

(c) The water standby or availability assessment authorized by this section shall not be imposed on any subdivided parcel with respect to which building permits have been issued prior to March 1 of each year or which has been connected to domestic water facilities of the Yorba Linda County Water District prior to July 1 of each year.

(d) The procedures set forth in Sections 31032.2 to 31032.9, inclusive, shall apply to any assessments imposed pursuant to subdivision (a).

(e) The purpose of this section is to provide a method whereby the Yorba Linda County Water District may more fairly allocate the cost of providing capital water facilities among the lands and present and future inhabitants of Improvement District No. 1 according to the benefit received. Accordingly, the proceeds of the assessment authorized by subdivision (a) shall be used only: (1) to supplement the proceeds of the ad valorem property tax levied by the Yorba Linda County Water District within Improvement District No. 1 to pay debt service on the Series A and Series B 1978 Water Bonds and additional general obligation bonded indebtedness, not to exceed the amount of five million dollars ($5,000,000), of the Improvement District No. 1; and (2) to pay the cost of the proceedings incurred pursuant to this section.

SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of unique and special water management problems within Improvement District No. 1 of the Yorba Linda County Water District which are not common to other districts organized pursuant to the County Water District Law. The adoption of Article XIII A of the California Constitution has created a situation where the assessed value of undeveloped land remains relatively constant if ownership is stable, but assessed value increases drastically if the property is improved and sold. Consequently, the properties initially developed in the large and previously undeveloped improvement district will bear a disproportionate share of property taxes levied to pay the interest and redemption charges on general obligation bonded

indebtedness incurred within the improvement district. This act is necessary to permit the burden of financing vital water facilities in the partially undeveloped improvement district to be more equitably allocated to all properties benefiting from the availability of a water system.

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

In order to permit the equitable financing of vital water development facilities within the Yorba Linda County Water District at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 292

An act to amend Section 4602 of the Civil Code, relating to family law.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 4602 of the Civil Code is amended to read:

4602. In any proceeding under this part, when so directed by the court, the probation officer or domestic relations investigator shall conduct a custody investigation and file a written confidential report on it. The report may be considered by the court and shall be made available only to the parties or their attorneys at least 10 days before any hearing regarding the custody of a child. The report may be received in evidence upon stipulation of all interested parties.

When the probation officer or domestic relations investigator is directed by the court to conduct a custody investigation or to undertake visitation work, including necessary evaluation, supervision, and reporting, the court shall make inquiry into the financial condition of the parent, guardian, or such other person charged with the support and maintenance of the minor, and if the court finds the parent, guardian, or other person able, in whole or in part, to pay the expense of the investigation, report, and recommendation, the court may make an order requiring that parent, guardian, or other person to repay to the county that part, or all, of the expense of investigation, report, and recommendation as, in the opinion of the court, is proper. The repayment shall be made to the county officer designated by the board of supervisors, who shall keep suitable accounts of these expenses and repayments and shall deposit these collections in the county treasury.

CHAPTER 293

An act to amend Section 2 of Chapter 8 of the Statutes of 1977, to amend Section 10 of Chapter 301 of the Statutes of 1979, and to amend Section 7 of Chapter 433 of the Statutes of 1980, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1982. Filed with Secretary of State June 21, 1982.]

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

SECTION 1. Section 2 of Chapter 8 of the Statutes of 1977 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, and during the period of temporary use this school 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, 1985.

SEC. 2. Section 10 of Chapter 301 of the Statutes of 1979 is amended to read:

Sec. 10. The Lincoln Unified School District is hereby authorized to house pupils in the education center buildings and during the period of temporary use these 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, 1985.

SEC. 3. Section 7 of Chapter 433 of the Statutes of 1980 is amended to read:

Sec. 7. Notwithstanding Section 39227 of the Education Code, the Governing Board of the Camptonville Union Elementary School District may use until June 30, 1985, an existing building which is a wooden structure on a concrete foundation for a staff workroom, nurse's station, school library, Title I resource room, and other administrative purposes. During the period of 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. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Existing school facilities in the Camptonville Elementary School District, the Lincoln Unified School District, and the San Juan Ridge Union School District are insufficient to house the increased pupil

population. The districts' authorization to house pupils temporarily in school buildings that do not satisfy Field Act standards expire on June 30, 1982, and the districts will not be able to obtain replacement classrooms by that date. In order to permit the districts to use these buildings after the expiration date so that necessary educational services can be provided without interruption, it is necessary that this act take effect immediately.

CHAPTER 294

An act to add Section 25169.3 to the Health and Safety Code, and to amend Section 2501 of the Vehicle Code, as amended by Chapter 16 of the Statutes of 1982, relating to hazardous materials, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 22, 1982 Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 25169.3 is added to the Health and Safety Code, to read:

25169.3. Before hazardous waste is transported from an abandoned site to another disposal site, all of the following conditions shall be met:

(a) The department shall conduct such tests, or cause such tests to be completed by the responsible party, as are necessary to determine the general chemical and mineral composition of hazardous waste that is being transported.

(b) The hazardous waste hauler shall prepare a transportation and safety plan outlining safety features and procedures to be used by the hauler to protect the public during the transportation process.

(c) The department shall review and approve the transportation and safety plan.

(d) The hazardous waste hauler shall, under penalty of perjury, certify that he or she will follow the provisions of the transportation and safety plan.

(e) The department shall issue a certificate to the hazardous waste hauler certifying that the transportation and safety plan has been approved by the department. The person transporting the waste shall have the certificate in his or her possession while transporting the waste. Such certificate shall be shown upon demand to any department official, officer of the California Highway Patrol, or any local health officer.

The term "abandoned site", as used in this section, means an inactive waste disposal, treatment, or storage facility which cannot, with reasonable effort, be traced to a specific owner; a site whose owner has been determined bankrupt or who has not taken

corrective action on or before the date specified in an order issued pursuant to Section 25187; or a location where hazardous waste has been illegally disposed.

(f) The requirements of this section shall not apply when the hazardous waste disposal is the direct result of an accidental spill or the department determines that emergency action is needed to protect the environment or the public health.

SEC. 2. Section 2501 of the Vehicle Code, as amended by Chapter 16 of the Statutes of 1982, is amended to read:

2501. The Commissioner of the California Highway Patrol may issue licenses for the operation of privately owned or operated ambulances used to respond to emergency calls, armored cars, fleet owner inspection and maintenance stations, and for the transportation of hazardous material, including the transportation of explosives. Such licenses shall be issued in accordance with the provisions of this chapter and regulations adopted by the commissioner pursuant thereto. All licenses issued by the commissioner shall expire one year from the date of issue. Licenses may be renewed upon application and payment of the renewal fees if the application for renewal is made within the 30-day period prior to the date of expiration. Persons whose licenses have expired shall immediately cease the activity requiring a license, but the commissioner shall accept applications for renewal during the 30-day period following the date of expiration if they are accompanied by the new license fee. In no case shall a license be renewed where the application is received more than 30 days after the date of expiration.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because existing law provides a source of funds sufficient to pay costs incurred by a local agency or school district for the program or level of service mandated by this act.

SEC. 4. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

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

In order to protect the public safety from risks in the transportation of hazardous waste from abandoned disposal sites and to permit that safe transportation at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 295

An act to add Section 11346.13 to the Government Code, relating to administrative regulations.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 11346.13 is added to the Government Code, to read:

11346.13. (a) The estimate required by paragraph (5) of subdivision (a) of 11346.5 shall also include a statement of the potential cost impact of the proposed action on private persons or businesses directly affected, as considered by the agency during the regulatory development process. If the cost impact of the action is expected to be insignificant, or was not considered in the development process, the agency shall so indicate.

For purposes of this section, "cost impact" means the reasonable range of costs, or a description of the type and extent of costs, direct or indirect, which a representative private person or entity necessarily incurs in reasonable compliance with the proposed action.

Any statutory reference to Section 11346.5 shall be construed to also be a reference to this subdivision.

(b) The initial statement of reasons required by Section 11346.7 shall also include, but not be limited to, the estimated cost or savings to public agencies or affected private individuals or entities, as per the requirements and definitions established in paragraph (5) of subdivision (a) of Section 11346.5 and in subdivision (a) of this section.

Any statutory reference to Section 11346.7 shall be construed to also be a reference to this subdivision.

CHAPTER 296

An act to add Title 11 (commencing with Section 2527) to Part 4 of Division 3 of the Civil Code, relating to pharmaceutical services.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Title 11 (commencing with Section 2527) is added to Part 4 of Division 3 of the Civil Code, to read:

TITLE 11. PHARMACEUTICAL SERVICES

2527. (a) On or after January 1, 1984, no prescription drug claims processor, as defined in subdivision (b), shall enter into or perform any provision of any new contract, or perform any provision of any existing contract, with a licensed California pharmacy, or process or assist in the processing of any prescription drug claim submitted by or otherwise involving a service of a licensed California pharmacy unless the processor is in compliance with subdivisions (c) and (d).

(b) A "prescription drug claims processor," as used in this part, means any nongovernmental entity which has a contractual relationship with purchasers of prepaid or insured prescription drug benefits, and which processes, consults, advises on, or otherwise assists in the processing of prepaid or insured prescription drug benefit claims submitted by a licensed California pharmacy or patron thereof. A "prescription drug claims processor" shall not include insurers (as defined in Section 23 of the Insurance Code), health care service plans (as defined in subdivision (f) of Section 1345 of the Health and Safety Code), nonprofit hospital service plans (pursuant to Chapter 11A, (commencing with Section 11491) of Part 2 of Division 2 of the Insurance Code), pharmacy permitholders (pursuant to Section 4080 of the Business and Professions Code), employers, trusts, and other entities which assume the risks of pharmaceutical services for designated beneficiaries. Also, a "prescription drug claims processor" shall not include insurers, health care service plans, and nonprofit hospital service plans which process claims on a nonrisk basis for self-insured clients.

(c) On or before January 1, 1984, every prescription drug claims processor shall have conducted or obtained the results of a study or studies which identifies the fees, separate from ingredient costs, of all, or of a statistically significant sample, of California pharmacies, for pharmaceutical dispensing services to private consumers. The study or studies shall meet reasonable professional standards of the statistical profession. The determination of the pharmacy's fee made for purposes of the study or studies shall be computed by reviewing a sample of the pharmacy's usual charges for a random or other representative sample of commonly prescribed drug products, subtracting the average wholesale price of drug ingredients, and averaging the resulting fees by dividing the aggregate of the fees by the number of prescriptions reviewed. A study report shall include a preface, an explanatory summary of the results and findings including a comparison of the fees of California pharmacies by setting forth the mean fee and standard deviation, the range of fees and fee percentiles (10th, 20th, 30th, 40th, 50th, 60th, 70th, 80th, 90th). This study or these studies shall be conducted or obtained no less often than every 24 months.

(d) The study report or reports obtained pursuant to subdivision (c) shall be transmitted by certified mail by each prescription drug claims processor to the chief executive officer or designee, of each

client for whom it performs claims processing services. Consistent with subdivision (c), the processor shall transmit the study or studies to clients no less often than every 24 months.

Nothing in this section shall be construed to require a prescription drug claims processor to transmit to its clients more than two studies meeting the requirements of subdivision (c) during any such 24-month period.

Effective January 1, 1986, a claims processor may comply with subdivision (c) and this subdivision, in the event that no new study or studies meeting the criteria of subdivision (c) have been conducted or obtained subsequent to January 1, 1984, by transmitting the same study or studies previously transmitted, with notice of cost-of-living changes as measured by the Consumer Price Index (CPI) of the United States Department of Labor.

2528. A violation of Section 2527 may result only in imposition of a civil remedy, which includes, but is not limited to, imposition of statutory damages of not less than one thousand dollars ($1,000) or more than ten thousand dollars ($10,000) depending on the severity or gravity of the violation, plus reasonable attorney's fees and costs, declaratory and injunctive relief, and any other relief which the court deems proper. Any owner of a licensed California pharmacy shall have standing to bring an action seeking a civil remedy pursuant to this section so long as his or her pharmacy has a contractual relationship with, or renders pharmaceutical services to, a beneficiary of a client of the prescription drug claims processor, against whom the action is brought provided that no such action may be commenced by the owner unless he or she has notified the processor in writing as to the nature of the alleged violation and the processor fails to remedy the violation within 30 days from the receipt of the notice or fails to undertake steps to remedy the violation within that period and complete the steps promptly thereafter.

CHAPTER 297

An act to add Section 1203.055 to the Penal Code, and to add Section 729 to the Welfare and Institutions Code, relating to denial of probation.

[Approved by Governor June 22, 1982 Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 1203.055 is added to the Penal Code, to read:

1203.055. (a) Notwithstanding any other provision of law, in sentencing a person convicted of committing or of attempting to commit one or more of the offenses listed in subdivision (b) against

a person who is a passenger, operator, driver, or other occupant of any public transit vehicle whether the offense or attempt is committed within the vehicle or directed at the vehicle, the court shall require that the person serve some period of confinement. If probation is granted, it shall be a condition of probation that the person shall be confined in the county jail for some period of time. If the time spent in jail prior to arraignment is less than 24 hours, it shall not be considered to satisfy the requirement that some period of confinement be imposed.

(b) Subdivision (a) applies to the following crimes:

(1) Murder.

(2) Assault, in violation of Section 241, 241.3, 241.4, 244, 245, 245.2, or 246.

(3) Robbery, in violation of Section 211, 211a, or 214.

(4) Kidnapping, in violation of Section 207.

(5) Kidnapping for ransom, extortion, or robbery, in violation of Section 209.

(6) Battery, in violation of Section 243, 243.3, or 243.1.

(7) Rape, in violation of Section 261, 262, 264, or 264.1.

(8) Assault with intent to commit rape, sodomy, or robbery, in violation of Section 220.

(9) Any other offense in which the defendant inflicts great bodily injury on any person other than an accomplice.

(10) Grand theft, in violation of subdivision (1) of Section 487.

(11) Throwing of a hard substance or shooting a missile at the transit vehicle, in violation of Section 219.2.

(12) Unlawfully causing a fire, in violation of Section 452.

(13) Drawing, exhibiting, or using a firearm or deadly weapon, in violation of Section 417.

(c) Probation shall not be granted to, nor shall the execution or imposition of sentence be suspended for any person convicted of a felony offense falling within the provisions of this section if such person has been previously convicted and sentenced pursuant to this section.

(d) (1) The existence of any fact which would make a person ineligible for probation under subdivisions (a) and (c) shall be alleged in the accusatory pleading, 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 a plea of guilty or nolo contendere or by a trial by the court sitting without a jury.

A finding bringing the defendant within the provisions of this section shall not be stricken pursuant to Section 1385 or any provision of law.

(2) 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.

(3) As used in paragraph (9) of subdivision (b), "great bodily

injury" means "great bodily injury" as defined in Section 12022.7.

(4) As used in subdivision (a), "public transit vehicle" means any motor vehicle, street car, trackless trolley, bus, shuttle, light rail system, rapid transit system, subway, train, taxi cab, or jitney, which transports members of the public for hire.

(e) The court shall require, as a condition of probation for any person convicted of committing a crime which took place on a public transit vehicle, 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 make restitution to the victim. 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 subdivision shall be construed to limit the authority of a court to provide additional conditions of probation.

(f) In any case in which a person is convicted of committing a crime which took place on a public transit vehicle, the probation officer shall immediately investigate and report to the court at a specified time whether, as a result of the crime, property damage or loss or personal injury was caused by the defendant, the amount of such damage, loss, or injury, and the feasibility of requiring restitution to be made by the defendant. When a probation report is required pursuant to Section 1203 the information required by this subdivision shall be added to that probation report.

SEC. 2. Section 729 is added to the Welfare and Institutions Code, to read:

729. (a) If a minor is found to be a person described in Section 602 by reason of the commission of a crime which takes place on a public transit vehicle, 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 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.

(b) As used in subdivision (a), "public transit vehicle" means any motor vehicle, street car, trackless trolley, bus, shuttle, light rail system, rapid transit system, subway, train, taxi cab, or jitney, which transports members of the public for hire.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and

Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 298

An act to amend Section 54957 of, and to add Section 54956.7 to, the Government Code, relating to meetings of local agencies.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 54956.7 is added to the Government Code, to read:

54956.7. Whenever a legislative body of a local agency determines that it is necessary to discuss and determine whether an applicant for a license or license renewal, who has a criminal record, is sufficiently rehabilitated to obtain the license, the legislative body may hold a closed session with the applicant and the applicant's attorney, if any, for the purpose of holding the discussion and making the determination. If the legislative body determines, as a result of the closed session, that the issuance or renewal of the license should be denied, the applicant shall be offered the opportunity to withdraw the application. If the applicant withdraws the application, no record shall be kept of the discussions or decisions made at the closed session and all matters relating to the closed session shall be confidential. If the applicant does not withdraw the application, the legislative body shall take action at the public meeting during which the closed session is held or at its next public meeting denying the application for the license but all matters relating to the closed session are confidential and shall not be disclosed without the consent of the applicant, except in an action by an applicant who has been denied a license challenging the denial of the license.

SEC. 2. Section 54957 of the Government Code is amended to read:

54957. Nothing contained in this chapter shall be construed to prevent the legislative body of a local agency from holding closed sessions with the Attorney General, district attorney, sheriff, or chief of police, or their respective deputies, on matters posing a threat to the security of public buildings or a threat to the public's right of access to public services or public facilities, or from holding closed sessions during a regular or special meeting to consider the appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought

against such employee by another person or employee unless such employee requests a public hearing. The legislative body also may exclude from any such public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the legislative body.

For the purposes of this section, the term "employee" shall not include any person elected to office, or appointed to an office by the legislative body of a local agency; provided, however, that nonelective positions of city manager, county administrator, city attorney, county counsel, or a department head or other similar administrative officer of a local agency shall be considered employee positions; and provided, further that nonelective positions of general manager, chief engineer, legal counsel, district secretary, auditor, assessor, treasurer, or tax collector of any governmental district supplying services within limited boundaries shall be deemed employee positions.

Nothing in this chapter shall be construed to prevent any board, commission, committee, or other body organized and operated by any private organization as defined in Section 54952 from holding closed sessions to consider (a) matters affecting the national security, or (b) the appointment, employment, evaluation of performance, or dismissal of an employee or to hear complaints or charges brought against such employee by another person or employee unless such employee requests a public hearing. Such body also may exclude from any such public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the legislative body.

CHAPTER 299

An act to add Section 2873.6 to the Business and Professions Code, relating to medical technical assistants, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 2873.6 is added to the Business and Professions Code, to read:

2873.6. (a) Any person who on the effective date of this section is employed as a medical technical assistant or as a senior medical technical assistant by the Department of Corrections or the Department of the Youth Authority, who served on active duty in the medical corps of any of the armed forces of the United States or who served in the United States Public Health Service, in which no less than an aggregate of 12 months was spent in rendering patient

care, who completed the basic course of instruction in nursing required by the United States Public Health Service, or by his or her particular branch of the armed forces, and who was honorably discharged therefrom, shall be granted an employment restricted license upon proof that he or she possesses the necessary qualifications of this section as set forth in his or her service and discharge records. An employment restricted license issued pursuant to this subdivision shall authorize the holder thereof to practice vocational nursing only within a facility of the Department of Corrections or the Department of the Youth Authority and shall be valid only for the period of employment. In order to obtain a nonrestricted license as a vocational nurse, a medical technical assistant shall apply and take the examination as required and normally administered by the Board of Vocational Nurse and Psychiatric Technician Examiners.

(b) On and after the effective date of this section, no person shall be appointed as a medical technical assistant by the Department of Corrections or the Department of the Youth Authority unless the person complies with one of the following:

(1) Is a licensed vocational nurse or a registered nurse.

(2) Has served on active duty in the medical corps of any of the armed forces of the United States or who served in the United States Public Health Service, in which no less than an aggregate of 12 months was spent in rendering patient care, who completed the basic course of instruction in nursing required by the United States Public Health Service, or by his or her particular branch of the armed forces, and who has been honorably discharged therefrom. The Department of Corrections and the Department of the Youth Authority are authorized only to hire persons who are eligible for licensure, and as a condition of employment shall require that those persons obtain a license as a vocational nurse within six months of employment. He or she shall be supervised by a registered nurse or physician and surgeon and shall not administer medications until licensed.

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

To conform existing law to existing practices and to avoid disruptions of medical services to inmates in prisons or Department of the Youth Authority health facilities, it is necessary that this act go into immediate effect.

CHAPTER 300

An act to amend Sections 6702, 6702.1, 6704, 6705, 6705.7, and 6705.8 of, and to repeal Section 6703 of, the Financial Code, relating to savings and loan associations.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 6702 of the Financial Code is amended to read:

6702. An association may invest in, hold, buy, and sell the following:

(a) Real property used or to be used primarily as the principal office or branch of the association, and real property used or to be used primarily as a service office or office of the service corporation of the association or an undivided interest in real property used or to be used primarily as a service office or office of the association or its service corporation and of other associations owning the other undivided interests in such real property. As used in this subdivision the term real property includes (1) real property in reasonably close proximity to a principal, branch, or service office used or to be used primarily as a parking lot in connection with the operations of such office and (2) structures or buildings located on land owned in fee or held under a lease or sublease by the association with an unexpired term of 25 years at the date of execution by the association of such lease or sublease. Except as provided in Section 6703 no association shall invest in such real property or in such structures or buildings more than one-half of the sum of its statutory net worth.

(b) Furniture, fixtures, furnishings, equipment and leasehold improvements necessary or proper for the business of the association, or for use in connection with properties owned by or securing loans of the association. Leasehold improvements as used herein shall not include structures or buildings referred to in subdivision (a) of this section. Except as provided in Section 6703 no association shall invest in furniture, fixtures, furnishings, equipment, and leasehold improvements as defined herein for its offices more than 30 percent of the sum of its statutory net worth.

(c) United States government bonds and treasury certificates, or any bonds, debentures, notes, or other obligations guaranteed by the United States of America, and obligations issued or guaranteed by the Government National Mortgage Association.

(d) Bonds, debentures, notes, and other securities issued or guaranteed in whole or in part by any federal home loan bank, or the Federal Savings and Loan Insurance Corporation, or other similar federal agency.

(e) Consolidated federal home loan bank bonds, debentures, or

notes.

(f) Bonds of this state or of any flood control and water conservation districts or any zone thereof having an assessed valuation on taxable real property of not less than one million dollars ($1,000,000), county, city and county, city, metropolitan water district, municipal utility district, any special district established by and within any municipal utility district, transit district, rapid transit district, metropolitan transit authority, flood control district, or school district of the State of California.

(g) Bonds and other securities which are expressly authorized as legal investments for or purchase by savings banks in this state, bankers' acceptances of the kind, character, and maturity eligible for rediscount with a Federal Reserve bank, and such other securities as the commissioner may authorize by rules and regulations.

(h) Bonds issued by any railroad corporation or any public utility corporation substantially all of the properties of which are located in the United States of America. Railway corporations and public utility corporations, as used in this subdivision, do not include street railway corporations.

(i) Stock, shares, debentures and bonds of any international home loan bank which may hereafter be incorporated by authority of an act of Congress.

(j) California street improvement bonds.

(k) Stock issued by any federal home loan bank or other similar federal agency of which the association is eligible to be a member.

(*l*) Bonds and other securities as provided in Division 11 of this code.

(m) Stocks, bonds, debentures, participations, and other obligations of or issued by the Federal National Mortgage Association and the Small Business Administration.

(n) Loans and interests in loans on the security of real property located in foreign countries guaranteed by an agency of the federal or state government; and capital stock, obligations, notes, and other securities of any thrift institution organized under the laws of a foreign country and engaged in the business of making loans on the security of real estate in such country subject to regulations of the commissioner.

(o) Subject to the rules and regulations of the commissioner, stock issued by a corporation authorized to be created pursuant to Title IX of the Housing and Urban Development Act of 1968, and may make investments in a partnership, limited partnership, or joint venture formed pursuant to Section 907(a) or 907(c) of such act.

(p) Any obligations or other instruments or securities of the Student Loan Marketing Association.

(q) Shares and investment certificates issued by any domestic savings and loan association which is an "insured institution" as defined in Title IV of the National Housing Act.

SEC. 1.5. Section 6702 of the Financial Code is amended to read:

6702. An association may invest in, hold, buy, and sell the

following:

(a) Real property used or to be used primarily as the principal office or branch of the association, and real property used or to be used primarily as a service office or office of the service corporation of the association or an undivided interest in real property used or to be used primarily as a service office or office of the association or its service corporation and of other associations owning the other undivided interests in such real property. As used in this subdivision the term real property includes (1) real property in reasonably close proximity to a principal, branch, or service office used or to be used primarily as a parking lot in connection with the operations of such office and (2) structures or buildings located on land owned in fee or held under a lease or sublease by the association with an unexpired term of 25 years at the date of execution by the association of such lease or sublease. Except as provided in Section 6703 no association shall invest in such real property or in such structures or buildings more than one-half of the sum of its statutory net worth.

(b) Furniture, fixtures, furnishings, equipment and leasehold improvements necessary or proper for the business of the association, or for use in connection with properties owned by or securing loans of the association. Leasehold improvements as used herein shall not include structures or buildings referred to in subdivision (a) of this section. Except as provided in Section 6703 no association shall invest in furniture, fixtures, furnishings, equipment, and leasehold improvements as defined herein for its offices more than 30 percent of the sum of its statutory net worth.

(c) United States government bonds and treasury certificates, or any bonds, debentures, notes, or other obligations guaranteed by the United States of America, and obligations issued or guaranteed by the Government National Mortgage Association.

(d) Bonds, debentures, notes, and other securities issued or guaranteed in whole or in part by any federal home loan bank, or the Federal Savings and Loan Insurance Corporation, or other similar federal agency.

(e) Consolidated federal home loan bank bonds, debentures, or notes.

(f) Bonds of this state or of any flood control and water conservation districts or any zone thereof having an assessed valuation on taxable real property of not less than one million dollars ($1,000,000), county, city and county, city, metropolitan water district, municipal utility district, any special district established by and within any municipal utility district, transit district, rapid transit district, metropolitan transit authority, flood control district, or school district of the State of California.

(g) Bonds and other securities which are expressly authorized as legal investments for or purchase by savings banks in this state, bankers' acceptances of the kind, character, and maturity eligible for rediscount with a Federal Reserve bank, and such other securities as the commissioner may authorize by rules and regulations.

(h) Bonds issued by any railroad corporation or any public utility corporation substantially all of the properties of which are located in the United States of America. Railway corporations and public utility corporations, as used in this subdivision, do not include street railway corporations.

(i) Stock, shares, debentures and bonds of any international home loan bank which may hereafter be incorporated by authority of an act of Congress.

(j) California street improvement bonds.

(k) Stock issued by any federal home loan bank or other similar federal agency of which the association is eligible to be a member.

(*l*) Bonds and other securities as provided in Division 11 of this code.

(m) Stocks, bonds, debentures, participations, and other obligations of or issued by the Federal National Mortgage Association and the Small Business Administration.

(n) Loans and interests in loans on the security of real property located in foreign countries guaranteed by an agency of the federal or state government; and capital stock, obligations, notes, and other securities of any thrift institution organized under the laws of a foreign country and engaged in the business of making loans on the security of real estate in such country subject to regulations of the commissioner.

(o) Subject to the rules and regulations of the commissioner, stock issued by a corporation authorized to be created pursuant to Title IX of the Housing and Urban Development Act of 1968, and may make investments in a partnership, limited partnership, or joint venture formed pursuant to Section 907(a) or 907(c) of such act.

(p) Any obligations or other instruments or securities of the Student Loan Marketing Association.

(q) Shares and investment certificates issued by any domestic savings and loan association which is an "insured institution" as defined in Title IV of the National Housing Act.

(r) Shares or certificates in any open-end management investment company which is registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be an eligible investment under this subdivision, the investment company's portfolio shall be restricted, changeable only by shareholder vote, to investments:

(1) That an association is authorized, without limitation as to percentage of assets, to invest in, sell, redeem, hold or otherwise deal with; or

(2) That an association may invest in, sell, redeem, hold or otherwise deal with pursuant to Section 6705.8.

The total investment made pursuant to paragraph (2) and Section 6705.8 shall not exceed the percent of total assets limitation, if any, provided in Section 6705.8.

SEC. 2. Section 6702.1 of the Financial Code is amended to read:

6702.1. (a) An association may, subject to regulations of the

commissioner, invest in the capital stock, obligations, or other securities of service corporations

(b) No service corporation may act as an insurance company, insurance agent, or insurance broker. This prohibition shall not be deemed to exclude other possible restrictions with respect to the activities of such service corporations.

SEC. 3. Section 6703 of the Financial Code is repealed.

SEC. 4. Section 6704 of the Financial Code is amended to read:

6704. An association may enter into or assume leases covering real property used or to be used in connection with the business of the association.

SEC. 5. Section 6705 of the Financial Code is amended to read:

6705. An association may invest in real property and such investment may include subdividing and developing real property and building homes and other buildings on such property principally for residential use by veterans, housing for the elderly, or urban renewal or improvement. An association may own, rent, lease, manage, operate for income, or sell such property.

SEC. 6. Section 6705.7 of the Financial Code is amended to read:

6705.7. Subject to the rules and regulations of the commissioner, an association may invest in loans, advances of credit, and interests therein, secured by commercial real property which are not otherwise authorized.

SEC. 7. Section 6705.8 of the Financial Code is amended to read:

6705.8. An association may make secured or unsecured loans for personal, family, or household purposes, and may invest in, sell, or hold commercial paper and corporate debt securities, as defined by the commissioner, provided, the total of loans and investments under this section does not exceed 25 percent of the assets of the association, or if greater, the percent of assets prescribed under federal law or regulation for federal associations as to such loans and investments.

SEC. 8. It is the intent of the Legislature, if this bill and Assembly Bill 2464 are both chaptered and become effective January 1, 1983, both bills amend Section 6702 of the Financial Code, and this bill is chaptered after Assembly Bill 2464, that the amendments to Section 6702 proposed by both bills be given effect and incorporated in Section 6702 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 Assembly Bill 2464 are both chaptered and become effective January 1, 1983, both amend Section 6702, and this bill is chaptered after Assembly Bill 2464, in which case Section 1 of this act shall not become operative.

CHAPTER 301

An act to amend Section 6020 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Section 6020 of the Revenue and Taxation Code is amended to read:

6020. Producers of X-ray films or photographs for the purpose of diagnosing medical or dental conditions of human beings, excluding use of those products for purely cosmetic purposes, are the consumers of materials and supplies used in the production thereof.

SEC. 2. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act.

SEC. 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 become operative on the first day of the first calendar quarter commencing more than 90 days after the effective date of this act.

CHAPTER 302

An act to add Section 35181 to the Education Code, relating to school districts.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. The Legislature recognizes that pupils, working together with parents, school personnel, and interested residents of their communities, must bear important responsibilities in order for public schools to operate effectively. The Legislature also finds a widespread need on the part of individual pupils to understand their individual responsibilities.

SEC. 2. Section 35181 is added to the Education Code, to read:

35181. The governing board of each school district may convene hearings, make findings, and adopt and issue policy statements setting forth the responsibilities of the pupils of that school district regarding academic performance, attendance, in-school behavior, and any other aspects of school life which the school district

governing board may deem relevant to this task.

CHAPTER 303

An act to repeal and add Chapter 1 (commencing with Section 15000) to Division 12.5 of the Health and Safety Code, relating to hospitals, and making an appropriation therefor.

[Approved by Governor June 22, 1982. Filed with Secretary of State June 22, 1982.]

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

SECTION 1. Chapter 1 (commencing with Section 15000) of Division 12.5 of the Health and Safety Code is repealed.

SEC. 2. Chapter 1 (commencing with Section 15000) is added to Division 12.5 of the Health and Safety Code, to read:

CHAPTER 1. HOSPITALS

Article 1. General Provisions

15000. This chapter shall be known and may be cited as the Hospital Seismic Safety Act of 1982.

15001. It is the intent of the Legislature that hospitals, which house patients who have less than the capacity of normally healthy persons to protect themselves, and which must be reasonably capable of providing services to the public after a disaster, shall be designed and constructed to resist, insofar as practical, the forces generated by earthquakes, gravity, and winds. In order to accomplish this purpose, the Legislature intends to establish proper building standards for earthquake resistance based upon current knowledge, and intends that procedures for the design and construction of hospitals be subjected to independent review. It is the intent of the Legislature to preempt from local jurisdictions the enforcement of all building standards published in the State Building Standards Code relating to the regulation of hospital projects and the enforcement of other regulations adopted pursuant to this chapter, and all other applicable state laws, including the plan checking and the inspection of the design and details of the architectural, structural, mechanical, plumbing, and electrical systems, and the observation of construction. The Office of Statewide Health Planning and Development shall assume these responsibilities by establishing, maintaining, and operating separate, but coordinated, plan review and field inspection units within the office. It is further the intent of the Legislature that the Department of General Services, through a contract with the Office of Statewide Health Planning and Development, shall analyze only the structural systems and related

details, as set forth in the working drawings and specifications, and shall observe only that part of the construction of hospital projects and report the findings of such analysis to the Office of Statewide Health Planning and Development. Further, it is the intent of the Legislature that the Office of the State Fire Marshal, through a contract with the Office of Statewide Health Planning and Development, shall analyze only the fire safety and related details, as set forth in the working drawings and specifications, and shall observe only that part of the construction of hospital projects, and report the findings of such analysis to the Office of Statewide Health Planning and Development.

Because of the use of the contractual agreements stated above with the Department of General Services and the State Fire Marshal, the Office of Statewide Health Planning and Development is the coordinator of hospital design review and shall be responsible for the legal transmittal of the triagency-approved design documents to the applicant.

It is the intent of the Legislature that where local jurisdictions have more restrictive requirements for the enforcement of building standards, other building regulations, and construction supervision, such requirements shall be enforced by the state.

It shall be the responsibility of each local jurisdiction to keep the Office of Statewide Health Planning and Development advised as to the existence of any more restrictive local requirements. Where a reasonable doubt exists as to whether the requirements of the local jurisdiction are more restrictive, the effect of these requirements shall be determined by the Building Safety Board.

It is further the intent of the Legislature that the Office of Statewide Health Planning and Development, with the advice of the Building Safety Board, may conduct research directed toward the reduction or elimination of earthquake safety hazards in hospital buildings, including contracting with any department of engineering at any public or private university in California to conduct research directed toward the reduction or elimination of earthquake safety hazards in hospital buildings.

Article 2. Definitions

15020. Unless the context otherwise requires, the definitions in this article govern the construction of this chapter.

15021. "Architect" means a person who is certified and holds a valid license under Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code.

15022. "Construction or alteration" includes any construction, reconstruction, or alteration of, or addition to, any hospital building.

15023. "Director" means the Director of the Office of Statewide Health Planning and Development.

15024. "Engineering geologist" means a person who is validly certified under Chapter 12.5 (commencing with Section 7800) of

Division 3 of the Business and Professions Code.

15026. (a) "Hospital building" includes any building not specified in subdivision (b) which is used, or designed to be used, for a health facility of a type required to be licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2.

(b) "Hospital building" shall not include any of the following:

(1) Any building in which only outpatient clinic services are provided and which is separated from a building in which hospital services are provided.

(2) Any building used, or designed to be used, for a skilled nursing facility or intermediate care facility if such building is of single-story, wood frame construction.

(3) Any building of single-story, wood frame construction in which only skilled nursing or intermediate care services are provided if such building is separated from a building housing other patients of the health facility receiving higher levels of care.

(4) Any freestanding structures of a chemical dependency recovery hospital exempted under the provisions of subdivision (c) of Section 1275.2.

15027. "Statewide office" means the Office of Statewide Health Planning and Development.

15028. "Structural engineer" means a person who is validly certified to use the title structural engineer under Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code.

Article 3. General Requirements and Administration

15040. The statewide office shall observe the construction of, or addition to, any hospital building or the reconstruction or alteration of any hospital building, as it deems necessary to comply with the provisions of this chapter for the protection of life and property. The statewide office shall observe the construction of the structural elements through its contract with the Department of General Services.

15041. The governing board of each hospital or other hospital governing authority, before adopting any plans for the hospital building, shall submit the plans to the statewide office for approval and shall pay the fees prescribed in this chapter.

15042. In each case, the application for approval of the plans shall be accompanied by the plans, by full, complete, and accurate specifications, by structural design computations, and by the specified fee, which shall comply with the requirements prescribed by the statewide office.

15043. The statewide office shall pass upon and approve or reject all plans for the construction or the alteration of any hospital building, independently reviewing the design to assure compliance with the requirements of this chapter. The statewide office shall review the structural systems and related details, which shall include

the independent review of the geological data, through its contract with the Department of General Services. Geological data shall be reviewed by an engineering geologist, and structural design data shall be reviewed by a structural engineer.

15044. (a) Except as otherwise provided in subdivision (b), plans submitted pursuant to this chapter for work which affects structural elements shall contain an assessment of the nature of the site and potential for earthquake damage, based upon geologic and engineering investigations and reports by competent personnel of the causes of earthquake damage. One-story Type V wood-frame construction of 4,000 square feet or less shall be exempt from the provisions of this section, unless the project is within a special study zone established pursuant to Section 2622 of the Public Resources Code.

(b) The requirements of subdivision (a) may be waived by the statewide office when the statewide office determines that these requirements for the proposed hospital project are unnecessary and would not be beneficial to the safety of the public. The statewide office, after consultation with the Building Safety Board, shall adopt regulations defining the criteria upon which the determination of a waiver shall be made.

15045. The engineering investigation shall be correlated with the geologic evaluation made pursuant to Section 15044.

15046. The application shall be accompanied by a filing fee in an amount which the statewide office determines will cover the costs of administering this chapter. The fee shall not exceed 2 percent of the estimated construction cost. The fee shall be established in accordance with applicable procedures established in Article 5 (commencing with Section 11346) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code.

The minimum fee in any case shall be two hundred fifty dollars ($250). If the actual construction cost exceeds the estimated construction cost by more than 5 percent, a further fee shall be paid to the statewide office, based on the above schedule and computed on the amount by which the actual cost exceeds the amount of the estimated cost.

15047. All fees shall be paid into the State Treasury and credited to the Hospital Building Account, in the Architecture Public Building Fund, and are continuously appropriated without regard to fiscal years for the use of the statewide office, subject to approval of the Department of Finance, in carrying out the provisions of this chapter. Adjustments in the amounts of the fees, as determined by the statewide office and approved by the Department of Finance, shall be made within the limits set in Section 15046 in order to maintain a reasonable working balance in the account.

The Department of General Services shall be reimbursed for its services in accordance with its contract with the statewide office by an apportionment of the fees set forth in Section 15046. The apportionment shall be based on the estimated construction cost. If

the actual construction cost exceeds the estimated cost by more than 5 percent, it shall be based on the actual construction cost. The apportionment shall be a percentage of the construction costs as determined by the Department of General Services, but shall not exceed the following schedule:

(a) For the first million dollars ($1,000,000), an amount equal to 0.7 percent of the construction cost.

(b) For all construction costs in excess of one million dollars ($1,000,000), an amount of 0.6 percent of the construction cost. The minimum apportionment in any individual case shall be one hundred fifty dollars ($150).

15048. All plans and specifications shall be prepared under the responsible charge of an architect or a structural engineer, or both. A structural engineer shall prepare the structural design and shall sign plans and specifications related thereto. Administration of the work of construction shall be under the responsible charge of such architect and structural engineer, except that where plans and specifications for alterations or repairs do not affect architectural or structural conditions, the plans and specifications may be prepared and work of construction may be administered by a professional engineer duly qualified to perform such services and holding a valid certificate under Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code for performance of services in that branch of engineering in which the plans, specifications, and estimates and work of construction are applicable.

15049. Before commencing any construction or alteration of any hospital building, the written approval of the necessary plans as to safety of design and construction, by the statewide office, shall be first had and obtained.

15050. No contract for the construction or alteration of any hospital building, made or executed on or after January 1, 1982, by the governing board or authority of any hospital or other similar public board, body, or officer otherwise vested with authority to make or execute such a contract, is valid, and no money shall be paid for any work done under such a contract or for any labor or materials furnished in constructing or altering any such building unless all of the following requirements are satisfied:

(a) The plans and specifications comply with the provisions of this chapter and the requirements prescribed by the statewide office.

(b) The approval thereof in writing has first been had and obtained from the statewide office.

(c) The hospital building is to be accessible to, and usable by, the physically handicapped.

(d) The plans and specifications comply with the fire and panic safety requirements of the State Fire Marshal.

15051. (a) The hospital governing board or authority shall provide for and require competent and adequate inspection during construction or alteration by an inspector satisfactory to the architect or structural engineer, or both, and the statewide office. Except as

otherwise provided in subdivision (b), the inspector shall act under the direction of the architect or structural engineer, or both, and be responsible to the board or authority.

(b) Where alterations or repairs are to be conducted under the supervision of a professional engineer pursuant to Section 15048, the inspector need only be satisfactory to the statewide office and to the professional engineer, and the inspector shall act under the direction of the professional engineer.

(c) In approving any inspector, the statewide office shall consult with the Department of General Services.

(d) The statewide office shall make an inspection of the hospital buildings and of the work of construction or alteration as in its judgment is necessary or proper for the enforcement of this chapter and the protection of the safety of the public. Structural, fire, and panic safety elements and details shall be inspected by the statewide office through its contracts with the Department of General Services and the Office of the State Fire Marshal.

15052. From time to time, as the work of construction or alteration progresses and whenever the statewide office requires, the architect or structural engineer, or both, in charge of construction or registered engineer in charge of other work, the inspector on the work, and the contractor shall each make a report, duly verified by him or her, upon a form prescribed by the statewide office, in consultation with the Department of General Services, showing, of his or her own personal knowledge, that the work during the period covered by the report has been performed and materials used and installed are in accordance with the approved plans and specifications, setting forth such detailed statements of fact as are required by the statewide office.

The term "personal knowledge," as used in this section and as applied to the architect or registered engineer, or both, means personal knowledge which is the result of such general administration of construction as is required and accepted of, and for, such persons in the construction of buildings. Such persons shall, however, use reasonable diligence to obtain the information required.

The term "personal knowledge," as applied to the inspector, means the actual personal knowledge of the inspector obtained by his personal observation of the work of construction at the construction site in all stages of progress.

The term "personal knowledge," as applied to the contractor, means the personal knowledge which is obtained from the construction of the building. The exercise of reasonable diligence to obtain the facts is required.

15053. Upon written request to the statewide office by the governing board or authority of any hospital, the statewide office through contract with the Department of General Services shall make, or cause to be made, an examination and report on the structural condition of any hospital building subject to the payment

by the governing board or authority of the actual expenses incurred by the statewide office.

15054. Subsequent to the occurrence of any earthquake, the statewide office may make or cause to be made, studies of health facilities within the area involved.

15055. Except as provided in Section 18930, the statewide office, with the advice of the Department of General Services, shall from time to time make such rules and regulations as it deems necessary, proper, or suitable to effectually carry out the provisions of this chapter. The statewide office shall also adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of Division 13 relating to seismic structural safety for hospital buildings.

15056. The statewide office shall have the authority to establish contractual agreements with local government, where appropriate, in order to facilitate the timely performance of the duties and responsibilities relating to the review and inspection of architectural, mechanical, electrical, and plumbing systems of hospital buildings to be constructed or altered or buildings under construction or alteration.

If the Chief Structural Engineer of the Department of General Services determines that the structural review of plans for a hospital building cannot be completed without undue delay, the statewide office shall have the authority, with the written concurrence of the Department of General Services, to enter into contractual agreements with private structural engineers or local governments for the purpose of facilitating the timely performance of the duties and responsibilities relating to the review and inspection of plans and specifications of the structural systems of hospital construction projects.

The statewide office, with the advice of the Building Safety Board, shall prepare regulations, containing qualification criteria, for implementing the contractual agreement provisions of this section.

Article 4. Special Requirements

15071. New construction of buildings specified in paragraphs (2) and (3) of subdivision (b) of Section 15026 shall conform to the provisions of the latest edition of the Uniform Building Code of International Conference of Building Officials. The statewide office, with the advice of the Building Safety Board, shall prepare regulations for the independent review of such structures.

The Legislature recognizes the relative safety of single-story, wood frame construction for use in housing patients requiring skilled nursing and intermediate care services and it is, therefore, the intent of the Legislature to provide for reasonable flexibility in seismic safety standards for such structures.

15073. (a) The statewide office shall adopt by regulations seismic safety standards for hospital equipment anchorages, as defined by

the statewide office. Such regulations shall include criteria for the testing of such equipment anchorages.

(b) Any fixed hospital equipment anchorages purchased or acquired on or after either the effective date of the regulations adopted pursuant to subdivision (a), shall not be used or installed in any hospital building unless such equipment anchorages are approved by the statewide office.

(c) Manufacturers, designers, or suppliers of such equipment anchorages may submit data sufficient for the state department to evaluate such equipment anchorages' seismic safety prior to the selection of equipment anchorages for any specific hospital building.

(d) The statewide office may charge a fee based on the actual costs incurred by it for data review, approvals, and field inspections pursuant to this section.

Article 5. Building Safety Board

15080. There is in the statewide office a Building Safety Board which shall advise and, except as provided in Section 18945, shall act as a board of appeals with regard to seismic safety of hospitals. The Director of the Office of Statewide Health Planning and Development, with the advice of the Department of General Services, shall appoint the members of the Building Safety Board, which shall advise and, except as provided in Section 18945, shall act as a board of appeals in all matters relating to the administration and enforcement of building standards relating to hospital buildings during construction or alteration projects published in the State Building Standards Code and the other provisions of this chapter.

15081. The board shall consist of 15 members appointed by the Director of the Office of Statewide Health Planning and Development and six ex officio members who are: the Director of the Office of Statewide Health Planning and Development, the State Architect, the State Fire Marshal, the State Geologist, the Chief of the Division of Facilities Development in the Office of Statewide Health Planning and Development, and the Chief Structural Engineer of the Structural Safety Section of the Office of the State Architect in the Department of General Services, or their officially designated representatives. Of the appointive members, two shall be structural engineers, two shall be architects, one shall be an engineering geologist, one shall be a soils engineer, one shall be a seismologist, one shall be a mechanical engineer, one shall be an electrical engineer, one shall be a member of any of the above listed professions, one shall be a hospital administrator, and three shall be members of the general public.

15083. The chairperson of the board shall be an appointive member and shall be elected by a majority of the appointive members.

15084. The board shall be served by an executive secretary who shall be a member of the office staff.

15085. The appointive members shall serve at the pleasure of the director. The appointive members holding office on January 1, 1982, may continue to serve until the appointment of their successors by the director. The director may also appoint as many other ex officio members, with the advice of the chairperson, as the director may desire. Ex officio members are not entitled to vote.

15086. Board members, qualified by close connection with hospital design and construction and highly knowledgeable in their respective fields with particular reference to seismic safety, shall be appointed from nominees recommended by the governing bodies of the Structural Engineers Association of California; the California Council, American Institute of Architects; the Earthquake Engineering Research Institute; the Association of Engineering Geologists; the Consulting Engineers Association of California; the California Building Officials Association; and the California Hospital Association. Board members shall be residents of California.

15087. The Building Safety Board shall convene upon request of the chairperson thereof. The chairperson may convene a meeting of the board whenever it may be necessary, in the chairperson's judgment, for the board to meet. The board shall adopt such rules of procedure as are necessary to enable it to perform its duties. The chairperson shall, in such person's discretion, or upon instructions from the board, designate subcommittees to study and report back to the board upon any technical subject or matter for which an independent review or further study is desired.

15088. Members of the board shall be reimbursed from the Hospital Building Account in the Architecture Public Building Fund for their reasonable actual expenses in attending meetings conducted to carry out the provisions of this chapter, but shall receive no compensation for their services.

Article 6. Enforcement

15090. The Director of the Office of Statewide Health Planning and Development may conduct studies relating to the implementation of this chapter to ensure that the implementation of its provisions results in the least amount of increases in costs, staffing, and regulation.

15091. Whenever any construction or alteration of any hospital building is being performed contrary to the provisions of this chapter, the Office of Statewide Health Planning and Development may order the construction or alteration stopped by written notice served upon any persons engaged in or causing the work to be done. Upon service of the written notice, all construction or alteration shall cease until an authorization to remove the notice is issued by the statewide office. Any person so served shall, upon request made within 15 days of the written notice, be entitled to a hearing pursuant to Section 11506 of the Government Code.

15092. (a) Whenever it is necessary to make an inspection to

enforce any of the provisions of this chapter or whenever the statewide office or its authorized representatives has reasonable cause to believe that there exists in any building or upon any premises any condition or a violation of any applicable building standards which makes the building or premises unsafe, dangerous, or hazardous, the statewide office or its authorized representatives may enter the building or premises at any reasonable time to make an inspection or to perform any authorized duty. Prior to an entry authorized by this section, the authorized representatives of the statewide office shall first present proper identification and credentials and request entry. In the event that the building or premises are unoccupied, there shall be a reasonable effort made to locate the owner or other person or persons having control or charge of the building or premises in order to request an entry. If a request for entry is refused, the statewide office or its authorized representatives shall have recourse to any remedy prescribed by law to secure entry.

(b) Whenever the owner, occupant, or other person having control or charge of the building or premises is presented with a proper inspection warrant or other authorization prescribed by law to secure entry and a request for entry is made, the owner, occupant, or other person having control or charge of the building or premises shall promptly permit the entry of the authorized representatives of the statewide office for the purpose of inspection and examination authorized by this chapter.

15093. The statewide office may order the vacating of any building or structure found to have been in violation of the adopted regulations of the statewide office and may order the use of any such building or structure discontinued within the time prescribed by the statewide office upon the service of notice to the owner or other person having control or charge of the building or structure. Any owner or person having control so served shall, upon request made within 15 days of the written notice, be entitled to a hearing pursuant to Section 11506 of the Government Code.

Article 7. Penalties

19026. Any person who violates any provision of this chapter is guilty of a misdemeanor.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

CHAPTER 304

An act to add Article 5q (commencing with Section 998.052) to Chapter 6 of Division 4 of the Military and Veterans Code, authorizing the creation of a debt or debts, liability or liabilities, through the issuance and sale of state bonds, to create a fund to provide farm and home aid for veterans in accordance with the provisions of the Veterans' Farm and Home Purchase Act of 1974 and acts amendatory and supplemental thereto; defining the powers and duties of the Veterans' Finance Committee of 1943 and the Department of Veterans Affairs and other state officers in respect to the administration of the provisions hereof; providing ways and means, exclusive of loans, for the payment of the interest of such debt or debts, liability or liabilities, as such interest falls due, and also for the payment and discharge of the principal of such debt or debts, liability or liabilities, as such principal matures, appropriating money for the purpose of carrying out the provisions of the article; and providing for the submission of the measure to the people at a special election to be consolidated with the 1982 General Election, to take effect immediately.

[Approved by Governor June 24, 1982. Filed with Secretary of State June 24, 1982]

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

SECTION 1. Article 5q (commencing with Section 998.052) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

Article 5q. Veterans Bond Act of 1982

998.052. This article may be cited as the Veterans Bond Act of 1982.

998.053. The State General Obligation Bond Law, except as otherwise provided herein, is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this article, and the provisions of that law are included in this article as though set out in full in this article. All references in this article to "herein" shall be deemed to refer both to this article and such law.

998.054. As used in this article and for the purposes of this article as used in the State General Obligation Bond Law, Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the following words shall have the following meanings:

(a) "Bond" means veterans bond, a state general obligation bond issued pursuant to this article adopting the provisions of the State General Obligation Bond Law.

(b) "Committee" means the Veterans' Finance Committee of 1943, created by Section 991.

(c) "Board" means the Department of Veterans Affairs.

(d) "Fund" means the Veterans' Farm and Home Building Fund of 1943, created by Section 988.

(e) "Bond act" means this article authorizing the issuance of state general obligation bonds and adopting Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code by reference.

998.055. For the purpose of creating a fund to provide farm and home aid for veterans in accordance with the provisions of the Veterans' Farm and Home Purchase Act of 1974 and of all acts amendatory thereof and supplemental thereto, the Veterans' Finance Committee of 1943, created by Section 991, shall be and hereby is authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of four hundred fifty million dollars ($450,000,000) in the manner provided herein, but not otherwise, nor in excess thereof.

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

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

On the several dates on which funds are remitted pursuant to Section 16676 of the Government Code for the payment of the then maturing principal and interest of the bonds in each fiscal year, there shall be returned into the General Fund in the State Treasury, all of the money in the Veterans' Farm and Home Building Fund of 1943, not in excess of the principal of, and interest on, such bonds then due and payable, except as hereinafter provided for the prior redemption of such bonds, and, in the event such money so returned on said remittance dates is less than such principal and interest then due and payable, then the balance remaining unpaid shall be returned into the General Fund in the State Treasury out of the Veterans' Farm and Home Building Fund of 1943 as soon thereafter as it shall become available, together with interest thereon from such dates of maturity until so returned at the same rate as borne by such bonds, compounded semiannually.

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

(a) Such sum annually as will be necessary to pay the principal of,

and the interest on, the bonds issued and sold pursuant to the provisions of this article, as such principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 998.058, which sum is appropriated without regard to fiscal years.

998.058. For the purposes of carrying out the provisions of this article, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this article. Any amounts withdrawn shall be deposited in the Veterans' Farm and Home Building Fund of 1943. Any moneys made available under this article to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this article, together with interest at the rate of interest fixed in the bonds so sold.

998.059. Upon request of the Department of Veterans Affairs, supported by a statement of the plans and projects of such department with respect thereto, and approved by the Governor, the Veterans' Finance Committee of 1943 shall determine whether or not it is necessary or desirable to issue any bonds authorized under this article in order to carry such plans and projects into execution, and, if so, the amount of bonds then to be issued and sold. Successive issues of bonds may be authorized and sold to carry out said plans and projects progressively, and it shall not be necessary that all the bonds herein authorized to be issued shall be sold at any one time.

998.060. So long as any bonds authorized under this article may be outstanding, the Director of Veterans Affairs shall cause to be made at the close of each fiscal year, a survey of the financial condition of the Division of Farm and Home Purchases, together with a projection of the division's operations, such survey to be made by an independent public accountant of recognized standing. The results of such surveys and projections shall be set forth in written reports, and such independent public accountant shall forward copies of such reports to the Director of Veterans Affairs, the members of the California Veterans Board, and to the members of the Veterans' Finance Committee of 1943. The Division of Farm and Home Purchases shall reimburse such independent public accountant for his services out of any funds which such division may have available on deposit with the Treasurer of the State of California.

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

Notwithstanding Section 16754 of the Government Code, the committee may, whenever it deems it necessary to an effective sale, authorize the State Treasurer to sell any issue of bonds at less than the par value thereof. However, the discount on the bonds so sold shall not exceed 6 percent of the par value thereof.

998.062. Whenever bonds are sold, out of the first money realized from their sale, there shall be redeposited in the General Obligation Bond Expense Revolving Fund established by Section 16724.5 of the Government Code such sums as have been expended for the purposes specified in Section 16724.5 of the Government Code, which may be used for the same purpose and repaid in the same manner whenever additional sales are made.

SEC. 2. Section 1 of this act shall take effect upon the adoption of the people of the Veterans Bond Act of 1982, as set forth in Section 1 of this act. This section and Sections 3 to 7, inclusive, of this act contain provisions relating to, and necessary for, the submission of the Veterans Bond Act of 1982 to the people, and for returning, canvassing, and proclaiming the votes thereon, and shall take effect immediately.

SEC. 3. An election is hereby called to be held throughout the state on the second day of November 1982. The election shall be consolidated with the general election to be held on that date. The consolidated election shall be held and conducted in all respects as if there were only one election, and only one form of ballot shall be used.

SEC. 4. At the election called by this act there shall be submitted to the electors Section 1 of this act. Notwithstanding Section 10218 of the Elections Code, this measure shall appear as Proposition 1 on the ballot of the general election to be held on November 2, 1982. Designation of this measure as Proposition 1 shall prevail over any other previously or subsequently enacted bond measure which also appears on the same ballot.

SEC. 5. The election provided for in this act shall be proclaimed, held, and conducted, the ballots shall be prepared, marked, collected, counted, and canvassed, and the results shall be ascertained and the returns thereof made in all respects in accordance with the provisions of the California Constitution applicable thereto and the law governing general elections insofar as provisions thereof are applicable to the election provided for in this act.

SEC. 6. All ballots at such election shall have printed thereon and in a square thereof, the words: "For the Veterans Bond Act of 1982," and the same square under such words the following in 8-point type: "This act provides for a bond issue of four hundred fifty million dollars ($450,000,000) to provide farm and home aid for California veterans." In the square immediately below the square containing such words, there shall be printed on such ballot the words, "Against the Veterans Bond Act of 1982," and in the same square immediately below said words, in 8-point type shall be printed "This act provides for a bond issue of four hundred fifty million dollars ($450,000,000) to provide farm and home aid for California veterans." Opposite the words "For the Veterans Bond Act of 1982," and "Against the Veterans Bond Act of 1982," there shall be left spaces in which the voters may place a cross in the manner required by law to indicate

whether they vote for or against act, and those voting for such act shall do so by placing a cross opposite the words "For the Veterans Bond Act of 1982," and those voting against the act shall do so by placing a cross opposite the words "Against the Veterans Bond Act of 1982." Provided, that where the voting of such election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, the use of voting machines and the expression of the voters' choice by such means, shall be deemed to comply with the provisions of this section. The Governor of this state shall include the submission of this act to the people, as aforesaid, in his proclamation calling for such election.

SEC. 7. (a) Within two days after the effective date of this section, the author and first coauthor of such act and one member of the opposite house who voted with the majority on such act shall be appointed by the presiding officers of the respective houses to draft the argument for the adoption of such measure. If such act was not adopted unanimously by the house in which it was introduced, one member of that house, who voted against it, shall be appointed by the presiding officer of that house to write an argument against the measure. If there was no negative vote on the measure in the house in which it was introduced, the presiding officer of that house shall appoint some qualified person to draft an argument against the measure. No argument shall exceed 500 words. All such arguments shall be filed with the Secretary of State within five days after the date of appointment. If the author or first coauthor dies prior to the filing of the arguments, the presiding officer of that house shall appoint another member who voted with the majority to draft the argument for adoption of the measure.

(b) Upon the effective date of this act, the Secretary of State shall request the Attorney General to prepare a ballot title for such measure submitted pursuant to this act and shall also request the Legislative Analyst to prepare an analysis of such measure in accordance with Section 88003 of the Government Code. Such title and such analysis of such act shall be filed with the Secretary of State within 10 days after the effective date of this act. The measure submitted pursuant to this act shall be designated on the ballots at the election by its ballot title.

(c) The submission of the arguments, rebuttal arguments, and press releases requesting arguments and rebuttal arguments for such act shall be in accordance with the applicable provisions of Division 5 (commencing with Section 3500) of the Elections Code, except that the times for the submission of arguments, rebuttal arguments, and press releases shall be the times provided as follows:

(1) One day for the Secretary of State to return arguments for rebuttal; and

(2) Three days for rebuttal arguments.

CHAPTER 305

An act to add Title 7.43 (commencing with Section 66950) to the Government Code, relating to Lake Tahoe and providing the funds necessary therefor through the issuance and sale of bonds of the State of California; providing for the submission of the measure to a vote of the people at the 1982 General Election, or at any special statewide election conducted prior to that election, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 24, 1982. Filed with Secretary of State June 24, 1982.]

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

SECTION 1. Title 7.43 (commencing with Section 66950) is added to the Government Code, to read:

TITLE 7.43. LAKE TAHOE ACQUISITIONS BOND ACT

CHAPTER 1. FINDINGS AND DECLARATIONS

66950. This title shall be known and may be cited as the Lake Tahoe Acquisitions Bond Act.

66951. It is found and declared that:

(a) The waters of Lake Tahoe and other resources of the region are threatened with deterioration or degeneration which endangers the natural beauty and economic productivity of the region.

(b) The state and federal interests and investments in the region are substantial.

(c) The region exhibits unique state and national environmental and ecological values which are irreplaceable.

(d) By virtue of the special conditions and circumstances of the region's natural ecology, developmental pattern, population distribution, and human needs, the region is experiencing problems of resource use and deficiencies of environmental control.

(e) Increasing urbanization is threatening the ecological values of the region and threatening the public opportunities for use of the public lands.

(f) Maintenance of the social and economic health of the region depends on maintaining the significant scenic, recreational, educational, scientific, natural, and public health values provided by the Lake Tahoe Basin.

(g) There is a state and national interest in protecting, preserving, and enhancing these values for the residents of the region and for visitors to the region.

CHAPTER 2. FISCAL PROVISIONS

66952. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued pursuant to this title, and the provisions of that law are included in this title as though set out in full in this chapter except that, notwithstanding any provision of the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 20 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of such series.

66953. As used in this title, and for the purposes of this title, the following words shall have the following meanings:

(a) "Committee" means the Lake Tahoe Acquisitions Finance Committee created by Section 66955.

(b) "Fund" means the Lake Tahoe Acquisitions Fund.

(c) "Lake Tahoe region" and "region" means the area consisting of Lake Tahoe, the adjacent parts of the Counties of Placer and El Dorado lying within the Tahoe Basin in the State of California, and that additional and adjacent part of the County of Placer outside the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16 East, M.D.B. and M.

(d) "Agency" means the agency authorized under Section 66957 to expend money in the fund.

66954. There is in the State Treasury the Lake Tahoe Acquisitions Fund, which fund is hereby created.

66955. For the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this title, the Lake Tahoe Acquisitions Finance Committee is hereby created. The committee consists of the Governor or his designated representative, the Controller, the Treasurer, and the Director of Finance. The Lake Tahoe Acquisitions Finance Committee shall be the "committee" as that term is used in the State General Obligation Bond Law, and the Treasurer shall serve as chairman of the committee.

66956. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of eighty-five million dollars ($85,000,000), in the manner provided in this title. The debt or debts, liability or liabilities, shall be created for the purpose of providing the funds to be used for the object and work specified in Section 66957 and for administrative costs incurred in connection therewith, as provided in Section 66906.7.

66957. Moneys in the fund shall be available for expenditure in accordance with this title by a new or existing federal, state, regional,

or local agency, or any combination thereof, to be designated by statute in accordance with the recommendations of the Tahoe Area Land Acquisition Commission. If no such agency is designated by July 1, 1984, moneys in the funds shall be available for expenditure in accordance with this title by the California Tahoe Conservancy Agency. Moneys in the fund shall be available for expenditure for the following purposes:

(a) For the acquisition of undeveloped lands threatened with development that will adversely affect the region's natural environment; will adversely affect the use, management, or protection of public lands in the vicinity of the development; or will have a combination of those effects. In particular, preference shall be given to the acquisition of undeveloped lands within stream environment zones and other undeveloped lands that, if developed, would be likely to erode or contribute to the further eutrophication or degradation of the waters of the region due to that or other causes. "Stream environment zone" means that area which surrounds a stream, including major streams, minor streams, and drainage ways; which owes its biological and physical characteristics to the presence of water; which may be inundated by a stream; or in which actions of man or nature may directly or indirectly affect the stream. A stream includes small lakes, ponds, and marshy areas through which the stream flows. Acquisitions made pursuant to this subdivision are not intended to replace, wholly or partially, the exercise of any authority conferred by law for the protection of the region's natural environment, including stream environment zones, or the protection of public lands and resources. Accordingly, every public official or agency responsible for the administration or enforcement of any law having any of those purposes shall continue to administer or enforce that law with respect to lands acquired pursuant to this title, notwithstanding the making of any acquisition pursuant to this subdivision.

(b) For the acquisition of undeveloped lands whose primary use will be public lakeshore access, preservation of riparian or littoral wildlife habitat, or recreation, or a combination thereof.

(c) For the acquisition of undeveloped lands that do not satisfy the requirements of either subdivision (a) or (b) but which, if acquired, would facilitate one or both of the following:

(1) Consolidation of lands for their more effective management as a unit.

(2) Provision of public access to other public lands.

As used in this section, "undeveloped land" includes land that has been subdivided and improved with streets and utilities, but does not have structures other than those related to such streets and utilities.

Moneys in the fund shall not be used to acquire land which has been designated and authorized for purchase by the United States Forest Service.

66958. (a) When sold, the bonds authorized by this title shall constitute valid and legally binding general obligations of the State

of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

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

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

66959. If the value of any land to be purchased by the agency has been substantially reduced by any statute, ordinance, rule, regulation, or other order adopted after January 1, 1980, by state or local government for the purpose of protecting water quality or other resources in the region, the agency may purchase the land for a price it determines would assure fairness to the landowner. In determining the price to be paid for the land, the agency may consider the price which the owner originally paid for the land, any special assessments paid by the landowner, and any other factors the agency determines should be considered to ensure that the landowner receives a fair and reasonable price for the land.

66960. All money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this title shall be available for transfer to the General Fund. When transferred to the General Fund such money shall be applied as a reimbursement to the General Fund on account of principal and interest on the bonds which has been paid from the General Fund.

66961. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this title, such an amount as will equal the following:

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

(b) That sum as is necessary to carry out the provisions of Section 66961, which sum is appropriated without regard to fiscal years.

66962. For the purpose of carrying out the provisions of this title, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this title. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the committee in accordance with this title. Any moneys made available to the committee pursuant to this section

shall be returned by the committee to the General Fund, together with interest at the rate then payable on funds deposited in the Pooled Money Investment Fund, from moneys received from the sale of bonds pursuant to the provisions of this title.

66963. The committee may authorize the State Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

66964. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 66957 but shall not be available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as herein provided.

66965. All proposed appropriations for the programs specified in this title shall be included in a section in the Budget Bill for the 1983–84 and each succeeding fiscal year, for consideration by the Legislature. All appropriations shall be subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditures of state funds, unless expressly exempted from such laws by a statute enacted by the Legislature. No funds derived from the bonds authorized by this title may be expended pursuant to an appropriation not contained in such section of the Budget Act.

66966. The agency designated by the Tahoe Area Land Acquisition Commission, or if none is so designated, the California Tahoe Conservancy Agency, shall be deemed the "board" for purposes of Section 16722.

SEC. 2. Section 1 of this act shall become operative January 1, 1983, if the people at the General Election of 1982, or any special statewide election conducted prior to that election, adopt the Lake Tahoe Acquisitions Bond Act as set forth in Section 1 of this act.

SEC. 3. Notwithstanding any other provision of law, at the General Election of 1982, or any special statewide election conducted prior to that election, Section 1 of this act shall be submitted to the electors, and the Secretary of State shall designate that section as Proposition 1 at that election. Submission of the measure at the General Election of 1982, or at any special statewide election conducted prior to that election, shall not be subject to the limitations specified in Section 3525 of the Elections Code.

SEC. 4. Notwithstanding any other provision of law, all ballots of the 1982 General Election, or any special statewide election conducted prior to that election, shall have printed thereon and in a square thereof, the words: "For the Lake Tahoe Acquisitions Bond Act," and in the same square under those words, the following in eight-point type: "This act provides funding for the purchase of property in the Lake Tahoe Basin, which is necessary to prevent the environmental decline of this unique natural resource, to protect the waters of Lake Tahoe from further degradation, and to preserve the scenic and recreational values of Lake Tahoe. The amount provided by this act is eighty-five million dollars ($85,000,000)." In the square

immediately below the square containing such words, there shall be printed on the ballot the words, "Against the Lake Tahoe Acquisitions Bond Act," and in the same square immediately below those words, in eight-point type: "This act provides funding for the purchase of property in the Lake Tahoe Basin, which is necessary to prevent the environmental decline of this unique natural resource, to protect the waters of Lake Tahoe from further degradation, and to preserve the scenic and recreational values of Lake Tahoe. The amount provided by this act is eighty-five million dollars ($85,000,000)." Opposite the words "For the Lake Tahoe Acquisitions Bond Act," and "Against the Lake Tahoe Acquisitions Bond Act," there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting of the election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, the use of voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section. The Governor shall include the submission of Section 1 of this act to the people, as specified in this act, in his proclamation calling for the 1982 General Election or any special statewide election conducted prior to that election.

SEC. 5. The votes cast for or against the Lake Tahoe Acquisitions Bond Act shall be counted, returned, and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appears that the act shall have received a majority of all the votes cast for and against it at the election, then the same shall have effect as provided in Section 2, and shall be irrepealable until the principal and interest of the liabilities herein created shall be paid and discharged.

SEC. 6. Section 1 of Article XVI of the California Constitution specifically provides that bond acts must be submitted to the voters at a general election or at a direct primary election. Judicial decisions indicate that a general election is one that provides an opportunity for all voters to vote. The Legislature finds that a special statewide election is in fact a general election because of the large turnout and the fact that all voters have the opportunity to exercise their right to vote. The Legislature hereby declares that for the purposes of this act, any special statewide election called prior to the 1982 General Election shall be considered to be a general election.

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

In order to prevent further threats of deterioration or denigration which endanger the natural beauty and economic productivity of the waters and other resources of the Lake Tahoe region, it is necessary that this act take effect immediately.

CHAPTER 306

An act to amend Section 5.1 and 8.1 of the South Delta Water Agency Act (Chapter 1089 of the Statutes of 1973), relating to the South Delta Water Agency, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 5.1 of the South Delta Water Agency Act (Chapter 1089 of the Statutes of 1973) is amended to read:

Sec. 5.1. On or before the 30th day of June of each year, the board shall determine, and cause to be thereafter assessed and collected as provided in this act, an amount of money sufficient to meet and pay the estimated expenses and obligations, including a reasonable reserve for contingencies, of the agency, until such time as moneys shall be available to the agency from assessments levied in the next succeeding year, subject, however, to a maximum rate, the revenue of which shall not exceed two hundred thousand dollars ($200,000), for purposes other than payment under the contracts provided for in Section 4.1. No vote shall be required to establish a maximum rate upon formation of the agency as would otherwise be required under Section 2286 of the Revenue and Taxation Code, and the maximum rate shall be the statutory rate allowed by law unless the voters of the agency approve a higher rate as provided in subdivision (3) of Section 2263 of the Revenue and Taxation Code.

SEC. 2. Section 8.1 of the South Delta Water Agency Act (Chapter 1089 of the Statutes of 1973) is amended to read:

Sec. 8.1. In the event that the agency fails to enter into and execute on or before December 31, 1988, a contract with the United States and the State of California of the character and nature described in Section 4.1 of this act, the agency is dissolved and its existence is automatically terminated, and all of its corporate powers shall cease, except for the purpose of winding up the affairs of the agency.

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

In order to assure the lands within the South Delta Water Agency a dependable supply of water of suitable quality to meet present needs at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 307

An act to amend Sections 69948 and 70041.8 of, and to add Sections 71080.6 and 71091.1 to, the Government Code, relating to courts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 69948 of the Government Code is amended to read:

69948. (a) The fee for reporting testimony and proceedings in contested cases is fifty-five dollars ($55) a day, or any fractional part thereof.

(b) In San Joaquin County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(c) In Madera County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) a day, or any fractional part thereof.

(d) In Kings County, the fee for reporting testimony and proceedings in contested cases is seventy dollars ($70) a day, or any fractional part thereof.

(e) In Mariposa County, the fee for reporting testimony and proceedings in contested cases is seventy dollars ($70) a day, or any fractional part thereof.

(f) In Siskiyou County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(g) In Yuba County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) a day, or any fractional part thereof.

(h) In Butte County, pro tempore reporters shall receive a fee of seventy-five dollars ($75) a day, or any fractional part thereof, for reporting testimony and proceedings in contested cases.

(i) In Sutter County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) a day, or any fractional part thereof.

(j) In Napa County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(k) In Tehama County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(*l*) In Monterey County, the fee for reporting testimony and proceedings in contested cases in any court is seventy-five dollars ($75) a day or any fractional part thereof.

(m) In Nevada County, the board of supervisors may, by

ordinance, prescribe a higher rate of compensation for superior court reporters.

(n) In Calaveras County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) per day, or any fractional part thereof.

(o) In Placer County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(p) In Sierra County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) per day, or any fractional part thereof.

(q) In Trinity County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

(r) In Humboldt County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) per day, or any fractional part thereof.

(s) In Del Norte County, the fee for reporting testimony and proceedings in contested cases is seventy-five dollars ($75) per day, or any fractional part thereof.

(t) In Glenn County, the board of supervisors may, by ordinance, prescribe a higher rate of compensation for superior court reporters.

SEC. 2. Section 70045.8 of the Government Code is amended to read:

70045.8. 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 official court reporters in Butte 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 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) Any other court proceedings when a party requests a court reporter in accordance with rules of court.

(9) Report the preliminary examination of those accused of crimes before magistrates within Butte County.

(10) Report coroner's inquests when requested by the coroner.

(11) Report proceedings for the Butte County Board of Equalization when requested by the board.

(b) The board of supervisors shall, by ordinance, specify the salary rates for official court reporters in Butte County.

In addition to the aforementioned compensation, each official court reporter shall receive twenty-five dollars ($25) per month as reimbursement for the cost of necessary supplies.

The foregoing salary established pursuant to county ordinance 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 said county.

(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. 3. Section 71080.6 is added to the Government Code, to read:

71080.6. Notwithstanding the provisions of Section 71080 or any other section of this code, where action is taken and has become effective at least 10 days before the declarations of candidacy as required by the Elections Code for a special election, to create by consolidation, annexation, or otherwise, a new justice court judicial district in Glenn County, and where the consolidation, annexation, or other action is to be operative concurrently with the end of the term of the justice court judge or judges, the Board of Supervisors of Glenn County shall call for a special election for the office of justice court judge for the new justice court and any otherwise qualifed person may be a candidate therefor, and such special election shall be held prior to the vacancy actually occurring in the new justice court, and the Board of Supervisors of Glenn County shall consolidate the special election with the General Election (as defined in Section 20 of the Elections Code) immediately following the action. The person receiving the highest number of votes cast shall be elected.

SEC. 4. Section 71091.1 is added to the Government Code, to read:

71091.1. Notwithstanding the provisions of Section 71091, where action is taken and has become effective to create by consolidation, annexation, or otherwise, a new justice court judicial district in Glenn County, and where the consolidation, annexation, or other action is to be operative during the terms of the constables affected, the Board

of Supervisors of Glenn County shall call for a special election for the office of constable for the new justice court and only such incumbents may appear on the ballot and be elected, and such special election shall be held prior to the excess number of constables actually occurring in the new justice court, and the Board of Supervisors of Glenn County shall consolidate the special election with the General Election (as defined in Section 20 of the Elections Code) immediately following the action. The person receiving the highest number of votes cast shall be elected and shall hold office for the balance of his original term of the office superseded.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

(1) In order to assure adequate court reporting services in Glenn and Butte Counties, it is necessary that Sections 1 and 2 of this act take effect immediately.

(2) In order to save the cost of an unconsolidated special election for the office of justice court judge in the new judicial district for Glenn County, it is necessary that this act take effect immediately.

CHAPTER 308

An act to amend Sections 55601.7 and 55601.8 of the Food and Agricultural Code, relating to agriculture.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 55601.7 of the Food and Agricultural Code is amended to read:

55601.7. Notwithstanding Section 55461, every processor who handles walnuts, raisins, or prunes in California annually shall furnish to the director, on or before August 31 of each year, on forms provided by the director, the reporting information specified herein showing the number of tons purchased by the processor in that marketing season. In the report, the tonnage shall be broken down by at least major varieties and weighted average price paid for the tonnage acquired (including any bonuses or allowances) and may contain such other information as required by the director,

including, but not limited to, the following:

(a) For walnuts, including inshell acquisitions and shelling stock acquisitions, the color, size, percentage of edible yield, and percentage of offgrade.

(b) For raisins, the percentage of mold, moisture content, sand, offgrade, or micro-organisms on offgrade acquisitions.

(c) For prunes, by size and percentage offgrade.

The above reporting shall be on a statewide basis.

SEC. 2. Section 55601.8 of the Food and Agricultural Code is amended to read:

55601.8. (a) The director shall not release, or otherwise make available, any information furnished by a cooperative or an individual processor under Section 55601.7 or this section, including information relating to the weighted average prices paid, except in proceedings brought against the processor by the director for the purpose of enforcing this section.

(b) The director shall enforce the collection of the information required in Section 55601.7 and shall, on or before October 20, publish a summary report reflecting the statistics derived from the reports. The summary report shall include summaries of all information required to be furnished to the director.

(c) The director may dispense with the reporting required hereunder and his or her duties to enforce the collection of this information and the publishing of summary reports if the director determines that the same or similar information is made public information within the same time periods of subdivision (b) by any federal or state committee or organization responsible for regulating the handling of any of the commodities subject to this section.

(d) To provide funds to carry out the provisions of this section, each processor including agricultural cooperatives subject to the reporting hereunder shall pay to the director the amount determined by the director to be necessary to cover these costs, but not to exceed twelve cents ($0.12) per dry ton for raisins and prunes and twelve cents ($0.12) per inshell dry ton for walnuts handled by the processor during each marketing season. The amount of the fee shall be paid to the director on or before May 1 of each year for all commodities received from September 1 through March 31. The amount of the fee for any commodity received from April 1 through August 31 shall be paid to the director on or before September 1 of the next marketing season.

The director may fix the fee at a lesser amount and may adjust the fee from marketing season to marketing season. Any processor who fails, neglects, or refuses to pay the required fee shall be in violation of this chapter as provided for in subdivision (i) of Section 55601.5. Any such processor shall not be entitled to pass the penalty onto the producer of the commodity.

All funds received under the provisions of this section shall be deposited in the State Treasury to the credit of the Department of Food and Agriculture Fund.

(e) If the director finds that any processor has failed, refused, or neglected to provide the information required herein, the director may proceed in accordance with Sections 55721 and 55722.

(f) Any cooperative subject to the reporting provisions of this section shall, in lieu of reporting prices, report all advances and other payments made as of the reporting date and its good faith estimate of the market value of the commodity for the crop year.

(g) The willful failure of any processor to report to the director, as required by this section, shall constitute a violation of this chapter and shall be a separate and distinct violation of this chapter for each day the processor fails to meet the reporting requirements.

(h) For the purpose of Section 55601.7 and this section, "marketing season" means the crop year that runs from September 1 through August 31.

CHAPTER 309

An act to amend Section 44 of the Elections Code, relating to elections.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 44 of the Elections Code is amended to read:

44. Wherever any petition or paper is submitted to the clerk, each section of the petition or paper shall have attached to it a declaration signed by the circulator of the petition or paper, setting forth the following:

(a) The printed name of the circulator.

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

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

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

(e) The dates between which all the signatures to the petition or paper were obtained.

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

SEC. 2. Notwithstanding Section 6 of Article XIII B of the

California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may incur some additional costs which require reimbursement pursuant to those sections. Therefore, the Department of Finance and the Legislative Analyst's Office shall, in cooperation with representatives of local government, review the implementation of the program established by this act. If additional costs are identified, they shall be reported to the Legislature in terms of a statewide annual estimate in a bill introduced at the request of the Department of Finance.

CHAPTER 310

An act to amend Section 5005 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 5005 of the Vehicle Code is amended to read:

5005. (a) Any person holding an unexpired amateur radio station license issued by the Federal Communications Commission may, after the requirements for the registration of the motor vehicle have been complied with, also apply directly to the department for special license plates, and the department may issue special plates in lieu of the regular license plates. The special license plates shall be affixed to the motor vehicle for which registration is sought, and, in lieu of the numbers otherwise prescribed by law, shall display the official amateur radio station call letters of the applicant as assigned by the Federal Communications Commission.

The applicant shall by satisfactory proof show that he is the holder of an unexpired license.

(b) The department shall not issue more than one set of special plates for any licensed amateur radio station.

(c) In addition to the regular fees for an original registration or renewal of registration, the following special fees will be paid:

(1) Fifteen dollars ($15) for the initial issuance of such special plate.

(2) Seven dollars ($7) for the transfer of such special plate to another motor vehicle.

CHAPTER 311

An act to amend Section 22 of the Alameda County Flood Control and Water Conservation District Act (Chapter 1275 of the Statutes of 1949), relating to the Alameda County Flood Control and Water Conservation District.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 22 of the Alameda County Flood Control and Water Conservation District Act (Chapter 1275 of the Statutes of 1949) is amended to read:

Sec. 22. All contracts for any improvement or unit of work when the cost thereof according to the estimate of the engineer will exceed twenty-five thousand dollars ($25,000), with or without the furnishing of materials or supplies, shall be let to the lowest responsible bidder or bidders in the manner hereinafter provided. Construction of such improvements or works shall not be staged to avoid the bidding process. The board shall first determine whether such contract shall be let as a single unit for the whole of the work, or shall be divided into severable convenient parts, or both, according to the best interests of the district. The board shall make call for bids and advertise such call by inviting sealed proposals for the construction or performance of the improvement or work before any contract is made therefor. The board shall invite such bids by publishing a notice of the call for bids pursuant to Section 6062 or 6066 of the Government Code in a newspaper of general circulation in the county. The call for bids shall state whether such work is to be performed as a unit for the whole thereof or shall be divided into severable convenient specific parts, or both, as stated in the call. The board may let such work by single contract for the whole thereof as a unit or it may divide such work into severable convenient parts by separate contracts, as stated in such call, according to the best interests of the district. The board shall require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Chapter 3 of Division 5 of Title 1 of the Government Code and to be subject to the provisions of that chapter. The board shall also have the right to reject any and all bids. In the event the engineer's estimate is twenty-five thousand dollars ($25,000) or less, or in the event no proposals are received pursuant to advertisement therefor, or in the event the work consists of channel protection, or maintenance work, or emergency work when necessary in order to protect life and property from impending flood

damage, the board of supervisors may, without advertising for bids therefor, have the work done by day labor under the direction of the board, by contract, or by a combination of the two. The district shall have the power to acquire in the open market without advertising for bids therefor, materials, equipment, and supplies for use in any work or for any other purpose. If any change or addition in the work being performed under a construction contract pursuant to this section is deemed necessary, the board may authorize the contractor to proceed with the change or addition without the formality of obtaining bids therefor, provided that the extra cost to the district shall not exceed five thousand dollars ($5,000) when the total amount of the original contract does not exceed fifty thousand dollars ($50,000), nor 10 percent of the amount of any original contract which exceeds fifty thousand dollars ($50,000). The board may, by board order, authorize the Director of Public Works or other district officer to order such changes or additions in the work being performed, provided that the above conditions are satisfied and that the cost of the change or addition does not exceed twenty-five thousand dollars ($25,000). The authorization to the Director of Public Works or other district officer shall include the authority to grant any contract time extensions necessary in connection with the changes or additions. All changes or additions to the work shall be ordered in writing. If a change or addition in a contract awarded under the provisions of this section is requested by any person, firm, corporation, or public agency, other than the district, which person, firm, corporation, or public agency agrees to pay all of the cost of the change or addition, the board may, by board order, authorize the Director of Public Works or other district officer to direct the contractor to proceed with the change or addition without the formality of obtaining bids therefor, provided that the cost of the change or addition does not exceed 15 percent of the original contract price.

CHAPTER 312

An act to add Section 65587.1 to the Government Code, to amend Section 37001.5, as amended by Section 1 of Chapter 155 of the Statutes of 1982, Sections 50063, 50086, 50502, 50740, 50778, and 52077 of, to add Sections 50193.5, 50745.1, and 50775.5 to, and to repeal Section 37001.5, as added by Section 2 of Chapter 155 of the Statutes of 1982 of, the Health and Safety Code, and to amend Section 602 of the Penal Code, relating to housing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 25, 1982. Filed with Secretary of State June 28, 1982]

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

SECTION 1. Section 65587.1 is added to the Government Code, to read:

65587.1. (a) The Legislature finds and declares that local policies and programs which increase housing opportunities through a tax-exempt revenue bond program or through a requirement that the approval of a housing related project be tied to the provision of assistance for housing are consistent with the intent of this article. The Legislature further finds and declares that actions which have the effect of impeding or halting such policies and programs or the direct production of housing run contrary to the goals of increased housing opportunities and balanced commercial and residential development embodied in this article.

(b) Notwithstanding any other provision of law, neither a mortgage revenue bond program subject to subdivision (b) of Section 52053.5 of the Health and Safety Code nor a local approval, made prior to May 1, 1983, of a housing related project shall be invalidated due to the failure or alleged failure of a city and county to comply with this article, subdivision (c) of Section 65302 of the Government Code, or any regulations or guidelines adopted pursuant thereto, or any other provision of law requiring or claimed to require consistency with the housing element of a local general plan. For purposes of this section, a "housing related project" means (a) a residential project or (b) a nonresidential project, the local approval of which was conditioned upon the nonresidential developer (1) developing or rehabilitating or causing to be developed or rehabilitated housing units, or (2) providing funds for the development or rehabilitation of housing units, or (3) investing in a mortgage revenue bond program subject to subdivision (b) of Section 52053.5 of the Health and Safety Code, under a formula or guidelines adopted by the planning commission or local governing body of the city and county. For purposes of this section, "housing related project" shall not include a project, the construction or development of which requires either the demolition or conversion of low- or moderate-rental residential units and the local approval of which does not provide for the replacement of such units and for the maintenance in such units of rents affordable to low- and moderate-income persons for a period of not less than 20 years.

SEC. 2. Section 37001.5 of the Health and Safety Code, as amended by Section 1 of Chapter 155 of the Statutes of 1982, is amended to read:

37001.5. The words "develop, construct, or acquire," as used in Section 1 of Article XXXIV of the State Constitution, shall not be interpreted to apply to activities of a state public body when such body does any of the following:

(a) Provides financing, secured by a deed of trust or other security instrument to a private owner of existing housing; or acquires a development, for which financing previously has been provided, as a temporary measure to protect its security and with an intention to change the ownership so that it will not continue to be the owner of a low-rent housing project.

(b) Acquires or makes improvements to land which is anticipated to be sold, ground leased, or otherwise transferred to a private owner prior to its development as a low-rent housing project, provided (1) the land and improvements thereon are not subject to an exemption from property taxation by reason of public ownership for more than five years following acquisition or improvement by the state public body, or (2) such an exemption from property taxation persists beyond the five-year period and no alternative use is designated for the land or improvements, but any property tax revenues lost by affected taxing agencies on account of the exemption of land or improvements from property taxes by reason of public ownership of the property, or any interest in the property after the five-year period, are fully reimbursed by payments in lieu of taxes following the expiration of the five-year period.

(c) Leases existing dwelling units from the private owner of such units, provided the lease or a subtenancy thereunder does not result in a decrease of property tax revenues with respect to the dwelling units leased.

(d) Provides assistance to the private owner or occupant of existing housing which enables an occupant to live in decent, safe, and sanitary housing at a rent he or she can afford to pay.

(e) Provides assistance to a low-rent housing project and monitors construction or rehabilitation of such project and compliance with conditions of such assistance to the extent of:

(1) Carrying out routine governmental functions.

(2) Performing conventional activities of a lender.

(3) Imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of assistance.

(f) Provides assistance to a development prior to its becoming a low-rent housing project without intending or expecting that the development will become a low-rent housing project, as defined.

(g) Provides financing for a low-rent housing project pursuant to Chapter 6.7 (commencing with Section 51325) of Part 3 of Division 31.

SEC. 3. Section 37001.5 of the Health and Safety Code, as added by Section 2 of Chapter 155 of the Statutes of 1982, is repealed.

SEC. 4. Section 50063 of the Health and Safety Code is amended to read:

50063. "Construction loan" means a short-term loan secured by real property, made for development costs incurred in construction or rehabilitation of a housing development or residential structure.

SEC. 5. Section 50086 of the Health and Safety Code is amended to read:

50086. "Mortgage loan" means a long-term loan which is secured by a mortgage and is made for permanent financing, including refinancing of existing mortgage obligations as authorized by regulation of the agency, of a housing development or a residential structure in the state.

SEC. 5.5. Section 50193.5 is added to the Health and Safety Code, to read:

50193.5. For purposes of this chapter, any allocation of qualified mortgage bonds to a local agency which has been assigned to a redevelopment agency may be apportioned among two issues of qualified mortgage bonds by such redevelopment agency without subjecting such assigned allocation to the expiration or reallocation provisions of this chapter, but only if one such issue is authorized by Chapter 6 (commencing with Section 33600) of Part 1 of Division 24, and the other such issue is authorized by Chapter 8 (commencing with Section 33750) of Part 1 of Division 24; and only if each such issue is sold within 180 days of the original allocation to the local agency.

SEC. 6. Section 50532 of the Health and Safety Code is amended to read:

50532. (a) The department shall require adequate security for all loans made from the loan fund. For purposes of this subdivision "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.

(b) No loan may be made pursuant to this chapter unless the department may reasonably anticipate that a commitment can be obtained by the nonprofit corporation or local agency for construction financing or long-term financing that will permit occupancy as specified in Section 50531.

(c) (1) Except as provided in paragraph (2) of this subdivision, all loans made from the 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 Pooled Money Investment Board for the past 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. However, if the department eliminates interest on a loan, it shall charge a loan origination fee, not to exceed 2 percent of the loan amount.

(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 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 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 fund, and (7) the location of housing developments aided in relation to public transit corridors.

(e) Other things being equal, the department shall give priority to assisting developments which will be located in public transit corridors.

SEC. 7. Section 50740 of the Health and Safety Code is amended to read:

50740. The Rental Housing Construction Incentive Fund established in the State Treasury is hereby renamed the Rental Housing Construction Fund. All money in the fund is hereby continuously appropriated to the Department of Housing and Community Development for purposes of this chapter, including Section 50745.1, and for the purposes of Section 50775.5. All interest or other increment resulting from investment or deposit of moneys in the fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

SEC. 8. Section 50745.1 is added to the Health and Safety Code, to read:

50745.1. (a) Notwithstanding any other provision or requirement of this chapter, and any regulations adopted thereunder, the department may contract with the agency, a local finance entity, or a sponsor to pay all or any portion of the development costs incurred in connection with the construction of a rental housing development consistent with the requirements of this section.

(b) Pursuant to this section, funds may be utilized only to assist the development of rental housing developments in Anaheim where the department determines that such assistance is necessary to alleviate hardship resulting from the destruction of rental units in Anaheim caused by a fire which resulted in a state of emergency proclaimed on April 23, 1982, by the Governor, as provided by Section 8625 of the Government Code.

(c) Any rental housing development assisted pursuant to this section shall not be governed by the percentage requirements contained in Section 50736, nor shall units assisted pursuant to this section be used in determining compliance with the percentage requirements contained in Section 50736.

(d) As a condition of assistance provided pursuant to this section, the department may establish such rent levels as the department may determine are necessary to alleviate hardship in the disaster area consistent with the economic feasibility of the assisted rental housing development. Contracts and agreements governing the

provision of financial assistance pursuant to this section shall not be subject to the requirements of Sections 50746 and 50749. The department may require such terms and conditions as it determines are necessary to meet the needs of the disaster area and its victims, to ensure fiscal integrity of the rental housing development and to protect the interests of the state. The terms and conditions required by the department, including the restrictions on rent levels for assisted units, shall remain binding on sponsors of developments assisted pursuant to this section, and heirs, successors, and assigns, for a period of at least 20 years or such a longer term as the department may require. The department shall require that priority in occupancy of any units in a development assisted pursuant to this section shall be given first to households of low income, as defined in Section 50093, who have been displaced from their dwelling units as a result of this disaster, and, secondly, to any other victim of this disaster. After no additional victims of this disaster qualify for, or remain in, any assisted units, these units shall be available to, on a priority basis, or occupied by households of low income.

(e) The department may allocate funds to an annuity fund established pursuant to Section 50748, or utilize existing annuity funds, to ensure that the rent levels established by the department are maintained consistent with the fiscal integrity of the rental housing development.

(f) The department may require funds utilized pursuant to this section to be returned to the Rental Housing Construction Fund from the present allocation of funds to the agency. Any repayment of funds originating from the Rental Housing Construction Fund and utilized pursuant to this section shall be utilized by the department pursuant to this chapter.

(g) Any rule, policy or standard of general application employed by the department in implementing the provisions of this section, shall not be subject to the requirements of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 9. Section 50775.5 is added to the Health and Safety Code, to read:

50775.5. For the purposes of disaster relief to those households displaced as a result of the Anaheim fire resulting in a state of emergency proclaimed on April 23, 1982, by the Governor, pursuant to Section 8625 of the Government Code, financial assistance may be provided to displaced Anaheim residents as prescribed in this chapter, consistent with the following exceptions:

(a) Condominium or stock cooperative units to be purchased with state financial assistance may include existing condominium or cooperative units.

(b) Households receiving state assistance to purchase condominium or cooperative units need not have resided in such units prior to the purchase thereof.

(c) Eligibility for state financial assistance shall be limited to

households which have incomes no greater than 150 percent of the median for the county.

(d) The housing assisted by this section shall not be governed by the percentage requirements in Section 50778, nor shall units assisted pursuant to this section be used in determining compliance with the percentage requirements contained in Section 50778.

(e) Any rule, policy, or standard of general application employed by the department in implementing the provisions of this section shall not be subject to the requirements of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

Any repayment of funds originating from the Homeownership Assistance Fund allocated pursuant to this section shall be utilized by the department pursuant to this chapter.

SEC. 10. Section 50778 of the Health and Safety Code is amended to read:

50778. The Homeownership Assistance Fund is hereby created in the State Treasury and is continually appropriated to the department for purposes of this chapter, including Section 50775.5, and for the purposes of Section 50745.1. Any moneys received by the department pursuant to this chapter shall be deposited in such fund. All interest or other increment resulting from investment or deposit of moneys in the fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provisions of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

Not less than 50 percent of the moneys in the fund shall be used to assist lower-income households. Not less than 20 percent of the units assisted shall be in rural areas.

Funds available for the purpose of this chapter shall be allocated by the department throughout the state in accordance with identified housing needs.

SEC. 11. Section 52077 of the Health and Safety Code is amended to read:

52077. Subject to the limitations prescribed in this chapter, a city or county may purchase, or undertake, directly or indirectly through lending institutions, commitments to purchase, construction loans and mortgage loans originated in accordance with a financing agreement with the city or county to finance the development of multifamily rental housing and may make loans to lending institutions under terms and conditions which, in addition to other provisions determined by the city or county, shall require the lending institutions to use the net proceeds of the loans for the making, directly or indirectly, of construction loans or mortgage loans to finance the development of multifamily rental housing.

SEC. 12. Section 602 of the Penal Code is amended to read:

602. Every person who willfully commits a trespass by any of the

following acts is guilty of a misdemeanor:

(a) Cutting down, destroying, or injuring any kind of wood or timber standing or growing upon the lands of another.

(b) Carrying away any kind of wood or timber lying on such lands.

(c) Maliciously injuring or severing from the freehold of another anything attached thereto, or the produce thereof.

(d) Digging, taking, or carrying away from any lot situated within the limits of any incorporated city, without the license of the owner or legal occupant thereof, any earth, soil, or stone.

(e) Digging, taking, or carrying away from land in any city or town laid down on the map or plan of such city, or otherwise recognized or established as a street, alley, avenue, or park, without the license of the proper authorities, any earth, soil or stone.

(f) Maliciously tearing down, damaging, mutilating, or destroying any sign, signboard or notice placed upon, or affixed to, any property belonging to the state, or to any city, county, city and county, town or village, or upon any property of any person, by the state or by an automobile association, which sign, signboard or notice is intended to indicate or designate a road or roads, or a highway or highways, or is intended to direct travelers from one point to another, or relates to fires, fire control, or any other matter involving the protection of the property, or putting up, affixing, fastening, printing, or painting upon any property belonging to the state, or to any city, county, town, or village, or dedicated to the public, or upon any property of any person, without license from the owner, any notice, advertisement, or designation of, or any name for any commodity, whether for sale or otherwise, or any picture, sign, or device intended to call attention thereto.

(g) Entering upon any lands owned by any other person whereon oysters or other shellfish are planted or growing; or injuring, gathering, or carrying away any oysters or other shellfish planted, growing, or being on any such lands, whether covered by water or not, without the license of the owner or legal occupant thereof; or destroying or removing, or causing to be removed or destroyed, any stakes, marks, fences, or signs intended to designate the boundaries and limits of any such lands.

(h) Willfully opening, tearing down, or otherwise destroying any fence on the enclosed land of another, or opening any gate, bar, or fence of another and willfully leaving it open without the written permission of the owner, or maliciously tearing down, mutilating, or destroying any sign, signboard, or other notice forbidding shooting on private property.

(i) Building fires upon any lands owned by another where signs forbidding trespass are displayed at intervals not greater than one mile along the exterior boundaries and at all roads and trails entering such lands, without first having obtained written permission from the owner of such lands or his agent, or the person in lawful possession thereof.

(j) Entering any lands, whether unenclosed or enclosed by fence,

for the purpose of injuring any property or property rights or with the intention of interfering with, obstructing, or injuring any lawful business or occupation carried on by the owner of such land, his agent or by the person in lawful possession.

(k) Entering any lands under cultivation or enclosed by fence, belonging to, or occupied by, another, or entering upon uncultivated or unenclosed lands where signs forbidding trespass are displayed at intervals not less than three to the mile along all exterior boundaries and at all roads and trails entering such lands without the written permission of the owner of such land, his agent or of the person in lawful possession, and

(1) Refusing or failing to leave such lands immediately upon being requested by the owner of such land, his agent or by the person in lawful possession to leave such lands, or

(2) Tearing down, mutilating, or destroying any sign, signboard, or notice forbidding trespass or hunting on such lands, or

(3) Removing, injuring, unlocking, or tampering with any lock on any gate on or leading into such lands, or

(4) Discharging any firearm.

(*l*) Entering and occupying real property or structures of any kind without the consent of the owner, his agent, or the person in lawful possession thereof.

(m) Driving any vehicle, as defined in Section 670 of the Vehicle Code, upon real property belonging to or lawfully occupied by another and known not to be open to the general public, without the consent of the owner, his agent, or the person in lawful possession thereof.

(n) Refusing or failing to leave land, real property, or structures belonging to or lawfully occupied by another and not open to the general public, upon being requested to leave by (1) a peace officer and the owner, his agent, or the person in lawful possession thereof, or (2) the owner, his agent, or the person in lawful possession thereof; provided, however, that clause (2) of this subdivision shall not be applicable to persons engaged in lawful labor union activities which are permitted to be carried out on the property by the California Agricultural Labor Relations Act, Part 3.5 (commencing with Section 1140) of Division 2 of the Labor Code, or by the National Labor Relations Act.

(o) Entering upon any lands declared closed to entry as provided in Section 4256 of the Public Resources Code; provided, such closed areas shall have been posted with notices declaring such closure, at intervals not greater than one mile along the exterior boundaries or along roads and trails passing through such lands.

(p) Refusing or failing to leave a public building of a public agency during those hours of the day or night when the building is regularly closed to the public upon being requested to do so by a regularly employed guard, watchman, or custodian of the public agency owning or maintaining the building or property, if the surrounding circumstances are such as to indicate to a reasonable

man that such person has no apparent lawful business to pursue.

(q) Knowingly skiing in an area or on a ski trail which is closed to the public and which has signs posted indicating such closure.

(r) Refusing or failing to leave a hotel or motel, where he or she has obtained accommodations and has refused to pay for those accommodations, upon request of the proprietor or manager, and the occupancy is exempt, pursuant to subdivision (b) of Section 1940 of the Civil Code, from Chapter 2 (commencing with Section 1940) of Title 5 of Part 4 of Division 3 of the Civil Code.

SEC. 13. It is the intent of the Legislature in waiving requirements of the Rental Housing Construction Program and the California Homeownership Assistance Program by Sections 50745.1 and 50775.5 of the Health and Safety Code to provide immediate and effective assistance to Anaheim fire disaster victims. It is also the intent of the Legislature that the City of Anaheim be encouraged to provide local contributions of any nature to the extent feasible in order to maximize the effect of the expenditures permitted by Sections 50745.1 and 50775.5 of the Health and Safety Code or expedite the development or financing of housing pursuant to Sections 50745.1 and 50775.5 of the Health and Safety Code.

SEC. 14. Not more than four million dollars ($4,000,000) of the amount appropriated by Chapter 1043 of the Statutes of 1979 and transferred to the Rental Housing Construction Fund and the Homeownership Assistance Fund pursuant to Section 17 of Chapter 1043 of the Statutes of 1979 may be utilized by the Department of Housing and Community Development for the purposes of Sections 50745.1 and 50775.5 of the Health and Safety Code. This sum shall be encumbered for the development or financing of housing pursuant to Sections 50745.1 and 50775.5 of the Health and Safety Code within one year after the effective date of this act.

SEC. 15. Seven hundred seventy thousand dollars ($770,000) of the amount appropriated for the purpose of augmenting the funds currently available to the Urban Housing Development Loan Fund by Item No. 2240-101-001 of the Budget Act of 1982 is hereby transferred to the Rental Housing Construction Fund established by Section 50740 of the Health and Safety Code for the purposes of Sections 50745.1 and 50775.5 of the Health and Safety Code. Any portion of such amount which is unencumbered one year after the effective date of this section shall be retransferred into the Urban Housing Development Loan Fund.

SEC. 16. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The Legislature recognizes that there exists a serious shortage of housing in this state and that the immediacy of this act is necessary in order that certain urgently needed housing programs may proceed and that housing may be financed. This act is also necessary to assist the development of rental housing units in Anaheim to

alleviate the hardship resulting from the destruction of rental housing in Anaheim caused by a fire which resulted in a state of emergency proclaimed on April 23, 1982, by the Governor. Additionally, this act is urgently needed so that eligible housing developments proposed for construction in urban areas can receive state predevelopment assistance and thus be eligible for dwindling federal subsidies. This act is also urgently needed so that certain criminal trespass statutes relating to motels and hotels are only made applicable to residences that are exempt from provisions on hiring of real property. Thus, it is necessary that this act take immediate effect.

CHAPTER 313

An act to amend Section 1253.8 of the Unemployment Insurance Code, relating to unemployment insurance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 1253.8 of the Unemployment Insurance Code is amended to read:

1253.8. An unemployed individual shall not be disqualified for eligibility for unemployment compensation benefits solely on the basis that he or she is a student. Except as provided in subdivision (b), if a student's restrictions upon his or her availability for work due to school attendance eliminate any substantial portion of the potential prospects for full-time suitable employment he or she can perform in the labor market, the student shall not be considered to be able to work and available for work pursuant to subdivision (c) of Section 1253.

(b) If a student restricts his or her availability to part-time work due to school attendance, he or she may be considered to be able to work and available for work pursuant to subdivision (c) of Section 1253 if it is determined that:

(1) The claimant has a history of at least two years of having been self-supporting from part-time work while attending school.

(2) The claim is based on such part-time employment.

(3) The claimant is actively seeking and is willing to accept work under essentially the same conditions as existed while the wage credits were accrued.

(4) The claimant imposes no other restrictions and is in a labor market where a reasonable demand exists for the part-time services he or she offers.

SEC. 2. The sum of four million five hundred fifty thousand dollars ($4,550,000) is hereby appropriated to the Employment Development Department for the purchase of electronic data-processing equipment, payable from moneys credited to this state's account in the federal Unemployment Trust Fund and made available to this state under Section 903 of the federal Social Security Act (42 U.S.C. Sec. 1103) as amended, provided that:

(a) This money is requisitioned from the Unemployment Trust Fund pursuant to Section 1528.5 of the Unemployment Insurance Code, and may only be used in the administration of the state unemployment compensation law and public employment offices.

(b) The period within which this money may be obligated is specifically limited to the period beginning on the effective date of this act and ending June 30, 1983.

(c) The total amount which may be obligated shall be limited to the restrictions specified by, and charged in accordance with, Section 903(c)(2)(D) of the federal Social Security Act, as amended.

SEC. 3. Any annual cost savings made possible by this act shall be expended by the Employment Development Department in accordance with the following priorities:

(1) Reimbursement to California's account in the federal Unemployment Trust Fund as determined by the Director of the Employment Development Department.

(2) For any other purpose designated by the Legislature by appropriate legislation and to the extent permitted by federal 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 the necessity are:

With the possibility that Congress may fail to reauthorize the Reed Act by June 30, 1982, the Employment Development Department requires immediately the funds appropriated by this act to procure electronic data-processing equipment which will achieve major cost savings, improve services to the public, and which would not otherwise be obtainable at the current level of federal funding for administrative expenses. Unless the Legislature acts by June 30, 1982, the state will forfeit four million five hundred fifty thousand dollars ($4,550,000) in federal moneys which can be used only for the administration of the state unemployment compensation law and public employment offices. Failure to act will result in this money reverting to the federal Unemployment Trust Fund for payment of unemployment compensation benefits.

CHAPTER 314

An act to amend Sections 5006 and 33207.5 of, and to add Section 5006.1 to, the Public Resources Code, relating to public resources, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 5006 of the Public Resources Code is amended to read:

5006. (a) The department, with the consent of the Department of Finance, and subject to Section 15853 of the Government Code, may acquire title to or any interest in real and personal property which the department deems necessary or proper for the extension, improvement, or development of the state park system.

(b) The department may select land or other real property for the purpose of acquiring, pursuant to paragraph (1) of subdivision (d) of Section 15853 of the Government Code, an option to purchase the land or other real property for the state park system and appraise the options either by utilizing the services of the Real Estate Services Division of the Department of General Services or by contract with independent appraisers approved by the Real Estate Services Division.

(c) The department may select land or other real property to be acquired for the state park system and appraise the land or other real property either by utilizing the services of the Real Estate Services Division of the Department of General Services or by contract with independent appraisers approved by the Real Estate Services Division. Prior to commencing the appraisal, the Department of Parks and Recreation shall notify the Legislature of each proposed acquisition project and shall notify all owners of land and other real property lying within the tentative boundaries of the proposed acquisition project, as shown on the most recent tax assessment rolls in the county of record, of the fact that the department has selected the property for acquisition. The State Public Works Board shall prescribe the form and manner of giving the notice.

(d) All appropriations for state park system acquisition project planning costs, and for costs of site selection and appraisal pursuant to subdivision (c), shall be submitted by the department for inclusion in the Governor's Budget for each fiscal year.

(e) The department shall submit a proposal for an appropriation for the acquisition of options to purchase land or other real property for the state park system for inclusion in the Governor's Budget for each fiscal year based upon its estimate of the amount needed for that purpose. The expenditure of the moneys shall be subject to the limitation specified in paragraph (1) of subdivision (d) of Section

15853 of the Government Code unless otherwise provided by the Legislature.

(f) (1) All appropriations for state park system acquisition projects proposed by the department shall be submitted by the department for inclusion in the Governor's Budget for each fiscal year. The projects shall have been selected and appraised by the department pursuant to subdivision (c) prior to inclusion. The Governor's Budget shall contain a separate description of each project and its appraised value.

(2) Where an option to purchase land or other real property for the state park system has been acquired, the appropriation proposed by the department for the acquisition of the land or other real property shall be its appraised value less the sum expended for the acquisition of the option.

(g) The requirements imposed by subdivisions (d), (e), and (f) are in addition to any other provisions of law requiring the inclusion of state park system acquisition projects in the Governor's Budget.

(h) The department shall not expend or participate in the expenditure of any appropriation for the acquisition of real property in excess of five hundred thousand dollars ($500,000), unless the provisions of Section 5006.1 have been complied with.

SEC. 2. Section 5006.1 is added to the Public Resources Code, to read:

5006.1. (a) Prior to submitting an appropriation for any state park system project proposal pursuant to subdivision (f) of Section 5006 for the acquisition of real property in excess of five hundred thousand dollars ($500,000) in value, the department shall hold a public hearing within the county in which the proposed project is located at which interested members of the public may comment on the proposed project. Notice of the hearing shall be published at least twice in a newspaper of general circulation within that county. A summary of the public comments at the public hearing and a summary of the comments by the city or county in which the real property is located, or by both the city and county, shall be transmitted by the department to the Legislature at the time the appropriation of funds for the acquisition is proposed.

(b) With respect to real property in excess of five hundred thousand dollars ($500,000) which is not proposed to be acquired pursuant to subdivision (f) of Section 5006, the department shall hold a public hearing within the county in which the real property is located at which interested members of the public may comment on the proposed acquisition. Notice of the hearing shall be published at least twice in a newspaper of general circulation within the county. A summary of the public comments at the public hearing and a summary of the comments by the city and county in which the real property is located, or by both the city and county, shall be transmitted to the Legislature at least 30 days prior to acquisition by the State Public Works Board.

(c) This section does not apply to any real property to be acquired

by grant, gift, devise, or bequest.

SEC. 3. Section 33207.5 of the Public Resources Code is amended to read:

33207.5. (a) The executive director, on behalf of the conservancy, shall, contemporaneously with the Los Angeles Unified School District completing all procedures and transfers in accordance with subdivisions (b) and (c), waive and release all the conservancy's right, title, or interest to purchase Los Angeles Unified School District property pursuant to subdivision (b) of Section 33207, and pursuant to any other statutory authority, wherever granted, to those school sites commonly referred to as the Beverly Glen Midsite School site, the property commonly referred to as the four recorded lots of the Old Ranch Road School site, and the property commonly referred to as the South of Lanai Road School site.

(b) The exemption in subdivision (a) shall become operative if the Board of Education of the Los Angeles Unified School District (hereafter referred to as the Board of Education), within two days of the effective date of this section, votes to offer to the conservancy, and within five days of the effective date of this section records in the office of the Los Angeles County Recorder, an irrevocable offer to sell to the conservancy, at the original purchase price, the Temescal Junior High School site; and records in the office of the Los Angeles County Recorder an offer of a right to purchase to the conservancy upon terms and procedures in accordance with subdivision (d), a portion of the Old Ranch Road site described as follows:

All that portion of blocks 39 and 43 lying within the Santa Monica Land and Water Company Tract M.R. 78-44/49 owned by the Los Angeles Unified School District, together with appurtenant access easements along Old Ranch Road.

(c) The exemption in subdivision (a) shall only become operative if the Board of Education, within two days of the effective date of this section, approves a resolution of intention to sell the Old Ranch Road site described in subdivision (b). The resolution to sell shall direct publication of notice of the Board of Education's intention to sell in a newspaper of general circulation published within the Los Angeles Unified School District within 10 days of such resolution and shall cause the notice to be published on at least three occasions within a period of time of not less than 15 days. The notice shall fix a date for the opening of bids not less than 21 days after the last publication. The bids shall be opened in public in the offices of the real estate branch in accordance with the Los Angeles Unified School District's procedure. The executive director of the conservancy shall be advised of the bid opening and location not less than seven days prior thereto. The resolution to sell and notice shall state a minimum bid price of one million four hundred thousand dollars ($1,400,000) cash sale, and close of escrow to occur within 45 days of acceptance of the highest responsible bid by the Board of Education. All bids shall be in writing and accompanied by a deposit of not less than fifty

thousand dollars ($50,000) in cash or cashier's check.

(d) Prior to accepting any responsible bid received pursuant to subdivision (c), the Board of Education or its designee, shall call for oral bids. If, upon the call for oral bidding, any person offers to purchase the property upon the terms and conditions specified in the resolution, for a price exceeding by at least 5 percent the highest written or previous oral proposal which is made by a responsible person, that higher bid shall be designated as the highest responsible bid, provided that the oral bid is reduced to writing and signed by the offeror and accompanied by a cashier's check or by cash in an amount not less than fifty thousand dollars ($50,000).

After determining the highest responsible bidder, the Board of Education shall offer the Old Ranch Road School site described in subdivision (b) to the conservancy at the price indicated in the highest responsible bid as determined in subdivisions (c) and (d), but at a price not less than one million four hundred thousand dollars ($1,400,000). The offer shall be in writing and shall remain open for a period of 10 days from the date that the written offer is received by the conservancy. The executive director of the conservancy shall have the right, against all others, to gain the right to purchase such property at any time within the 10-day period at the price of the highest responsible bid by communicating to the Board of Education in writing.

In the event the executive director of the conservancy exercises the right to purchase pursuant to this section, the State of California, Santa Monica Mountains Conservancy, shall receive a conveyance of the property from the Board of Education by quit claim deed if the State of California pays the Board of Education by warrant or by cashier's check, the amount of such highest bid at any time within a six-month period commencing with the date of the receipt by the executive director of the conservancy of the Board of Education's offer, as above described.

If the executive director of the conservancy does not, within the 10-day period described in this subdivision, indicate his intention to exercise the right to purchase the property, the Board of Education may convey the property to the highest responsible bidder. In the event the highest responsible bidder fails to complete the purchase, the Board of Education shall offer the property to the executive director of the conservancy in accordance with the procedure set forth herein for each successive responsible bid, but in no case shall the price to the conservancy be less than one million four hundred thousand dollars ($1,400,000).

Should the executive director of the conservancy indicate an intention to exercise the right to purchase within the 10-day period, but fail to pay the Board of Education the purchase price by warrant of the State of California or cashier's check within the six-month period, or the executive director of the conservancy fails to exercise the right to purchase within the 10-day period and the property is purchased by the highest responsible bidder, the executive director

of the conservancy shall execute a waiver and release in accordance with subdivision (a) for the Old Ranch Road site as described in subdivision (b).

(e) In the event the conservancy does not acquire the portion of the Old Ranch Road site described in subdivision (b) pursuant to the procedure set forth in this section, and the conservancy has released and waived its rights pursuant to subdivision (a), the Board of Education may offer the Old Ranch Road site for purchase to the highest responsible bidder on the same terms as determined pursuant to this section, or should such responsible bidder no longer wish to purchase the property, the Board of Education may offer the property for sale pursuant to the provisions of the Education Code governing the sale of surplus district property.

Notwithstanding any other provision of law, the Board of Education may adopt or approve any and all acts required by it to carry out the provisions of this section and may sell to the conservancy the real property described as the Temescal Junior High School site at its original purchase price in accordance with the procedures specified in this section by an affirmative vote of five members of the Board of Education. Further, notwithstanding the provisions of the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code, and any other provision of law, the executive director of the conservancy may take such actions as necessary to carry out the provisions of this division.

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

In order to permit the acquisition of critically needed park property by the Santa Monica Mountains Conservancy, and to permit the sale of surplus school district property for the benefit of students in the Los Angeles Unified School District at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 315

An act to amend Sections 10201, 10209.5, 10210, 10214.5, 10215, and 10224 of the Business and Professions Code, relating to real estate, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. 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 1⅓ times the regular renewal fee in effect at the time the license is reinstated.

SEC. 2. Section 10209.5 of the Business and Professions Code is amended to read:

10209.5. The fee for a restricted broker license shall not exceed one hundred sixty-five dollars ($165).

SEC. 3. Section 10210 of the Business and Professions Code is amended to read:

10210. The fee for a real estate broker license shall not exceed one hundred sixty-five dollars ($165).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

SEC. 4. Section 10214.5 of the Business and Professions Code is amended to read:

10214.5. The fee for a restricted salesperson license shall not exceed one hundred twenty dollars ($120).

SEC. 5. Section 10215 of the Business and Professions Code is amended to read:

10215. The fee for a real estate salesperson license shall not exceed one hundred twenty dollars ($120).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

SEC. 6. Section 10224 of the Business and Professions Code is amended to read:

10224. The fee for attaching an endorsement as a real property securities dealer to a real estate broker's license is one hundred dollars ($100).

SEC. 7. On and after the operative date of this act and until June 30, 1983:

(a) The provisions of Section 10450.6 of the Business and Professions Code shall apply to that portion of the increased fees provided by this act that is the same as the amount of these fees prior to the operative date of this act.

(b) Notwithstanding the provisions of Section 10450.6 of the Business and Professions Code, five percent of the amount of the increase in license fees provided by this act shall be paid to the separate account in the Real Estate Fund, and all moneys so paid to the separate account may only be allocated for recovery purposes.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting the necessity are:

The Department of Real Estate is a special fund agency whose revenues are derived largely from license and examination fees for real estate brokers and salespersons and from fees paid by applicants for subdivision public reports. Due in large part to the severely distressed state of the real estate market and subdivision housing market, revenues to the department from all sources for the 1981–82 fiscal year are approximately 15 percent below budgeted projections and monthly expenditures are exceeding revenues on an average of three hundred fifty thousand dollars ($350,000) per month. Without additional revenue the department estimates it will have used up its reserve funds by December 1, 1982. Early imposition of the fee increases embodied in this bill is essential to avoid drastic program cutbacks and personnel layoffs that will seriously impair the ability of the department to protect the public at a time when there is a critical need for a strong regulatory effort particularly in the mortgage loan brokerage area.

SEC. 9. This act shall become operative on the first day of the second month after the effective date of this act.

CHAPTER 316

An act to amend Section 8724 of, to add Sections 8664.5 and 8664.6 to, and to repeal Section 8692 of, the Fish and Game Code, relating to commercial fishing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. Section 8664.5 is added to the Fish and Game Code, to read:

8664.5. (a) Notwithstanding Sections 8693 and 8724, gill nets and trammel nets shall not be used in that portion of District 17 between the mouth of Aptos Creek and the United States surveyor's monument near Seaside in waters less than 10 fathoms in depth.

(b) If the director determines that any local population of any species of seabird or marine mammal is in danger of irreparable injury, or that mortality in any local population of any species of seabird or marine mammal is occurring at a rate that threatens the viability of the local population, as a direct result of the use of gill nets or trammel nets, the director may issue an order prohibiting the use of either or both types of those nets in all or any part of District 17 for a specified period in waters of greater than 10 fathoms in depth. The order shall take effect 48 hours after its issuance. The director shall rescind any order issued pursuant to this subdivision whenever

he or she determines that the order is no longer necessary.

SEC. 2. Section 8664.6 is added to the Fish and Game Code, to read:

8664.6. If, after a public hearing in the County of Sonoma, Marin, San Francisco, or San Mateo, the director determines that any local population of any species of seabird or marine mammal is in danger of irreparable injury or that mortality in any local population of any species of seabird or marine mammal is occurring at a rate that threatens the viability of the local population, as a direct result of the use of gill nets or trammel nets, the director may issue an order prohibiting the use of either, or both, types of those nets in all or any part of District 10 for a specified period. The order shall take effect 48 hours after its issuance. The director shall rescind any order issued pursuant to this section whenever he or she determines, after a public hearing, that the order is no longer necessary.

SEC. 3. Section 8692 of the Fish and Game Code is repealed.

SEC. 4. Section 8724 of the Fish and Game Code is amended to read:

8724. Except as otherwise provided, in Districts 10, 17, 18, and 19, drift and set trammel nets may be used if the meshes are at least eight inches in length, except that such nets may not be used in District 18 within one mile of any pier or jetty, nor may they be used for the taking of salmon.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The use of gill nets for fishing begins in late spring. Thus, in order to protect wildlife resources during the coming season, it is necessary that this act take effect immediately.

CHAPTER 317

An act making an appropriation in augmentation of Items 984-001-001, 984-001-494, and 984-001-988 of the Budget Act of 1981, relating to contingencies or emergencies, to take effect immediately, usual current expenses.

[Approved by Governor June 28, 1982. Filed with Secretary of State June 28, 1982.]

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

SECTION 1. The sum of thirty million dollars ($30,000,000) is hereby appropriated for expenditure during the 1981–82 fiscal year in augmentation of, and for the purposes of contingencies or emergencies as provided in, Items 984-001-001, 984-001-494, and 984-001-988 of the Budget Act of 1981 as follows:

(a) From the General Fund to the reserve for contingencies or emergencies in Item 984-001-001 ..... provided that, notwithstanding the provisions of Section 2.00 of the Budget Act of 1981, the Director of Finance may allocate up to one thousand dollars ($1,000) from Item 984-001-001 to the State Bar of California for the payment of 1980–81 fiscal year per diem allowances of public members of the State Bar.	$ 25,000,000
(b) From special funds to the reserve for contingencies or emergencies in Item 984-001-494	5,000,000
(c) From nongovernmental cost funds to the reserve for contingencies or emergencies in Item 984-001-988	

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

CHAPTER 318

An act to amend Sections 48900, 48904.5, and 48914 of the Education Code, relating to schools, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

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

48900. A pupil shall not be suspended from school nor recommended for expulsion unless the superintendent or the

principal of the school in which the pupil is enrolled determines that the pupil has done any of the following:

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

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

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

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

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

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

(g) Possessed or used tobacco, except as provided in Section 48903.6.

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

(i) Disrupted school activities or otherwise willfully defied the valid authority of supervisors, teachers, administrators, other school officials, or other school personnel.

No pupil shall be suspended or expelled for any of the acts enumerated unless such act is related to school activity or school attendance. A pupil may be suspended or expelled for acts which are enumerated in this section and related to school activity or attendance which occur at any time, including but not limited to: (1) while on school grounds; (2) while going to or coming from school; (3) during the lunch period, whether on or off the campus; or (4) during, or while going to or coming from, a school sponsored activity.

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

SEC. 2. Section 48904.5 of the Education Code is amended to read:

48904.5. (a) The principal may recommend a pupil's expulsion for any of the acts enumerated in Section 48900.

(b) Upon recommendation by the principal or by a hearing officer or administrative panel appointed pursuant to subdivision (d) of Section 48914, the governing board may order a pupil expelled upon finding that the pupil violated subdivision (a), (b), (c), or (d)

of Section 48900.

(c) Upon recommendation by the principal or by a hearing officer or administrative panel appointed pursuant to subdivision (d) of Section 48914, the governing board may order a pupil expelled upon finding that: (1) the pupil violated subdivision (e), (f), (g), (h), or (i) of Section 48900 and that other means of correction have repeatedly failed to bring about proper conduct; or (2) due to the nature of the violation, the presence of the pupil causes a continuing danger to the physical safety of the pupil or others, and that other means of correction are not feasible.

SEC. 3. Section 48914 of the Education Code is amended to read:

48914. The governing board of each school district shall establish rules and regulations governing procedures for the expulsion of pupils. These procedures shall include, but are not necessarily limited to the following:

(a) The pupil and the pupil's parent or guardian shall be entitled to a hearing to determine whether the pupil should be expelled. An expulsion hearing shall be held within 20 schooldays of the date expulsion is recommended pursuant to subdivision (a) of Section 48904.5, or within 25 schooldays of the date suspension is ordered for the offense, whichever is sooner, unless the pupil or the pupil's parent or guardian requests in writing that the hearing be postponed. The request shall be made at least five days prior to the date of the hearing. In the event that compliance with the above time requirements is impracticable, the expulsion hearing may be delayed, for good cause, up to five additional schooldays.

(b) Written notice of the hearing shall be forwarded to the pupil and the pupil's parent or guardian at least 10 days prior to the date of the hearing. The notice shall include: the date and place of the hearing; a statement of the specific facts and charges upon which the proposed expulsion is based; a copy of all the rules of the district which pertain to discipline adopted pursuant to Section 35291; and the opportunity of the pupil or the pupil's parent or guardian to appear in person or to employ and be represented by counsel, inspect and obtain copies of all documents to be used at the hearing, confront and question all witnesses who testify at the hearing, question all other evidence presented, and present oral and documentary evidence on the pupil's behalf, including witnesses.

(c) Notwithstanding the provisions of Section 54953 of the Government Code and Section 35145 of this code, the governing board shall conduct a hearing to consider the expulsion of a pupil in a session closed to the public unless the pupil or the pupil's parents or guardian requests, in writing, at least five days prior to the date of the hearing, that the hearing be a public meeting. If the request is made of the governing board, the meeting shall be public. Whether an expulsion hearing is conducted in closed or public session, the governing board may meet in executive session to determine if the pupil should be expelled, provided that the parent or guardian of the pupil, the pupil, the counsel of the pupil, and the counsel of the

parent or guardian of the pupil shall be allowed to attend the executive session.

(d) In lieu of conducting an expulsion hearing itself, the governing board of any school district may contract with the county hearing officer, or with the Office of Administrative Hearings of the State of California pursuant to Chapter 14 (commencing with Section 27720) of Part 3 of Division 2 of Title 3 of the Government Code and Section 35207 of this code, for a hearing officer to conduct the hearing, or the governing board may appoint an impartial administrative panel of three or more certificated employees of the district, none of whom shall be on the staff of the school in which the pupil is enrolled. In lieu of the appointment of district employees exclusively, the district may request the services of one or more certificated persons not employed by the district. The hearing shall not be conducted in conflict with any procedures established in this section. The hearing shall be completed within five schooldays of the date on which the hearing was commenced. Within three schooldays following the hearing, the hearing officer or administrative panel shall determine whether to recommend expulsion to the board. If the decision is for a rejection of expulsion, the expulsion proceedings shall be terminated and the hearing officer or administrative panel shall notify the board of the decision and the governing board shall accept the recommendation for a rejection of expulsion. The governing board may, however, require the hearing officer or administrative panel to prepare and submit findings of fact to support rejection of expulsion. If the hearing officer or administrative panel recommends expulsion, findings of fact in support of the recommendation shall be prepared and submitted to the board. All findings of fact and recommendations shall be based solely on the evidence adduced at the hearing. If the governing board accepts the recommendation calling for expulsion, acceptance shall be based upon either a review of the findings of fact and recommendations submitted by the hearing officer or panel or upon results of any supplementary hearing conducted pursuant to this section that the governing board may order. If the governing board accepts the recommendation against expulsion, the pupil shall be reinstated immediately. The governing board may reinstate the pupil to the classroom which the pupil had been attending prior to suspension, after consultation with district personnel, including the teachers involved, and with the parent or guardian of the pupil; or to any other instructional program, by mutual agreement among the principal or superintendent, the teachers involved, the parent or guardian of the pupil, and the pupil; or to a rehabilitation program; or to a combination of these programs.

(e) A record of the hearing shall be made. The record may be maintained by any means, including electronic recording, so long as a reasonably accurate written transcription of the proceedings can be made.

(f) Technical rules of evidence shall not apply to the hearing, but

evidence may be admitted and given probative effect only if it is the kind of evidence upon which reasonable persons are accustomed to rely in the conduct of serious affairs. A decision of the governing board to expel must be supported by a preponderance of the evidence.

(g) Whether a pupil expulsion hearing is conducted in closed or public session, by the governing board or before a hearing officer or administrative panel, a final action to expel shall be taken by the governing board at a public meeting. Written notice of any decision to expel shall be sent to the pupil or parent or guardian and shall be accompanied by notice of the right to appeal the expulsion to the county board of education.

A decision of the governing board whether to expel a pupil shall be made within 35 schooldays of the date expulsion is recommended by a principal pursuant to subdivision (a) of Section 48904.5 or within 40 schooldays of the date suspension is ordered for the offense, whichever is sooner, unless the pupil or the pupil's parent or guardian requests in writing that the decision be postponed. If the pupil or the pupil's parent or guardian had requested that the expulsion hearing held pursuant to subdivision (a) be postponed, the time requirements of this subdivision may be likewise extended. In the event that compliance with the above time requirements is impracticable, the expulsion hearing may be delayed, for good cause, up to five additional schooldays.

The governing board shall maintain a record of each expulsion, including the cause therefor.

SEC. 4. There is hereby reappropriated from the amount appropriated by Item 610-101-001 of the Budget Act of 1981 for the purpose of Proviso 5, as amended by Chapter 169 of the Statutes of 1981, an amount not to exceed six million seven hundred twenty-five thousand dollars ($6,725,000), less any amount allocated after May 19, 1982, to the Stockton Unified School District for court-mandated costs in the 1981–82 fiscal year pursuant to Section 42243.6 of the Education Code, to the Superintendent of Public Instruction for allocation to the Stockton Unified School District for the 1981–82 fiscal year for any purpose for which the money in the general fund of the district may be used.

SEC. 5. (a) The appropriation made pursuant to Section 4 of this act shall be deemed an apportionment made pursuant to Section 41310 of the Education Code, and the Stockton Unified School District shall meet the requirements of Article 2 (commencing with Section 41320) of Chapter 3 of Part 24 of the Education Code, except that the Superintendent of Public Instruction shall make the apportionment to the district before the requirements of subdivisions (a), (b), (c), and (d) of Section 41320 of the Education Code have been met.

The Superintendent of Public Instruction shall comply with subdivision (d) of Section 41320 of the Education Code within 45 days after completion of the Controller's audit of the Stockton

Unified School District's 1981–82 budget.

By August 31, 1982, the district shall prepare contingency plans for repayment of the loan at levels of $2 million, $4 million and $6 million. The plans shall be submitted to the Superintendent of Public Instruction, the Joint Legislative Audit Committee, the Joint Legislative Budget Committee, and the Director of Finance.

(b) Notwithstanding subdivision (a) of Section 41320 of the Education Code, the Controller shall prepare the report on the financial and budgetary conditions of the district. The Controller shall also perform financial and compliance audits of the district in lieu of the requirements specified in Section 41020 of the Education Code, beginning with the 1980–81 fiscal year and including all subsequent fiscal years until the apportionment made pursuant to Section 4 of this act is repaid. The district shall reimburse the Controller for audits and reviews performed.

SEC. 6. The allocation made pursuant to Section 4 of this act shall be repaid in accordance with Section 41323 of the Education Code.

SEC. 7. The sum of two hundred and thirty thousand dollars ($230,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for allocation to the Konocti Unified School District. The appropriation made by this section shall be deemed to be an apportionment made pursuant to Section 41310 of the Education Code. The Superintendent of Public Instruction shall enter into a contract with the Konocti Unified School District for allocation and repayment of the appropriation made by this section pursuant to the provisions of subdivisions (a) to (d), inclusive, of Section 41320 and Sections 41321 to 41324, inclusive, of the Education Code.

SEC. 8. Due to the unique circumstances concerning the school districts subject to the provisions of Sections 4 and 7 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. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the orderly administration of the Stockton Unified School District and the Konocti Unified School District as soon as possible, and in order to clarify the procedures and policies involved in the suspension or expulsion of pupils at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 319

An act to add Sections 54915.5 and 54916.5 to the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. Section 54915.5 is added to the Government Code, to read:

54915.5. Notwithstanding the provisions of Section 54902, 54902.1, or 54903, the approval of any formation of a fire protection district by the voters at an election held on June 8, 1982, shall be effective for assessment and taxation purposes for the 1982–83 fiscal year if the required statements and map or plat are filed on or before July 15, 1982.

SEC. 2. Section 54916.5 is added to the Government Code, to read:

54916.5. Notwithstanding the provisions of Section 54902, 54902.1, or 54903, any county service area which is formed for the purpose of providing fire protection and emergency medical services, the formation of which is completed on March 3, 1982, shall be effective for assessment and taxation purposes for the 1982–83 fiscal year if the required statements and map or plat are filed on or before March 17, 1982.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

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

In order for certain special districts within San Diego County, which are proposed to be created on or before July 1, 1982, to take advantage of the provisions of this act, it is necessary for this act to take effect immediately.

CHAPTER 320

An act to amend Sections 50058, 50086, and 50190 of, to add Sections 50008, 50058.5, 50068.5, 50068.6, 50068.7, 50092.1, 50094, 50103.5, and 50104.6 to, and to add Part 6 (commencing with Section 52500) to Division 31 of, the Health and Safety Code, and to add Section 17203.5 to the Revenue and Taxation Code, relating to providing for the preparation, issuance, and sale of bonds of the State of California to create a fund for housing, and providing for the submission of the measure to a vote of the people, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. Section 50008 is added to the Health and Safety Code, to read:

50008. The Legislature finds and declares that a significantly growing percentage of newly formed households are unable to achieve homeownership under existing conditions, and that preservation and enhancement of opportunities for homeownership are beneficial to the well-being and prosperity of the people of the state and contribute materially to social and economic balance and to the stability of California's communities and of the state as a whole.

The Legislature also finds and declares that the problem of housing affordability facing the first-time home buyer presents serious implications for housing market activity and for economic growth in California since the first-time home buyer is critical to a healthy market for all Californians, as all Californians are materially inhibited in seeking needed adjustments to their housing needs if potential first-time home buyers cannot enter the market; and that the ability of California to generate activity to produce new jobs is limited by the lack of affordable housing with affordable financing for the persons who would fill such jobs.

It is, therefore, necessary to implement a program incorporating the elements of this division, added by the chapter of the Statutes of 1982 which enacted this section, and the provisions enacted by that chapter shall be liberally construed to effect their purposes.

SEC. 2. Section 50058 of the Health and Safety Code is amended to read:

50058. "Bonds" means bonds, notes (including bond anticipation notes and construction loan notes), debentures, interim or other certificates, or other evidences of financial indebtedness issued by the agency pursuant to Part 3 (commencing with Section 50900) or Part 6 (commencing with Section 52500).

SEC. 3. Section 50058.5 is added to the Health and Safety Code, to read:

50058.5. "Buy-down mortgage plan" is a program by which the effective interest cost to the purchaser of a real property is reduced below market rates through supplemental payments by the agency to a qualified mortgage lender in return for which the agency shall obtain from the purchaser an interest-bearing note secured by a subordinated mortgage on the property which is purchased.

SEC. 4. Section 50068.5 is added to the Health and Safety Code, to read:

50068.5. "First-time home buyer" means a person who is a purchaser of an owner-occupied housing unit and who neither has, nor has had, a present ownership in a principal residence at any time during the three-year period prior to the date on which the mortgage pursuant to this division is executed, except that this limitation shall not apply to a purchaser of a principal residence in a targeted area.

SEC. 5. Section 50068.6 is added to the Health and Safety Code, to read:

50068.6. "First-Time Home Buyers Fund" is a fund in the General Fund, distinguished from the California Housing Finance Fund, which is created by Section 52504.

SEC. 6. Section 50068.7 is added to the Health and Safety Code, to read:

50068.7. "First-Time Home Buyers Policy Committee" or "policy committee" is the committee which performs certain policy functions and makes certain policy determinations pursuant to Part 6 (commencing with Section 52500), and which is established pursuant to Section 52502.

SEC. 7. Section 50086 of the Health and Safety Code is amended to read:

50086. "Mortgage loan" means a long-term loan which is secured by a mortgage and is made for permanent financing, including refinancing of existing mortgage obligations as authorized by regulation of the agency, of a housing development in the state, or a buy-down mortgage loan secured by a mortgage as authorized by regulation of the agency, of an owner-occupied unit in this state.

SEC. 8. Section 50092.1 is added to the Health and Safety Code, to read:

50092.1. "Owner-occupied housing unit", for the purpose of Part 6 (commencing with Section 52500), means a single-family dwelling situated in California which is occupied by the owner, and includes a dwelling unit in a stock cooperative, as defined by Section 11003.2 of the Business and Professions Code, a community apartment project, as defined by Section 11004 of the Business and Professions Code, or a condominium project, as defined by subdivision (c) of Section 11004.5 of the Business and Professions Code.

SEC. 9. Section 50094 of the Health and Safety Code is amended to read:

50094. (a) Except as otherwise provided in subdivision (b), "qualified mortgage lender" means a mortgage lender certified by

the agency, pursuant to rules and regulations thereof, to do business with the agency or a housing authority certified by the agency as capable of financing the construction or rehabilitation of residential structures.

(b) "Qualified mortgage lender", as used in Part 6 (commencing with Section 52500), means a mortgage lender certified by the policy committee, pursuant to agency rules and regulations adopted by the policy committee, to do business with the agency as capable of financing the construction or purchase of dwellings.

(c) A qualified mortgage lender, as defined in subdivision (a) or (b), may be a bank or trust company, mortgage banker, federal- or state-chartered savings and loan association, service corporation, or other financial institution or governmental agency which is deemed capable of providing service or otherwise aiding in the financing of construction loans and mortgage loans, and nothing in any other provisions of state law shall prevent such a lender or governmental agency from serving as a qualified mortgage lender under this division. A "qualified mortgage lender" that is determined by the agency to have violated state law of the terms of any agreement with the agency shall be promptly decertified.

SEC. 10. Section 50103.5 is added to the Health and Safety Code, to read:

50103.5. "Statistical area" means an area established by action of the policy committee for purposes of determining the maximum acquisition costs for an owner-occupied housing unit to be financed pursuant to Part 6 (commencing with Section 52500). Such areas shall be any one of the following:

(a) A metropolitan area.

(b) A county which is not within a metropolitan area.

(c) A grouping of counties as determined by the policy committee, which are not within a metropolitan area, if insufficient recent statistical data exists for the purposes of this division for any county within such grouping.

SEC. 11. Section 50104.6 is added to the Health and Safety Code, to read:

50104.6. "Targeted area", for the purposes of Part 6 (commencing with Section 52500), means a census tract as designated by the United States Secretary of Commerce, in which 70 percent or more of the families have an income which is 80 percent or less of the statewide median family income, or is an area of economic distress as determined by the policy committee based on the criteria for establishing such areas contained in the second Section 6a. 103A-1 (b) (3) of Title 26 of the Code of Federal Regulations (See 46 FR 4315, dated July 1, 1981).

SEC. 11.5. Section 50190 of the Health and Safety Code is amended to read:

50190. One-third of the state ceiling shall be reserved for qualified mortgage bonds of state agencies and shall be allocated as follows: 3 percent shall be allocated for programs under the

California National Guard Members Revenue Bond Act of 1978, (Chapter 10 (commencing with Section 680) of Part 1 of Division 2 of the Military and Veterans Code), 6 percent shall be allocated to the Regents of the University of California Faculty Home Loan Program, 19 percent shall be allocated for programs under the Veterans Farm and Home Purchase Act of 1974 (Article 3.1 (commencing with Section 987.50) of Chapter 6 of Division 4 of the Military and Veterans Code), and 72 percent shall be allocated to the California Housing Finance Agency, for programs conducted pursuant to Part 3 (commencing with Section 50900) and Part 6 (commencing with Section 52500) of this division.

If in any year a state agency conducting a program or programs specified in this section determines it will be unable to utilize the full amount of the authority specified, it shall promptly notify the committee, which shall provide for reallocation to one or more of the state agencies for other programs specified in this section. If there is no other state agency able to use this bonding allocation, then it shall be allocated to local agencies in the manner provided in subdivision (b) of Section 50189.

SEC. 12. Part 6 (commencing with Section 52500) is added to Division 31 of the Health and Safety Code, to read:

PART 6. CALIFORNIA FIRST-TIME HOME BUYERS

CHAPTER 1. GENERAL PROVISIONS

52500. This part shall be known and may be cited as the Cal-First Home Buyers Act.

52501. This part shall be administered by the California Housing Finance Agency and all of the provisions of Part 3 (commencing with Section 50900) which are not inconsistent with the provisions of this part shall apply to the agency and its administration of this part.

52502. The First-Time Home Buyers Policy Committee is hereby created within the agency for the purpose of exercising those powers and responsibilities of the agency as specifically set forth in this division and, in the exercise of those powers and responsibilities, the acts of the policy committee shall be the acts of the agency.

The members of the policy committee shall be subject to the provisions of Part 3 (commencing with Section 50900) in the same manner as members of the board of directors of the agency.

52503. The policy committee is comprised of five voting members, including a chairperson. The members shall be:

(a) The State Treasurer, or his or her designee, who shall be the chairperson of the policy committee.

(b) The chairperson of the board appointed pursuant to Section 50901.

(c) The board member appointed by the Governor pursuant to subdivision (b) of Section 50902.

(d) Both of the board members appointed pursuant to

subdivisions (h) and (i) of Section 50902.

If the chairperson of the board and the person appointed to serve under subdivision (c) is the same individual, then the fifth voting member of the policy committee shall be the board member appointed by the Governor to the board pursuant to subdivision (d) of Section 50902.

If there is no person on the board appointed to serve under subdivision (c), the Governor shall appoint a person to the policy committee who would have qualified in that capacity and such appointee shall serve for a six-year term and shall be subject to confirmation by the Senate.

The Director of Finance and the executive director of the agency shall serve as nonvoting, ex officio members of the policy committee.

52504. The First-Time Home Buyers Fund is hereby created in the State Treasury. All money in the fund is hereby continuously appropriated to the agency for carrying out the purposes of this part, and the application of the fund shall be subject to the provisions of Section 51000, or other applicable provisions of law. 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 pursuant to this part, 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.

52505. In addition to the purposes of the agency provided in Sections 50154 and 50950, a purpose and role of the agency is to make financing opportunities available to first-time home buyers in this state, in the manner provided in this part.

52506. The agency shall have the power to adopt, and from time to time to amend and repeal, by action of the policy committee, rules and regulations, not inconsistent with the provisions of this part, to carry into effect the powers and purposes of the agency pursuant to this part and the conduct of its business. Rules and regulations of the agency shall be adopted, amended, repealed, and published in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

CHAPTER 2. BUY-DOWN MORTGAGE PLAN

52510. The agency may contract with qualified mortgage lenders with respect to mortgage loans qualified under this part to pay to such lenders, subject to the provisions of Section 52513, a sum of money as consideration for a reduction of the effective interest cost to the purchaser of an owner-occupied housing unit below market interest rates.

The buy-down mortgage program conducted under this part may be applicable to and include mortgage revenue bond financed

programs. With respect to mortgage revenue bond financed programs, "market interest rate" means the effective mortgage interest rate to the borrower without the buy-down authorized by this part.

52511. The agency may make commitments to qualified mortgage lenders to make contracts for buy-down mortgage plans which conform to this part.

The agency may require the payment to the agency of a commitment fee to cover agency costs in extending such commitments and associated administrative costs, except that the total of commitment fees pursuant to this section and the projected recovery of administrative costs pursuant to Sections 52512 and 52514 shall not exceed the costs reasonably expected, in a prudent manner, to be incurred by the agency in the implementation of this part.

Commitments shall be made by the agency, acting through the policy committee, in a manner to best serve the purposes of this part and the interests of the first-time home buyer in the various geographical areas of this state, in varying forms of ownership where feasible, and including purchase of previously occupied housing, existing but not previously occupied housing, and housing to be constructed (with preference to housing which can be marketable within three months of the date of the commitment).

52511.5. (a) At least 50 percent of the commitments shall be allocated for housing to be constructed, or existing but not previously occupied housing, provided (1) that at least 70 percent of that percentage shall be allocated for housing to be constructed, and (2) the percentages in this section may be adjusted by the policy committee if either S.B. 1862 or A.B. 3701, or both, of the 1981–82 Regular Session of the Legislature are enacted, but in no event shall the total number of commitments for units to be constructed, pursuant to this act, S.B. 1862, or A.B. 3701, or any combination thereof, be less than that provided by this section.

(b) If the agency does not obtain the minimum percentage of commitments for housing to be constructed or existing but not previously occupied housing, as required by this section, it shall reallocate the commitments for the purchase of previously occupied housing.

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

52512. The mortgage loan by a qualified mortgage lender for which a buy-down contract may be executed by the agency shall be in such form as determined by the regulations of the agency adopted by the policy committee. Such a loan shall be for a term of not less than six years or more than 30 years, but the repayments of principal and interest on such loan may be scheduled to provide for amortization in 30 years subject to a balloon payment at the end of the loan term. Such loan shall bear a fixed interest rate yield to the qualified mortgage lender which shall not exceed market interest as

determined under Section 50080, except that the interest charged to the borrower may be on a graduated payment schedule as authorized in Section 52513. A qualified mortgage lender may charge to the borrower such initiation fees, points, or other charges approved by the agency, by regulation adopted by the policy committee, or otherwise, which may include administrative costs for the agency.

Any such loan by a qualified mortgage lender shall not exceed 90 percent of the appraised value of the property under standards applicable to that lender. A qualified mortgage lender shall agree to notify the agency of any default on the loan. The agency assumes no responsibility to the qualified mortgage lender, except for the contracted payment for the buy-down.

52513. The terms of the contract with a qualified mortgage lender for the buy-down mortgage plan shall be established by regulations of the agency adopted by the policy committee. Payments to a qualified mortgage lender under such contract shall not exceed the capitalized cost to the lender of the difference between market interest and the effective interest rate to the borrower under the buy-down program, plus any reasonable and demonstrated administrative costs, and provision shall be made for return by that lender to the agency, for credit against the borrower's note obtained by the agency pursuant to Section 52514, of any sums used to purchase a buy-down of the effective interest to the borrower on the mortgage loan and which have been unearned by the lender by virtue of prepayment of the mortgage loan for any reason, prior to the termination of the buy-down period. The buy-down program shall not result in an effective interest rate to the borrower which is more than 5 percent below market interest and such effective rate to the borrower, or monthly payment by the borrower, shall be adjusted annually in equal increments until, at the end of the sixth year, it is equal to market interest as determined at the initiation of the loan, and may, as determined by regulations of the agency adopted by the policy committee, exceed market interest in ensuing years in such amount as is necessary to amortize the security interest of the agency as provided in Section 52514, if the agency determines pursuant to Section 52514 that the term of the note and security interest securing the agency's participation is extended beyond the sixth year.

52513.5. (a) If: (1) a loan executed pursuant to Section 52512 is for a term of less than 30 years or provides for a balloon payment; (2) the loan has not been prepaid in full or the property has not been sold or transferred prior to the maturity of the loan; and (3) the borrower is not in default; the lender shall offer or arrange for refinancing of the unpaid balance of the loan upon maturity and the balance of any note due the agency pursuant to Section 52514.

The refinancing may be provided directly by the lender or another mortgage lender, or the lender may arrange at the time of making the loan pursuant to Section 52512 for the refinancing to be provided

by a federally or state-chartered bank or savings and loan association doing business in this state or by a qualified mortgage banker. As used in this section "qualified mortgage banker" means a lender (1) meeting the criteria established by the Government National Mortgage Association for lenders selling over ten million dollars ($10,000,000) in mortgage loans to that organization annually, and (2) which either has conducted an ongoing business of mortgage lending in this state for not less than five years immediately preceding the making of the loan pursuant to Section 52512, or made over fifty million dollars ($50,000,000) in mortgage loans in this state during the 12 months immediately preceding the making of the loan pursuant to Section 52512. If a refinancing commitment is arranged by the lender upon the origination of the loan pursuant to Section 52512, this fact shall be fully and fairly disclosed to the borrower, a copy of the lender's contract with the bank, savings and loan association, or qualified mortgage banker making the commitment shall be supplied to the borrower at that time, and the contract shall be fully enforceable by the borrower as a third-party beneficiary thereto, but the lender shall not be a guarantor of the obligation of the bank, savings and loan association, or qualified mortgage banker to provide refinancing.

If the original lender is a federally or state-chartered bank or savings and loan association doing business in this state or a qualified mortgage banker, it may provide the refinancing commitment to the borrower required by this section. In this event, any loan executed pursuant to Section 53512 shall contain a provision, which is fully and fairly disclosed to the borrower, which provides that any assignees or successors in interest of the original lender shall not be guarantors of the refinancing obligation, in which event the original lender's refinancing commitment shall be fully enforceable by the borrower.

(b) The term of the loan for refinancing shall be established so that the borrower's repayment schedule provides for the final installment payment not less than 30 years from the date of origination of the loan pursuant to Section 52512. However, if loans at that duration are generally not available, within the meaning of subdivision (d), the lender or other obligor shall give the borrower a choice of any form of loan and maturity for that type of loan which is available at the time of refinancing, within the meaning of subdivision (d). The lender or other obligor shall inform the borrower of the types of loans and maturities available for refinancing under this section not less than 60 days prior to maturity of the loan executed pursuant to Section 52512.

(c) The interest rate for the refinancing loan shall not exceed rates generally available in the market for the type of loan instrument provided under subdivision (d) at the time of maturity of the loan pursuant to Section 52512. No loan origination fees shall be required of the borrower, either as prepaid interest or for processing services, as a condition of obtaining a refinancing loan pursuant to this section, but the borrower may be required to pay the

costs of obtaining a policy of title insurance in accordance with the lender's requirements. The refinancing loan need not be a fixed interest rate loan, unless that is the type of loan generally offered to, and utilized by, the public pursuant to subdivision (d).

(d) The refinancing loan may be any form of loan which, at the time of refinancing, is generally offered to, and utilized by the public, for financing housing similar to the borrower's by banks or savings and loan associations doing business in this state.

(e) The lender may require as a condition of the refinancing loan that it be secured by a deed of trust having a lien of first priority, and may require the borrower to submit a loan application, at least 60 days prior to the maturity of the loan made pursuant to Section 52512, including such information about the borrower and the security property as is ordinarily required of borrowers with respect to similar loans made by the lender and may impose qualifications on the borrower or property which are conventionally applied on similar loans on similar properties at that point in time.

52514. In consideration for the agency's contract, and performance of contract, to purchase a buy-down of the effective interest to the borrower on the mortgage loan, the agency shall obtain a note and deed of trust from the borrower under terms prescribed by regulations of the agency adopted by the policy committee. Such note and deed of trust shall be subordinate to the mortgage loan by a qualified mortgage lender executed pursuant to this part. The subordinate mortgage or deed of trust obtained by the agency under this section may, at the option of the agency exercised upon the initiation of such note and mortgage, provide that all amounts due and payable shall be paid at the end of the sixth year or shall be repaid on an amortized basis commencing with the seventh year and extending through the 30th year, or some term selected by the agency and provided in the initiating loan documents between the end of the sixth year and the end of the 30th year. The amount of the subordinate note and mortgage shall be equal to the contract amount advanced by the agency to the qualified mortgage lender to effect the buy-down, plus interest on those amounts at a rate calculated to cover the cost of funds to the agency for this program and administrative costs, less any amounts returned to the agency by the lender for the credit of the borrower pursuant to Section 52513, and shall be specified in the note and mortgage upon the initiation of that note and mortgage.

The agency may make and execute contracts with the qualified mortgage lender for the initiation or servicing of the subordinate mortgage loan. The agency may pay the reasonable value of services rendered to the agency pursuant to such contracts.

The notes and mortgages may be held or sold by the agency, or the agency may create pools of such loans, obligations, and participations held by the agency and may sell securities backed by such pools.

52514.5. All payments to the agency by the borrower on any note executed pursuant to Section 52514 shall be considered payments of

interest for the purposes of Section 17203 of the Revenue and Taxation Code.

52515. The real property to be purchased by the borrower on a mortgage loan pursuant to this part shall be an owner-occupied housing unit, the acquisition price of which does not exceed 90 percent of the average purchase price in the statistical area, except that such acquisition cost shall not exceed 110 percent of the average purchase price in a targeted area. The average purchase price means the purchase price determined by the agency, through action of the policy committee, for similar owner-occupied units. Such determinations shall be made not less often than annually for each statistical area and targeted area.

52516. The agency shall establish by regulation, adopted by the policy committee, standards for the eligibility of purchasers of housing subject to this part. Such individuals shall be first-time home buyers. Mortgages pursuant to this part cannot be used to acquire or replace an existing mortgage, except a mortgage which is security for a construction loan or a bridge loan or similar temporary initial financing. The purchaser shall be a resident of California. The qualified mortgage lender shall certify to the agency, in good faith, after prudent qualification of the purchaser that the purchaser is qualified under the provisions of this part. Section 51067 is not applicable to mortgage loans under this part.

52517. Notwithstanding any other provisions of this part, only mortgage loans are eligible for buy-down under the provisions of this part which are presently, or are expected to be, insured in whole or part by the Federal Housing Administration or guaranteed in whole or part by the United States Veterans Administration, the Farmers Home Administration of the United States Department of Agriculture, an agency of the state, by a private insuring entity authorized to engage in such business, or by any combination of the above, in percentages determined by the agency by regulation adopted by the policy committee.

52518. Notwithstanding the provisions of Section 711 of the Civil Code, the agency shall not permit the assumption of the obligation under any note or mortgage securing the interest of the agency pursuant to Section 52514, by a subsequent ineligible purchaser or transferee of the prior borrower. If the subsequent purchaser or transferee does not meet the eligibility requirements of this part, the agency shall require acceleration of repayment of the principal balance of the loan to be all due and payable upon the sale or transfer of the property. For purposes of determining eligibility, the limits on acquisition price, as specified in Section 52515, shall be determined at the time of the proposed assumption.

52519. The agency may renegotiate, refinance, foreclose, or contract for the foreclosure of any mortgage executed pursuant to Section 52514 which is in default, and may waive any default or consent to the modification of the terms of any mortgage. With respect to mortgage loans made pursuant to this part, the agency

shall require that mortgage servicing and foreclosure practices, including forebearance and recasting of mortgages in default, conform to agency regulations.

The agency may commence any action to protect or enforce any right conferred upon it by any law, mortgage, contract, or other agreement, and may bid for and purchase property sold in satisfaction thereof at any foreclosure or other sale or may otherwise acquire and take possession of such property. In connection with any such proceeding, the agency may assume any underlying mortgage held by a qualified mortgage lender or may, as necessary to acquire and take possession of such property, pay any note in order to remove any prior encumbrance. Subject to any agreement with bondholders, the agency may operate, manage, lease, dispose of, and otherwise deal with such property in such manner as may be necessary to protect the interest of the agency and the holders of its bonds.

CHAPTER 3. FIRST-TIME HOME BUYERS BOND ACT OF 1982

52525. This chapter shall be known and may be cited as the First-Time Home Buyers Bond Act of 1982.

52526. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter.

52527. The First-Time Home Buyers Finance Committee is hereby created. The committee shall consist of the Governor, the Controller, the State Treasurer, the Director of Finance, and the Chairperson of the First-Time Home Buyers Policy Committee. The State Treasurer shall serve as chairperson of the committee. Such committee shall be the "committee," as that term is used in the State General Obligation Bond Law. The Board of Directors of the California Housing Finance Agency shall be the "board," as that term is used in the State General Obligation Bond Law.

52528. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate of two hundred million dollars ($200,000,000), in the manner provided in this chapter. Such debt or debts, liability or liabilities, shall be created for the purpose of providing the funds to be used for the purposes specified in Section 52505 and shall be deposited in the First-Time Home Buyers Fund created pursuant to Section 52504.

52529. The committee, upon the request of the board stating the purposes for which the bonds are proposed to be used and the amount of the proposed issuance, shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter, and if so, the amount of bonds then to be issued and sold. The committee may authorize the State Treasurer to sell all or any

part of the bonds herein authorized at such time or times as may be fixed by the State Treasurer.

52529.5. Notwithstanding the provisions of Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the policy committee may, whenever it deems it necessary to effectuate the provisions of this part or to conduct an effective sale, authorize the state treasurer to sell any issue of bonds under either, or both, of the following conditions:

(a) With interest payments to be made less frequently than semi-annually, and an initial interest payment later than one year after the date of the bonds, if such interest payment date shall not be later than the maturity date of the bonds and is fixed to coincide, as nearly as the committee may deem to be practicable, with the dates and amounts of the estimated revenues estimated to accrue to the fund pursuant to this part.

(b) At less than the par value thereof if necessary to an effective sale, but the discount pursuant to this subdivision shall not exceed 6 percent of the par value thereof.

52530. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

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

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

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

52531. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter such an amount as will equal the following:

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

(b) Such sum as is necessary to carry out the provisions of Section 52532, which sum is appropriated without regard to fiscal years.

52532. For the purpose of carrying out the provisions of this chapter, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the committee in accordance with this chapter. Any money made available under this section to the First-Time Home Buyers Fund shall be returned by the First-Time Home Buyers Fund to the General Fund from repayments received from the first-time home buyers. Such withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by such sums in the Pooled Money Investment Fund.

52533. Money in the First-Time Home Buyers Fund may only be expended for projects specified in this chapter.

SEC. 13. Chapter 3 (commencing with Section 52525) of Part 6 of Division 31 of the Health and Safety Code, as added by Section 12 of this act, shall take effect upon the adoption by the people of California of the First-Time Home Buyers Bond Act of 1982, as set forth in that chapter.

SEC. 14. Except as otherwise provided in this act, all of the provisions of law relating to the submission of measures and bond acts proposed by the Legislature shall apply to the measure submitted pursuant to this act.

SEC. 15. Notwithstanding any provision of law including Section 3525 of the Elections Code, if this act is chaptered on or before July 11, 1982, Chapter 3 (commencing with Section 52525) of Part 6 of Division 31 of the Health and Safety Code, as added by Section 12 of this act shall be submitted to the voters at the November 2, 1982, statewide election, pursuant to provisions of the Elections Code governing submission of statewide measures to the voters at a statewide election. If this act is chaptered after July 11, 1982, the provisions of Chapter 3 (commencing with Section 52525) of Part 6 of Division 31 of the Health and Safety Code, as added by Section 12 of this act, shall be submitted to the voters at the first statewide election occurring after 131 days after this act is chaptered, in accordance with Section 3525 of the Elections Code.

SEC. 16. Notwithstanding any other provision of law, all ballots at such election shall have printed thereon and in a square thereof, the words: "For the First-Time Home Buyers Bond Act of 1982" and in the same square under such words the following in 8-point type: "This act provides for a bond issue of two hundred million dollars ($200,000,000) to provide funds for financing housing." In the square immediately below the square containing such words, there shall be printed on such ballot the words, "Against the First-Time Home Buyers Bond Act of 1982," and in the same square immediately below such words, in 8-point type shall be printed "This act provides for a bond issue of two hundred million dollars ($200,000,000) to provide

funds for financing housing." Opposite the words "For the First-Time Home Buyers Bond Act of 1982," and "Against the First-Time Home Buyers Bond Act of 1982," there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against such act, and those voting for such act shall do so by placing a cross opposite the words, "For the First-Time Home Buyers Bond Act of 1982," and those voting against the act shall do so by placing a cross opposite the words, "Against the First-Time Home Buyers Bond Act of 1982," provided, that where the voting of such election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, such use of such voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section. The Governor of this state shall include the submission of this act to the people, as aforesaid, in his proclamation for such election.

SEC. 17. 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. 18. Section 17203.5 is added to the Revenue and Taxation Code, to read:

17203.5. Payments made to the California Housing Finance Agency by the borrower pursuant to Section 52514 of the Health and Safety Code shall be considered payments of interest as provided in Section 17203.

SEC. 19. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to lend money for financing the purchase of homes by first-time home buyers, it is necessary that this act take effect immediately.

CHAPTER 321

An act to amend Section 99260.7 of, and to repeal and add Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of, the Public Utilities Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. Section 99260.7 of the Public Utilities Code is amended to read:

99260.7. In order to provide, or to contract to provide, transportation services using vehicles for the exclusive use of elderly or handicapped persons, 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 also file a claim under this article and may also file a claim for funds made available pursuant to Section 99313.

SEC. 2. Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code is repealed.

SEC. 3. Article 6.5 (commencing with Section 99310) is added to Chapter 4 of Part 11 of Division 10 of the Public Utilities Code, to read:

Article 6.5. Transportation Planning and Development Account

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 is a reference to the Transportation Planning and Development Account.

99310.5. The funds in the account shall be available, when appropriated by the Legislature, for transportation purposes as specified.

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.

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.

99312. The funds transferred to the account pursuant to paragraph (1) of subdivision (a) of Section 7102 of the Revenue and Taxation Code shall be appropriated by the Legislature, as follows:

(a) To the secretary, 42 percent for allocation to transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board for purposes of Section 99313.

(b) To the secretary, 18 percent for allocation to transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board pursuant to Section 99314.

(c) The remaining amount for public transportation purposes pursuant to Section 99315.

99312.5. (a) In the case of a transportation planning agency with county transportation commissions within its area of jurisdiction, the allocations pursuant to Sections 99313 and 99314 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 allocations pursuant to Sections 99313 and 99314 to the transportation planning agency shall be determined by excluding the area also under the jurisdiction of the transit development board.

99312.7. Not later than each January 10th, the secretary shall send to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, an estimate of the amount of funds to be allocated to it during the next fiscal year pursuant to Sections 99313 and 99314.

Not later than each August 1st, on the basis of the amount appropriated in the Budget Act for purposes of Sections 99313 and 99314, the secretary shall send to each of the entities an estimate of the amount of funds to be allocated to it during the fiscal year.

99313. From the funds made available pursuant to subdivision (a) of Section 99312, an amount shall be allocated by the secretary to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, based on the ratio of the population of the area under its jurisdiction to the total population of the state.

99313.3. The amount received by each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, pursuant to Section 99313 shall be allocated for public transportation purposes, except in a county with a population of less than 500,000, as determined by the 1970 federal decennial census, or with 4,500 miles of maintained county roads as of 1970, the amount may be allocated, in whole or in part, for street and road purposes.

99313.6. 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 it pursuant to Section 99313 for allocations to operators, and to counties and cities for purposes specified in Section 99400, within the area on which its allocation was determined.

99314. (a) From funds made available pursuant to subdivision (b) of Section 99312, an amount shall be allocated by the secretary to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, based on the ratio of the total revenue of all the operators in the area under its jurisdiction during the prior fiscal year to the total revenue of all the operators in the state during the prior fiscal year.

(b) For purposes of this section and Section 99314.3, "revenue" means fare revenues and any other funds used by the operator for its transit operation, except federal and state funds which may only be used for transportation purposes and funds allocated pursuant to Section 99233. The revenue amount for each operator shall be determined from the annual report submitted to the Legislature by the Controller pursuant to Section 99243.5.

99314.3. (a) The amount received by each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, pursuant to Section 99314 shall be allocated to the operators in the area of its jurisdiction.

(b) The amount allocated to each operator pursuant to this section shall be based on the ratio of its revenue during the prior fiscal year to the total revenue of all the operators during the prior fiscal year within the area of jurisdiction of the allocating agency, commission, or board, as the case may be.

(c) For purposes of subdivision (a), the City and County of San Francisco with respect to its municipal railway system, the Alameda-Contra Costa Transit District, and the San Francisco Bay Area Rapid Transit District shall be considered one operator. The amount allocated to them as one operator shall be apportioned to each of them based on the ratio of its revenue to the sum of their revenues, excluding from the determination of that ratio the amount allocated to each of them pursuant to Section 29142.2.

99314.5. (a) No funds allocated pursuant to Section 99313.3 or 99314.3 shall be allocated to an operator unless (1) it is eligible for allocations under Article 4 (commencing with Section 99260), without considering any funds to be allocated to it pursuant to those sections, and (2) it is receiving the maximum allocation allowable under that article or, if it is in a county in which funds may be allocated for purposes specified in Section 99400, it is receiving not less than the amount it received during the prior fiscal year or during the 1979–80 fiscal year, whichever amount is greater.

(b) No funds allocated pursuant to Section 99313.3 shall be allocated 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 those purposes, without considering any funds to be allocated to it pursuant to that section, and unless it is receiving not less than the amount it received during the prior fiscal year or during the 1979–80 fiscal year, whichever amount is greater, for those purposes.

(c) 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 June 28, 1979, from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license and if the operator is in compliance with Section 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, or 99268.9, whichever is applicable to it. No person who was a full-time employee of an operator, on June 28, 1979, 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 those common carriers.

(d) 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 reductions in federal operating assistance and 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.

99315. Funds made available pursuant to subdivision (c) of Section 99312, shall be available for all of the following:

(a) The purposes of Section 99315.5.

(b) The purposes of bus and passenger rail services pursuant to Sections 14035, 14035.5, and 14038 of the Government Code.

(c) Funding of transit capital improvement projects specified in Section 99317.

99315.5. From the funds made available pursuant to subdivision (a) of Section 99315, an amount shall be appropriated for each of 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.

(d) To the Public Utilities Commission for its passenger rail responsibilities specified in statute.

99316. Funds made available pursuant to subdivision (b) of Section 99315 shall be appropriated to the department for allocation, as directed by the commission, for purposes of bus and passenger rail

services pursuant to Sections 14035, 14035.5, and 14038 of the Government Code.

99317. Funds made available pursuant to subdivision (c) of Section 99315 shall be appropriated to the department for allocation, as directed by the commission, to fund the following types of transit capital improvement projects:

(a) Abandoned railroad rights-of-way acquisition.

(b) Bus rehabilitation.

(c) Exclusive public mass transit guideways and rolling stocks.

(d) Grade separations.

(e) Interface facilities of various transportation modes.

99317.2. Funds made available pursuant to subdivision (a) of Section 99317 shall be allocated for the acquisition of only those rights-of-way of abandoned railroad lines that can be developed for busway or exclusive public mass transit guideway projects.

99317.4. Funds made available pursuant to subdivision (b) of Section 99317 shall be allocated to operators for the acquisition and rehabilitation of used or debilitated buses to extend their service life.

Section 4500 of the Government Code does not apply to any bus rehabilitated pursuant to this section if, prior to rehabilitation, the bus did not conform to that section.

99317.6. Funds made available pursuant to subdivision (c) of Section 99317 shall be allocated to the department, 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, for public mass transit guideways and rolling stock.

99317.8. Funds made available pursuant to subdivision (d) of Section 99317 shall be allocated for grade separation projects on only those railroad lines over which four or more railroad passenger trains operate daily, but only if the affected railroad corporation contributes funds to finance each grade separation project in an amount at least equal to 5 percent of the cost of the project.

99318. (a) The department and other public entities may submit applications to the department for allocations for transit capital improvement projects specified in Section 99317 from funds made available pursuant to subdivision (c) of Section 99312.

(b) The department shall evaluate the applications in accordance with criteria and procedures adopted by the commission and shall submit the applications and its recommendations thereon to the commission not later than February 1.

(c) The commission shall adopt criteria and procedures to be followed by the department in evaluating the applications.

99318.2. (a) Not later than March 1, the commission shall hold public hearings on the applications received from the department.

(b) Not later than April 1, the commission shall adopt a priority list of those applications it approves and submit that list, and recommend the amount necessary to fund that list pursuant to

subdivision (c) of Section 99312, to the Legislature.

(c) Allocations to fund the applications shall be made on the basis of the adopted priority list.

99318.4. (a) Funds shall be allocated for a transit capital improvement project in an amount not exceeding that which can be encumbered within three years after allocation by the department.

(b) Funds not encumbered within the three-year period shall revert to the account.

99318.6. The department shall not accept an application unless the public entity, other than the department, submitting the application states in the application that it will contribute funds to finance the project in an amount at least equal to 10 percent of the cost of the project.

99319. (a) Each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, shall create a unified transportation fund to deposit the funds allocated to it pursuant to paragraph (3) of subdivision (a) of Section 7102 of the Revenue and Taxation Code. The funds shall be reallocated to operators and to counties and cities for street and highway and public transportation purposes. Funds allocated under this section for public transportation purposes shall be subject to the requirements of this chapter applicable to local transportation funds.

(b) Upon appropriation by the Legislature of the funds transferred to the account pursuant to paragraph (3) of subdivision (a) of Section 7102 of the Revenue and Taxation Code, the secretary shall allocate, based on the ratio of the population of the area to the total state population, the funds to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, for reallocation for public transportation purposes and streets and highway purposes.

99319.5. Any facility or equipment, which is 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. 4. There is hereby appropriated to the Secretary of the Business, Transportation and Housing Agency from the Transportation Planning and Development Account in the State Transportation Fund, the sum of one hundred ninety-three million dollars ($193,000,000) for allocation in the 1982–83 and 1983-84 fiscal years pursuant to the following sections of the Public Utilities Code:

(a) Section 99313

Fiscal year 1982–83	$63,000,000
Fiscal year 1983–84	$72,000,000

(b) Section 99314

Fiscal year 1982–83	$27,000,000
Fiscal year 1983–84	$31,000,000

SEC. 5. Notwithstanding Section 16304 of the Government Code, the money in any state transit assistance fund which was allocated by the Secretary of the Business, Transportation and Housing Agency pursuant to former Section 99313.5 of the Public Utilities Code from funds appropriated to the secretary pursuant to Section 71 of Chapter 161 of the Statutes of 1979, and which is available for expenditure in a county where funds may be allocated from its local transportation fund for street and road purposes under the Mills-Alquist-Deddeh Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code), may be encumbered for street and road purposes until July 1, 1984.

SEC. 6. Sections 1, 2, 3, and 4 of this act shall become operative on July 1, 1982.

SEC. 7. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the reallocations of transportation funds and the appropriation for the 1982–1983 fiscal year in this act may take effect at the beginning of the fiscal year to prevent, to the maximum extent possible, disruptions in transportation financial planning, it is necessary that this act take effect immediately.

CHAPTER 322

An act to amend Section 99260.7 of, and to repeal and add Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of, the Public Utilities Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. Section 99260.7 of the Public Utilities Code is amended to read:

99260.7. In order to provide, or to contract to provide,

transportation services using vehicles for the exclusive use of elderly or handicapped persons, 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 also file a claim under this article and may also file a claim for funds made available pursuant to Section 99313.

SEC. 2. Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code is repealed.

SEC. 3. Article 6.5 (commencing with Section 99310) is added to Chapter 4 of Part 11 of Division 10 of the Public Utilities Code, to read:

Article 6.5. Transportation Planning and Development Account

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 is a reference to the Transportation Planning and Development Account.

99310.5. The funds in the account shall be available, when appropriated by the Legislature, for transportation purposes as specified.

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.

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.

99312. The funds transferred to the account pursuant to paragraph (1) of subdivision (a) of Section 7102 of the Revenue and Taxation Code shall be appropriated by the Legislature, as follows:

(a) To the secretary, 42 percent for allocation to transportation planning agencies, county transportation commissions, and the San

Diego Metropolitan Transit Development Board for purposes of Section 99313.

(b) To the secretary, 18 percent for allocation to transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board pursuant to Section 99314.

(c) The remaining amount for public transportation purposes pursuant to Section 99315.

99312.5. (a) In the case of a transportation planning agency with county transportation commissions within its area of jurisdiction, the allocations pursuant to Sections 99313 and 99314 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 allocations pursuant to Sections 99313 and 99314 to the transportation planning agency shall be determined by excluding the area also under the jurisdiction of the transit development board.

99312.7. Not later than each January 10th, the secretary shall send to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, an estimate of the amount of funds to be allocated to it during the next fiscal year pursuant to Sections 99313 and 99314.

Not later than each August 1st, on the basis of the amount appropriated in the Budget Act for purposes of Sections 99313 and 99314, the secretary shall send to each of the entities an estimate of the amount of funds to be allocated to it during the fiscal year.

99313. From the funds made available pursuant to subdivision (a) of Section 99312, an amount shall be allocated by the secretary to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, based on the ratio of the population of the area under its jurisdiction to the total population of the state.

99313.3. The amount received by each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, pursuant to Section 99313 shall be allocated for public transportation purposes, except in a county with a population of less than 500,000, as determined by the 1970 federal decennial census, or with 4,500 miles of maintained county roads as of 1970, the amount may be allocated, in whole or in part, for street and road purposes.

99313.6. Each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, shall create a state transit assistance fund and deposit therein the funds allocated it pursuant to Section 99313 for allocations to operators, and to counties and cities for purposes specified in Section 99400, within the area on which its allocation was determined.

99314. (a) From funds made available pursuant to subdivision (b) of Section 99312, an amount shall be allocated by the secretary to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, based on the ratio of the total revenue of all the operators in the area under its jurisdiction during the prior fiscal year to the total revenue of all the operators in the state during the prior fiscal year.

(b) For purposes of this section and Section 99314.3, "revenue" means fare revenues and any other funds used by the operator for its transit operation, except federal and state funds which may only be used for transportation purposes and funds allocated pursuant to Section 99233. The revenue amount for each operator shall be determined from the annual report submitted to the Legislature by the Controller pursuant to Section 99243.5.

99314.3. (a) The amount received by each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Board, pursuant to Section 99314 shall be allocated to the operators in the area of its jurisdiction.

(b) The amount allocated to each operator pursuant to this section shall be based on the ratio of its revenue during the prior fiscal year to the total revenue of all the operators during the prior fiscal year within the area of jurisdiction of the allocating agency, commission, or board, as the case may be.

(c) For purposes of subdivision (a), the City and County of San Francisco with respect to its municipal railway system, the Alameda-Contra Costa Transit District, and the San Francisco Bay Area Rapid Transit District shall be considered one operator. The amount allocated to them as one operator shall be apportioned to each of them based on the ratio of its revenue to the sum of their revenues, excluding from the determination of that ratio the amount allocated to each of them pursuant to Section 29142.2.

99314.5. (a) No funds allocated pursuant to Section 99313.3 or 99314.3 shall be allocated to an operator unless (1) it is eligible for allocations under Article 4 (commencing with Section 99260), without considering any funds to be allocated to it pursuant to those sections, and (2) it is receiving the maximum allocation allowable under that article or, if it is in a county in which funds may be allocated for purposes specified in Section 99400, it is receiving not less than the amount it received during the prior fiscal year or during the 1979–80 fiscal year, whichever amount is greater.

(b) No funds allocated pursuant to Section 99313.3 shall be allocated 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 those purposes, without considering any funds to be allocated to it pursuant to that section, and unless it is receiving not less than the amount it received during the prior fiscal year or during the 1979–80 fiscal year, whichever amount is greater, for those purposes.

(c) 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 June 28, 1979, from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license and if the operator is in compliance with Section 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, or 99268.9, whichever is applicable to it. No person who was a full-time employee of an operator on June 28, 1979, 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 those common carriers.

(d) 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 reductions in federal operating assistance and 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.

99315. Funds made available pursuant to subdivision (c) of Section 99312, shall be available for all of the following:

(a) The purposes of Section 99315.5.

(b) The purposes of bus and passenger rail services pursuant to Sections 14035, 14035.5, and 14038 of the Government Code.

(c) Funding of transit capital improvement projects specified in Section 99317.

99315.5. From the funds made available pursuant to subdivision (a) of Section 99315, an amount shall be appropriated for each of 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.

(d) To the Public Utilities Commission for its passenger rail responsibilities specified in statute.

99316. Funds made available pursuant to subdivision (b) of Section 99315 shall be appropriated to the department for allocation, as directed by the commission, for purposes of bus and passenger rail services pursuant to Sections 14035, 14035.5, and 14038 of the Government Code.

99317. Funds made available pursuant to subdivision (c) of Section 99315 shall be appropriated to the department for allocation, as directed by the commission, to fund the following types of transit capital improvement projects:

(a) Abandoned railroad rights-of-way acquisition.
(b) Bus rehabilitation.
(c) Exclusive public mass transit guideways and rolling stocks.
(d) Grade separations.
(e) Interface facilities of various transportation modes.

99317.2. Funds made available pursuant to subdivision (a) of Section 99317 shall be allocated for the acquisition of only those rights-of-way of abandoned railroad lines that can be developed for busway or exclusive public mass transit guideway projects.

99317.4. Funds made available pursuant to subdivision (b) of Section 99317 shall be allocated to operators for the acquisition and rehabilitation of used or debilitated buses to extend their service life.

Section 4500 of the Government Code does not apply to any bus rehabilitated pursuant to this section if, prior to rehabilitation, the bus did not conform to that section.

99317.6. Funds made available pursuant to subdivision (c) of Section 99317 shall be allocated to the department, 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, for public mass transit guideways and rolling stock.

99317.8. Funds made available pursuant to subdivision (d) of Section 99317 shall be allocated for grade separation projects on only those railroad lines over which four or more railroad passenger trains operate daily, but only if the affected railroad corporation contributes funds to finance each grade separation project in an amount at least equal to 5 percent of the cost of the project.

99318. (a) The department and other public entities may submit applications to the department for allocations for transit capital improvement projects specified in Section 99317 from funds made available pursuant to subdivision (c) of Section 99312.

(b) The department shall evaluate the applications in accordance with criteria and procedures adopted by the commission and shall submit the applications and its recommendations thereon to the commission not later than February 1.

(c) The commission shall adopt criteria and procedures to be followed by the department in evaluating the applications.

99318.2. (a) Not later than March 1, the commission shall hold public hearings on the applications received from the department.

(b) Not later than April 1, the commission shall adopt a priority list of those applications it approves and submit that list, and recommend the amount necessary to fund that list pursuant to subdivision (c) of Section 99312, to the Legislature.

(c) Allocations to fund the applications shall be made on the basis of the adopted priority list.

99318.4. (a) Funds shall be allocated for a transit capital improvement project in an amount not exceeding that which can be encumbered within three years after allocation by the commission.

(b) Funds not encumbered within the three-year period shall revert to the account.

99318.6. The department shall not accept an application unless the public entity, other than the department, submitting the application states in the application that it will contribute funds to finance the project in an amount at least equal to 10 percent of the amount requested on the application for the project.

99319. (a) Each transportation planning agency and each county transportation commission, and the San Diego Metropolitan Transit Development Board, shall create a unified transportation fund to deposit the funds allocated to it pursuant to paragraph (3) of subdivision (a) of Section 7102 of the Revenue and Taxation Code. The funds shall be reallocated to operators and to counties and cities for street and highway and public transportation purposes. Funds allocated under this section for public transportation purposes shall be subject to the requirements of this chapter applicable to local transportation funds.

(b) Upon appropriation by the Legislature of the funds transferred to the account pursuant to paragraph (3) of subdivision (a) of Section 7102 of the Revenue and Taxation Code, the secretary shall allocate, based on the ratio of the population of the area to the total state population, the funds to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, for reallocation for public transportation purposes and streets and highway purposes.

99319.5. Any facility or equipment, which is 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. 4. There is hereby appropriated to the Secretary of the Business, Transportation and Housing Agency from the Transportation Planning and Development Account in the State Transportation Fund, the sum of one hundred ninety-three million dollars ($193,000,000) for allocation in the 1982–83 and 1983–84 fiscal years pursuant to the following sections of the Public Utilities Code:

(a) Section 99313	
Fiscal year 1982–83	$63,000,000
Fiscal year 1983–84	$72,000,000
(b) Section 99314	
Fiscal year 1982–83	$27,000,000
Fiscal year 1983–84	$31,000,000

SEC. 5. Notwithstanding Section 16304 of the Government Code, the money in any state transit assistance fund which was allocated by the Secretary of the Business, Transportation and Housing Agency

pursuant to former Section 99313.5 of the Public Utilities Code from funds appropriated to the secretary pursuant to Section 71 of Chapter 161 of the Statutes of 1979, and which is available for expenditure in a county where funds may be allocated from its local transportation fund for street and road purposes under the Mills-Alquist-Deddeh Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code), may be encumbered for street and road purposes until July 1, 1984.

SEC. 6. Sections 1, 2, 3, and 4 of this act shall become operative on July 1, 1982.

SEC. 7. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 8. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

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

In order that the reallocations of transportation funds and the appropriation for the 1982–1983 fiscal year in this act may take effect at the beginning of the fiscal year to prevent, to the maximum extent possible, disruptions in transportation financial planning, it is necessary that this act take effect immediately.

CHAPTER 323

An act to amend Sections 74604 and 74607 of the Government Code, relating to courts.

[Became law without Governor's signature. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. Section 74604 of the Government Code is amended to read:

74604. There shall be one clerk of the court known as the clerk-administrator who shall be appointed by the presiding judge and who shall hold office at his pleasure. He shall receive an annual salary of thirty-four thousand nine hundred sixty-five dollars

($34,965). In addition to any other duties imposed upon him by law, at the direction of the presiding judge, the clerk-administrator shall have the following duties:

(a) To direct and coordinate the nonjudicial activities of the court.

(b) To coordinate the personnel practices in compliance with rules of the court.

(c) To prepare and administer the budget of the court.

(d) To coordinate with other county agencies the acquisition, utilization, maintenance and disposition of county facilities, equipment and supplies necessary for operation of the court.

(e) To initiate studies and prepare appropriate recommendations and reports to the presiding judge relating to the business of the court, including, but not limited to, such matters as standardization of forms, procedures, and classification and compensation of officers and employees.

(f) 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.

(g) To serve as liaison for the court with other persons, committees, boards, groups, and associations as directed by the presiding judge.

SEC. 2. Section 74607 of the Government Code is amended to read:

74607. The presiding judge of the court may appoint:

(a) Five municipal court clerks IV, each of whom shall receive a monthly salary at a rate specified in range 0714.

(b) One accounting technician, who shall receive a monthly salary at a rate specified in range 0668.

(c) Four municipal court clerks III, each of whom shall receive a monthly salary at a rate specified in range 0655.

(d) One account clerk, who shall receive a monthly salary at a rate specified in range 0533.

(e) Nine municipal court clerks II, each of whom shall receive a monthly salary at a rate specified in range 0582.

(f) Eighteen municipal court clerks I, each of whom shall receive a monthly salary at a rate specified in range 0508.

(g) One assistant clerk-administrator, who shall receive a monthly salary at a rate specified in range 1016.

(h) Two data entry operators I, who shall receive a monthly salary specified in range 0539.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 324

An act to add and repeal Section 4651.5 of the Public Resources Code, relating to state forests, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. This act shall be known and may be cited as the Forest Industry Employment Relief Act of 1983.

SEC. 2. The Legislature finds that adverse economic conditions have disrupted the harvesting, manufacturing, and marketing of forest products in the state in ways that impair the ability of state government to protect, develop, and utilize the resources of the state forests. The Legislature further finds and declares that relief to purchasers of timber from state forests is necessary to the end that (1) these purchasers may sustain and increase their workforces and lessen costs to the state that would otherwise arise from employment security and human services programs, and that (2) state and local revenues may be increased as a result of employment and economic activity.

SEC. 3. (a) Notwithstanding any other provision of law, the expiration date of all contracts for the sale of timber from state forests pursuant to Section 4650 of the Public Resources Code which were awarded during calendar years 1979, 1980, and 1981, and which, by their original terms or any extensions that may have been granted thereto, were in effect on June 15, 1982, at the request of the purchaser, shall be extended through October 31, 1983, if the purchaser furnishes an adequate performance bond for the contract through October 31, 1983.

The purchaser under the contract shall have until 15 days after the effective date of this act to submit a request to the Director of the Department of Forestry for an extension of the contract.

(b) Timber harvested pursuant to an extended contract shall be paid for according to the following discounted payment schedule:

(1) Timber harvested from June 15, 1982, to December 31, 1982, inclusive, shall be paid for at 50 percent of the bid price specified in the contract.

(2) Timber harvested from January 1, 1983, to June 30, 1983, inclusive, shall be paid for at 70 percent of the bid price specified in the contract.

(3) Timber harvested from July 1, 1983, to October 31, 1983, inclusive, shall be paid for at 80 percent of the bid price specified in the contract.

(c) Notwithstanding subdivision (b), all advance stumpage payments received by the department before June 15, 1982, shall be

applied to harvested timber at the bid price. The payment schedule specified in subdivision (b) shall not apply to any contract with respect to which any penalty or interest has accrued, until such time as the penalty and interest, both, have been paid in full in cash or in another manner satisfactory to the director.

(d) Any penalty or interest payments, or both, which have accrued prior to June 15, 1982, and which have not been paid when due, shall bear interest to and including June 15, 1982, at the rate authorized by law. Any penalty or interest payments, or both, which have accrued prior to June 15, 1982, and which have not been paid when due shall bear interest after June 15, 1982, at the rate of 15 percent per annum until paid. Notwithstanding any provision of any contract extension granted prior to the effective date of this act to the contrary, no penalty or interest payment otherwise provided by that extension shall accrue between June 15, 1982, and October 31, 1983. This subdivision shall not prohibit the director from imposing any penalty or interest payment provided by law in the event there is default of payment due for timber harvested after June 15, 1982.

(e) Any bid deposit which has been received by the department pursuant to any extended contract shall be applied to the final payment of the sale of timber at the applicable payment schedule specified in subdivision (b).

(f) Any bid deposit which has been received by the department pursuant to any extended contract before June 15, 1982, is available for expenditure, when appropriated by the Legislature, during the fiscal year in which it is received or in any subsequent fiscal year during which the contract is in effect.

(g) The purchaser of timber pursuant to any contract specified in subdivision (a) shall not be required to harvest any volume of timber in an amount greater than the volume of timber estimated in the advertisement for bid for that contract.

(h) For purposes of this act, timber shall be deemed harvested at the time the logs are removed and scaled.

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

In order to minimize unemployment and economic hardship in areas of the state which are experiencing high unemployment and extraordinary disruptions in the forest products industry at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 325

An act to amend, repeal, and add Sections 11401.1 and 11404 to, and to add and repeal Sections 11401.3, 11404.2, and 16508.2 of, the Welfare and Institutions Code, relating to aid to families with dependent children, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1982. Filed with Secretary of State June 29, 1982.]

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

SECTION 1. The Legislature finds that county mental health departments make referrals to county welfare departments for out-of-home placement for children who are severely emotionally disturbed, with such placements funded by the AFDC-FC program, and that the mental health departments cooperate with county welfare departments in planning for the treatment needs of such children.

It is the Legislature's intent that such cooperation between the county welfare departments and the county mental health departments continue and not be a new state mandate so long as Sections 2 and 5 of this act remain in effect.

SEC. 2. Section 11401.1 of the Welfare and Institutions Code is amended to read:

11401.1. (a) Otherwise eligible children placed voluntarily prior to January 1, 1981, may remain eligible for AFDC-FC payments.

(b) Except as provided in subdivision (c), beginning on January 1, 1982, AFDC-FC payments for children placed voluntarily on or after January 1, 1981, shall be limited to a period of up to six months under conditions specified by departmental regulations.

(c) The six-month limit shall not apply to payments for a child when all of the following criteria are met:

(1) The county welfare department has received a mental health assessment by a qualified mental health professional which:

(A) Documents that all appropriate efforts were made to treat the child while living in his or her home in an attempt to keep the family together prior to the child being voluntarily placed.

(B) Indicates the need for placement in a 24-hour setting.

(2) The child requires placement due to severe emotional disturbance and who receives appropriate treatment for the emotional disturbance while in placement.

(3) The child is not determined to be abused, neglected, or exploited pursuant to Section 300.

(4) The child's parent or guardian cooperates with:

(A) The county welfare department in the provision of services specified in Section 11404.2.

(B) The county mental health department or a qualified mental

health professional in arranging for the child's treatment.

(C) The treatment program of the facility in which the child is placed.

(d) At six-month intervals, an administrative review shall be required in accordance with Section 11401.3 for every child in placement pursuant to subdivision (c).

This section shall remain in effect only until January 1, 1984, and as of such date is repealed, unless a later enacted statute deletes or extends that date.

SEC. 3. Section 11401.1 is added to the Welfare and Institutions Code, to read:

11401.1. (a) Otherwise eligible children placed voluntarily prior to January 1, 1981, may remain eligible for AFDC-FC payments.

(b) Beginning on January 1, 1982, AFDC-FC payments for children placed voluntarily on or after January 1, 1981, shall be limited to a period of up to six months under conditions specified by departmental regulations.

This section shall become operative on January 1, 1984.

SEC. 4. Section 11401.3 is added to the Welfare and Institutions Code, to read:

11401.3. (a) Beginning July 1, 1982, every child in voluntary placement pursuant to subdivision (c) of Section 11401.1, shall receive a periodic administrative review no less frequently than once every six months in order to determine the continuing necessity for and appropriateness of the child's placement, the extent of compliance with the case plan, and the adequacy of the services provided to the child.

The term "administrative review" means a review open to the participation of the parents or guardians of a child in foster care, conducted by a panel of appropriate persons, at least one of whom is not responsible for the case management of, or the delivery of services to, either the child or the parent or guardian who is the subject of the review. The parent or guardian shall receive reasonable notification prior to the hearing.

(b) The department shall develop and implement regulations establishing processes, procedures, and standards for the conduct of administrative reviews, which assure due process protections for children and their parents or guardians.

(c) At the review hearing, the administrative review panel shall terminate the voluntary placement unless the administrative review panel finds that the return of the child to his or her parent or guardian would create a substantial risk of detriment to the physical or emotional well-being of the child. The county welfare department and the county mental health department or a qualified mental health professional shall have the burden of establishing this detriment. In making its determination, the administrative review panel shall do all of the following:

(1) Consider the reports of the county welfare department and the county mental health department or a qualified mental health

professional.

(2) Consider the treatment needs of the child and whether the child is receiving treatment to address the needs in the child's current placement.

(3) Consider whether the parent or guardian has demonstrated continued concern for the well-being of the child.

(4) Make appropriate findings. These findings may include any of the following:

(A) Continuation of voluntary placement in the existing setting.

(B) Continuation of voluntary placement in a setting more appropriate to the child's needs.

(C) Termination of the voluntary placement.

(D) A recommendation that proceedings be instituted to declare the child a dependent of the court under Section 300.

(d) If the administrative review panel recommends termination of the child's voluntary placement, the child shall not be eligible for AFDC-FC payments pursuant to subdivision (c) of Section 11401.1.

This section shall only remain in effect until January 1, 1984, and as of that date is repealed, unless a later enacted statute chaptered prior to that date extends or deletes that date.

SEC. 5. Section 11404 of the Welfare and Institutions Code is amended to read:

11404. (a) Except as provided in Section 11405, a child is not eligible for AFDC-FC unless responsibility for placement and care of the child is with the county welfare department, the county probation department which has an agreement with the county welfare department, or a licensed public adoption agency, licensed private adoption agency or the department.

(b) In order for the child to be eligible for AFDC-FC, the agency with responsibility for the child's placement and care must:

(1) Develop a written assessment of the reasons necessitating the child's removal from his or her home and the treatment needs of the child during foster care. This assessment shall be updated no less frequently than once every six months; and

(2) Develop a service plan which specifies how the problems identified in the assessment are to be addressed.

This section shall remain in effect only until January 1, 1984, and as of such date is repealed, unless a later enacted statute deletes or extends that date.

SEC. 6. Section 11404 is added to the Welfare and Institutions Code, to read:

11404. (a) Except as provided in Section 11405, a child is not eligible for AFDC-FC unless responsibility for placement and care of the child is with the county welfare department, the county probation department which has an agreement with the county welfare department, or a licensed public adoption agency, licensed private adoption agency or the department.

(b) In order for the child to be eligible for AFDC-FC, the agency with responsibility for the child's placement and care must:

(1) Develop a written assessment of the reasons necessitating the child's removal from his or her home and the treatment needs of the child during foster care. This assessment shall be updated no less frequently than once every six months.

(2) Develop a service plan which specifies how the problems identified in the assessment are to be addressed.

(c) Notwithstanding subdivision (a), AFDC-FC payments shall also be made on behalf of a child for whom the responsibility for care, custody, and control has been designated to an individual pursuant to subdivision (1) (a) of Section 362, or subdivision (a) of Section 362.5, or subdivision (1) (a) of Section 727, or Section 730 (as it refers to subdivision (1) (a) of Section 727), or Section 731 (as it refers to subdivision (1) (a) of Section 727), provided that the county welfare or county probation department is providing to the child the services specified in subdivision (b) of this section. Such payments shall not be continued after June 30, 1982.

This section shall become operative on January 1, 1984.

SEC. 7. Section 11404.2 is added to the Welfare and Institutions Code, to read:

11404.2. In the case of a child who has been found by a qualified mental health professional to be severely emotionally disturbed and is in placement pursuant to subdivision (c) of Section 11401.1, the county welfare department shall be responsible for developing and shall encourage the county mental health department or a qualified mental health professional to assist in developing the written assessment and the service plan, as well as all updates to the written assessment or the service plan, which are required pursuant to subdivision (b) of Section 11404. If the county mental health department or the qualified mental health professional continues to recommend out-of-home placement for the child, then the county mental health department or a qualified mental health professional shall cooperate with the responsible agency in development of the written assessment and the service plan, as well as all updates to the written assessment and the service plan, and in arranging for the treatment services identified in the service plan.

Notwithstanding subdivision (a) of Section 11404, AFDC-FC payments shall also be made on behalf of a child for whom the responsibility for care, custody, and control has been designated to an individual pursuant to subdivision (1) (a) of Section 362, or subdivision (a) of Section 362.5, or subdivision (1) (a) of Section 727, or Section 730 (as it refers to subdivision (1) (a) of Section 727), or Section 731 (as it refers to subdivision (1) (a) of Section 727), provided that the county welfare or county probation department is providing to the child the services specified in subdivision (b) of Section 11404. Such payments shall not be continued after June 30, 1982.

This section shall remain in effect only until January 1, 1984, and as of such date is repealed, unless a later enacted statute deletes or extends that date.

SEC. 8. Section 16508.2 is added to the Welfare and Institutions Code, to read:

16508.2. Every child in voluntary placement pursuant to subdivision (c) of Section 11401.1 shall not be subject to the six-month limit on child welfare services applicable to voluntary placements and shall receive the equivalent level and duration of permanent placement services as provided to children who, because of abuse, neglect, or exploitation, cannot safely remain at home and who are unlikely to ever return home.

This section shall only remain in effect until January 1, 1984, and as of that date is repealed unless a later enacted statute chaptered prior to that date extends or deletes that date.

SEC. 9. The provisions of this act shall be effective only to the extent that funds are available in the Budget Act for transfer from the Department of Mental Health to the Department of Social Services for purposes of providing care for these voluntarily placed emotionally disturbed children.

SEC. 9.5. On the effective date of this act the Department of Finance shall review the amounts of funding necessary to implement the provisions of this act and shall direct the Controller to transfer such amounts from the appropriation for Department of Mental Health, Local Assistance, to: (1) category (a) of Item 5180-101-001 for the state share of foster care payments, and (2) Item 5180-141-001 for the state share of county administrative costs to provide foster care payments. The difference between what is appropriated for out-of-home placement for mentally disabled children in the Department of Mental Health Local Assistance item and the amounts specified for transfer in (1) and (2) above shall be transferred by the Controller to the unappropriated surplus of the General Fund.

SEC. 10. It is the intent of the Legislature to provide comprehensive care and services for severely emotionally disturbed children whose needs are currently not met by any existing system. For that purpose, the State Department of Mental Health shall prepare a report subject to the approval of the State Department of Social Services. An interim progress report shall be filed with the Joint Legislative Budget Committee October 1, 1982, and a final report not later than January 1, 1983. The reports shall contain, but shall not be limited to, the following:

(a) An evaluation of existing delivery of services to severely emotionally disturbed children requiring residential and day treatment services, and the number of children in these programs.

(b) Development of a plan for a single, comprehensive funding and service system for severely emotionally disturbed children requiring residential and day treatment services.

(c) Recommendations for amending, repealing, or expanding the appropriate statutes concerning care and services to severely emotionally disturbed children.

The report shall be prepared in consultation with the California

Conference of Local Mental Health Directors, the County Welfare Directors Association, and appropriate provider groups, such as the California Association of Services for Children.

SEC. 11. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act implements a federal law or regulation and involves only "costs mandated by the federal government," as defined by Section 2206 of the Revenue and Taxation Code.

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To ensure that children who are emotionally disturbed and are currently in voluntary placement can remain in that type of placement after July 1, 1982, it is necessary that this act go into immediate effect.

CHAPTER 326

An act making appropriations for the support of the government of the State of California and for several public purposes in accordance with the provisions of Section 12 of Article IV of the Constitution of the State of California, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 30, 1982. Filed with Secretary of State June 30, 1982.]

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

Section 1.00. This act shall be known and may be cited as the "Budget Act of 1982."

Sec. 1.50. (a) In accordance with Section 13338 of the Government Code, as added by Chapter 1284, Statutes of 1978 (AB 3322), it is the intent of the Legislature that this act reflect, and follow as closely as possible, the Governor's Budget including programs and elements itemized therein. It is also the intent of the Legislature that this act utilize a coding scheme compatible with the Governor's Budget and the records of the State Controller, and provide for the appropriation of Federal funds received by the state and deposited in the State Treasury.

(b) Essentially, the format and style are as follows:

(1) Appropriation item numbers have a code which is common to all the State's fiscal systems. The meaning of this common coded item number is as follows:

2720—Organization Code (this code represents the California Highway Patrol)

001—Reference Code (first appropriation for a particular fund for Support of each department)

044—Fund Code (Motor Vehicle Account, State Transportation Fund)

(2) Appropriation items are organized in organization code order as reflected in the Governor's Budget.

(3) All the appropriation items, reappropriation items and reversion items, if any, for each department or entity have been brought together and are adjacent to one another.

(4) Federal funds received by the state and deposited in the State Treasury are appropriated in separate items.

This act includes the addition of program scheduled appropriations (in lieu of traditional categories, e.g. Personal Services and Operating Expenses) for those departments implementing program cost accounting July 1, 1982.

SEC. 2.00. The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1982–83 fiscal year beginning July 1, 1982, and ending June 30, 1983. Appropriations for capital outlay, unless otherwise provided herein, shall be available for expenditure during the 1982–83, 1983–84 and 1984–85 fiscal years, except that appropriations for studies, planning, and working drawings, and minor capital outlay shall, except as provided herein, be available for expenditure only during the 1982–83 fiscal year. In addition, every appropriation made in this Act for construction, or working drawings and construction, that has not been approved by the State Public Works Board on or before June 30, 1983, shall, except as provided herein, revert as of that date to the fund from which the appropriation was made. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

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

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

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

Item		Amount
0110-001-001—For support of the Senate		$29,415,000
Schedule:		
(a) 101001-Salaries of Senators	1,297,000	
(b) 317295-Mileage	2,000	
(c) 317292-Expenses	514,000	
(d) 500000-Contingent Expenses	27,316,000	
(e) 317296-Automotive Expenses	286,000	
Provisions:		
1. The funds appropriated in Schedule (d) are for contingent expenses of the Senate, including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Senate, to be transferred by the State Controller to the Senate Contingent Fund.		
2. The funds appropriated in Schedule (e) are for contingent expenses of the Senate relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Senate, to be transferred by the State Controller to the Senate Contingent Fund.		
0120-011-001—For support of the Assembly		46,248,000
Schedule:		
(a) 101001-Salaries of Assemblymen	2,450,000	
(b) 317295-Mileage	6,000	
(c) 317292-Expenses	1,028,000	
(d) 500000-Contingent Expenses	42,162,000	
(e) 317296-Automotive Expenses	602,000	
Provisions:		
1. The funds appropriated in Schedule (d) are for contingent expenses of the Assembly including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, to be transferred by the State Controller to the Assembly Contingent Fund.		
2. The funds appropriated in Schedule (e) are for contingent expenses of the Assembly relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Assembly, to be transferred by the State Controller to the Assembly Contin-		

gent Fund.

0130-021-001—For support of joint expenses of the Legislature 18,765,000

Schedule:

(a) 317292-Expenses of Joint Committees 13,883,000
(b) 312241-Legislative Printing 4,700,000
(c) Revision of Penal Code 182,000

Provisions:

1. The funds appropriated in Schedule (a) are 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.
2. The funds appropriated in Schedule (b) are for legislative printing, binding, duplicating, mailing and other necessary expenses; and in addition thereto, any amounts received from the sale of legislative publications and notwithstanding any other provision of Section 2 of this act, this appropriation shall be available without regard to fiscal years; provided further, that funds appropriated by this item shall not be expended for the purpose of providing the compilation of any California code or portion thereof in computer usable form, except as expressly authorized in writing by the Joint Rules Committee.

0160-001-001—For support of Legislative Counsel Bureau 14,305,000

Schedule:

(a) Support 14,436,000
(b) Reimbursements ..... −131,000

0170-001-001—For support of California Law Revision Commission 398,000

0180-001-001—For support of California Commission on Uniform State Laws 49,000

Judicial

0250-001-001—For support of Judiciary, Judicial Council 36,015,838

Schedule:

(a) 10-Supreme Court 5,143,000
(b) 20-Courts of Appeal 20,964,632
(c) 30-Judicial Council 11,633,899

(d) 40-Commission on Judicial Performance 276,000
(e) 97.20—Unallocated reduction..... −1,282,482
(f) Amount payable from Item 025-001-001, Budget Act of 1981, reappropriated by Item 0250-490..... −719,211

Provisions:

1. Notwithstanding Section 27.00 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council subject to being reported to the Director of Finance.
2. The amounts appropriated by this item are intended to fully fund all of the judgeships and places of sitting created by Chapter 959 of the Statutes of 1981.

0250-001-044—For support of Judiciary, Program 30, for implementing uniformity and consistency of procedure in traffic courts, payable from the Motor Vehicle Account, State Transportation Fund..... 52,000

0250-011-001—For reimbursement of any county, in whose superior court a judge of the municipal court of another county is assigned to sit and which is required by subdivision (b) of Section 68540 of the Government Code to reimburse the other county from which such assignment is made, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county, in whose superior court a judge of its municipal court is assigned to sit, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time its municipal court judge serves on assignment on an appellate court; and for payment to any county of the transportation expenses of a judge assigned to sit on a municipal court to replace an absent municipal court judge who has been assigned to sit on a superior court or an appellate court, Program 30, for payment by the State Con-

troller 243,000

0250-101-001—For local assistance, for Judicial Council activities, for reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller..... 2,553,000

Provisions:

1. 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.

0250-490—Reappropriation, Judiciary. Notwithstanding any other provision of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the following purposes and shall be available for expenditure until June 30, 1983:

001—General Fund

(a) Item 025-001-001, Budget Act of 1981-for transfer to Item 0250-001-001, to be used for purchase of equipment and basic reference materials for a central law library, not to exceed $719,211.

Provisions:

1. Of the amount reappropriated in category (a), $509,731 is appropriated for equipment and shall be available for expenditure only if such expenditure is not in violation of the present injunction relating to Chapter 959, Statutes of 1981, and if these funds are not expended during the 1981–82 fiscal year for these purposes.
2. Notwithstanding Section 6 of Chapter 959 of the Statutes of 1981, $209,480 of the amount reappropriated in category (a) for the Judicial Council is expressly allocated to fund the library and equipment for Division Three of the Fourth Appellate District (the division holding sessions in Orange County).
3. The Judicial Council shall submit to the Department of Finance and the Public Works Board a revised plan to correspond with modified space needs for judges and related staff in San Bernardino and San Diego and shall indicate any savings that may be produced from this revision.

0390-001-001—For support, for transfer by the State Controller to the Judges' Retirement Fund, for Supreme Court and appellate court judges 711,000

0390-101-001—For local assistance, for transfer by the State Controller to the Judges' Retirement Fund for superior court and municipal court judges 8,126,000

0420-101-001—For local assistance, for state's share of salaries of judges of superior courts as provided by Section 68206 of the Government Code 35,779,000

Provisions:

1. 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 Chairperson of the Judicial Council.

0440-101-001—For local assistance, 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 9,060,000

0460-001-001—For support, for state's share of cost for membership in National Center for State Courts, Judicial Council of California 14,000

Executive

0500-001-001—For support of Governor and of Governor's Office 4,929,000

Schedule:

(a) 10-Support	4,047,000
(b) 20-Contracted Legal Services	400,000
(c) 30-Governor's Residence	17,000
(d) 40-Special Contingent Expenses ..	15,000
(e) 60-Governor's Budget Printing	450,000

Provisions:

1. The amounts appropriated for Programs 10, 30, 40, and 50, are exempt from the provisions of Sections 925.6, 12410, and 13320 of the Government Code; provided further, that the funds appropriated in this item for Program 20 shall be available for expenditure for contracted legal representation and related services only upon certification by the Governor that the Attorney General has declined, in writing, the written request of the Governor or any state agency to represent the Governor or such state agency desiring such representation on the specific matter for which contracted legal services are to be used.

2. The failure by the Attorney General to positively respond in writing within 30 days upon receipt of written request (or such lesser time if a denial in writing is received) shall constitute denial; provided, however, that within such 30-day period, the Governor, or his designee, may undertake any action necessary, including, but not limited to, filing legal notices and papers necessary to protect and preserve rights in pending legal actions.
3. Nothing in this item shall be construed to affect constitutional rights or duties.
4. Contracts for legal representatives funded through this item shall be entered into by the Governor or his designee.
5. In addition to the funds available in Schedule (e), any amounts received from the sale of publications are available for expenditure.

0510-001-001—For support of Secretary for State and Consumer Services 590,000

Provisions:

1. The terms of the 6.5 positions budgeted for implementing the Statewide Disabled Compliance Program shall not extend beyond June 30, 1983, for budgetary review purposes.

0520-001-001—For support of Business, Transportation, and Housing Agency, to be transferred to Item 0520-001-044 345,000

0520-001-044—For support of Business, Transportation, and Housing Agency, payable from the Motor Vehicle Account, State Transportation Fund 481,000

Schedule:

(a) Support	1,212,000
(b) Reimbursements	−386,000
(c) Amount payable from the General Fund (Item 0520-001-001)	−345,000

0530-001-001—For support of Secretary of Health and Welfare 1,886,000

(a) Support	5,179,000
(b) Reimbursements	−2,444,000
(c) For transfer to the Health Care Deposit Fund	282,000
(d) Amount payable from the Health Care Deposit Fund	−1,131,000

Provisions:

1. The four positions, and associated costs, established for the Long-Term Care Project shall be continued only until September 30, 1982, unless AB 2860 of the 1981–82 Regular Session is chaptered by that date, and if AB 2860 is chaptered by that date, the positions shall be continued until January 1, 1983.
2. The three positions established for Migration and Refugee Affairs shall be established as exempt positions upon passage of this act. Additionally, if AB 3331 of the 1981–82 Regular Session is chaptered, these positions shall be transferred to the Governor's office budget.

   It is the intent of the Legislature that the agency make every effort to focus recruitment efforts for these staff positions on those individual applicants who demonstrate a sensitivity and sympathy for the needs of migrants and refugees. In addition, the applicant pool should include both providers and recipients of migrant and refugee services.

0540-001-001—For support of Secretary for Resources 1,078,000
Schedule:
(a) Support 1,182,000
(b) Reimbursements ..... −104,000

0540-495—Reversion, Secretary for Resources. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:
001—General Fund
(1) Chapter 249, Statutes of 1977—Geothermal Resources Task Force.

0550-001-001—For support of the Youth and Adult Correctional Agency 654,000
Schedule:
(a) 10-Correctional Programs 710,000
(b) Reimbursements ..... −56,000

0560-001-001—For support of Office for Citizen Initiative and Voluntary Action 65,000
Schedule:
(a) Support 181,000
(b) Reimbursements ..... −116,000

0570-001-001—For support of Governor's Council on Wellness and Physical Fitness 103,000
Schedule:
(a) 100000-Personal Services 76,000

(b) 300000-Operating Expenses and Equipment 27,000

Provisions:

1. The council shall seek reimbursements to support its activities and use these reimbursements to offset its General Fund appropriation. If reimbursement is obtained, an amount equal to this reimbursement shall be reverted from this item to the General Fund by order of the Director of Finance.

0650-001-001—For support of Office of Planning and Research..... 3,177,000

Schedule:

(a) 10-State Planning and Policy Development 1,357,000
(b) 20-Local Government Affairs..... 633,000
(c) 30-Project Review and Coordination 992,000
(d) 40-Appropriate Technology 1,616,000
(e) 50-Office of American Indian Coordinator 117,000
(f) 60.01-Executive and Administration 687,000
(g) 60.02-Distributed Executive and Administration ..... −410,000
(h) Reimbursements ..... −1,215,000
(i) 97.20-Unallocated Reduction ..... −600,000

Provisions:

1. The Office of Appropriate Technology in the Office of Planning and Research shall not spend any funds for any activity related to the impact of biofuels development on soils.
2. In accordance with language, contained in other provisions of this act, which provides for the transfer of the Hazardous Waste Disposal Alternatives Program in the Office of Appropriate Technology and the toxics program in the Office of Planning and Research to the Toxic Substance Control Division in the Department of Health Services, the funding and authorization for the positions in these programs shall be deleted from this item upon their transfer to the Department of Health Services.
3. The Office of Appropriate Technology shall, to the extent practical, establish a fee schedule which recovers actual costs of development and operation for its workshops, seminars, and publications, and charge, only where feasible, for

these activities. However, these fees shall not be assessed to nonprofit organizations and public entities. All fees collected shall be accounted for as revenue to the General Fund.

4. The Pension Investment Unit (PIU) shall provide technical assistance as needed, and on request, to PERS/STRS to enable them to make prudent investments that stimulate the state's economy and create new jobs.

In particular, although not limited to the following, the PIU shall direct its immediate efforts to assist PERS/STRS in targeting investments in home mortgages that are insured privately or by the federal government. The programs would include the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).

The PIU shall also work with PERS/STRS to target small business loans to California through the programs of the U.S. Small Business Administration, which are federally guaranteed.

The PIU shall report to the Legislature on its progress by September 15, 1982.

0650-001-140—For support of the Office of Planning and Research, payable from the California Environmental License Plate Fund 315,000

Schedule:

(a) 30-Project Review and Coordination 15,000

(b) 40-Appropriate Technology 300,000

0650-001-890—For support of Office of Planning and Research, Program 40, payable from the Federal Trust Fund 600,000

Provisions:

1. Ten percent of the Low Income Home Energy block grant award shall be transferred to the Department of Social Services (Item 5180-151-866).

0660-001-001—For support of Office of Economic Opportunity 797,000

Schedule:

(a) 100000-Personal Services 3,250,000

(b) 300000-Operating Expenses and Equipment 2,973,000

(c) Special Items of Expense 90,979,000

(d) Reimbursements ..... −177,000

(e) Amount Payable from Federal Trust Fund (Item 0660-001-890) .. −96,228,000

Provisions:

1. The state shall set aside up to 5 percent of the total community services block grant for discretionary use for special projects, training, technical assistance, and special support programs.
2. The Office of Economic Opportunity shall evaluate the measurable energy savings resulting from weatherization grants funded through the Low Income Home Energy Assistance Program and shall submit a report of that evaluation to the Joint Legislative Budget Committee by January 1, 1983.

0660-001-890—For support of Office of Economic Opportunity, to be transferred to Item 0660-001-001, payable from the Federal Trust Fund 96,228,000

0660-011-890—For support of Office of Economic Opportunity, to be transferred to the Social Welfare Federal Fund, payable from the Federal Trust Fund ..... (8,064,000)

Provisions:

1. Ten percent of the Low Income Home Energy block grant award shall be transferred to the Department of Social Services (Item 5180-151-866).

0690-001-001—For support of Office of Emergency Services, California Emergency Council and Advisory Committees 4,075,000

Schedule:

(a)	100000-Personal Services	3,929,000
(b)	300000-Operating Expenses and Equipment	2,968,000
(c)	Reimbursements	−55,000
(d)	Amount payable pursuant to Government Code Section 8610.5.....	−66,000
(e)	Amount payable from the Federal Trust Fund (Item 0690-001-890) ..	−2,701,000

Provisions:

1. 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 federal funds scheduled in Item 0690-001-890.

2. Any funds scheduled in this item for nuclear power plant emergency response planning after December 31, 1982 shall be expended only upon the enactment of legislation authorizing the Office of Emergency Services to continue an involvement in nuclear power plant emergency response planning.

0690-001-890—For support of Office of Emergency Services, California Emergency Council and Advisory Committee, to be transferred to Item 0690-001-001, payable from the Federal Trust Fund 2,701,000

0690-101-001—For local assistance, Office of Emergency Services, Program 10, Emergency Mutual Aid Services, for reimbursement in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 21,000

0690-101-890—For local assistance, Office of Emergency Services, payable from the Federal Trust Fund 47,683,000

Provisions:

1. The amount specified by this item constitutes federal funds per Section 8.7.

0720-001-001—For painting of Governor's portrait, Department of General Services 13,000

0730-001-001—For expenses incurred by the Governor-elect and outgoing Governor, for expenditure by the Department of Finance 348,000

Schedule:

(a) Governor-elect, as provided in Section 12015 of the Government Code	296,000
(b) Outgoing Governor, to be available for the period specified, as provided in Section 12015.5 of the Government Code	52,000

Provisions:

1. Funds scheduled in category (a) shall be available from November 3, 1982 to January 3, 1983, and expenditures of funds shall be subject to the approval of the Governor-Elect.

0750-001-001—For support of Lieutenant Governor 976,000

Schedule:

(a) 100000-Personal Services	700,000
(b) 300000-Operating Expenses and Equipment	302,000
(c) Reimbursements	−26,000

0820-001-001—For support of Department of Justice.... 84,388,955

Schedule:

(a) 10.01 Executive	3,189,000

(b) 10.02 Distributed Executive..... —3,209,000
(c) 20-Special Programs 3,570,000
(d) 30-Civil Law 27,111,000
(e) 40-Criminal Law 17,700,955
(f) 50-Law Enforcement 54,204,000
(g) 60.01 Administration 24,775,000
(h) 60.02 Distributed Administration —24,775,000
(i) Reimbursements..... — 17,939,000
(j) Amount payable from Political Reform Act 1974 (Item 8640-001-001) —238,000

1. The Attorney General shall report within thirty (30) days after the end of each quarter of the 1982–83 fiscal year to the Governor and the Legislature on the number of prosecutions, convictions and dollars recovered by the Medi-Cal Fraud Unit.
2. The Department of Justice may expend a maximum of $140,000 of the indirect cost funds contained in this item and Item 0820-001-890 for grant-related administrative activities. Any grant-related indirect cost funds in excess of $140,000 contained in this item and Item 0820-001-890 shall be transferred quarterly to the unappropriated surplus of the General Fund.
3. Notwithstanding the provisions of Section 22, the Department of Justice may purchase vehicles of any type or class, which in the judgment of the Attorney General or his designee are necessary to the performance of the investigatory and enforcement responsibilities of the Department of Justice, from the funds appropriated for that purpose in this item.
4. The Department of Justice may expend $458,384 of the funds appropriated in category (f) of this item only upon approval by the Director of Finance of an amended feasibility study, prepared by the Department of Justice in accordance with the provisions of Sections 4921 to 4928, inclusive, of the State Administrative Manual, regarding relocation of the data communications message-switching computing system and upon notification to the Legislature pursuant to the provisions of Section 28.00.
5. Any funds received by the Department of Justice as reimbursements for legal services provided by the Civil Law Division in excess of $12,996,000, plus an amount for employee compensation adjustments, shall revert to the unap-

propriated surplus of the General Fund unless the Director of Finance authorizes the expenditure of the reimbursements and notification of the additional expenditure authority is provided to the Legislature pursuant to Section 28.00.

0820-001-012—For support of Department of Justice, Criminal Law, Program 40, payable from the Attorney General's Antitrust Account, General Fund .. 970,000

0820-001-017—For support of Department of Justice, Law Enforcement, Program 50, payable from fingerprint fees, General Fund, pursuant to subdivision (e) of Section 11105 of the Penal Code 4,248,000

0820-001-044—For support of Department of Justice, Law Enforcement, Program 50, payable from the Motor Vehicle Account, State Transportation Fund 9,920,000

0820-001-460—For support of Department of Justice, Law Enforcement, Program 50, payable from the Dealers' Record of Sale Special Account, General Fund 659,000

Provisions:

1. If a Handgun Control Initiative is approved by the people at the November 1982 General Election, it is the Legislature's intent to discontinue this program and to revert the unencumbered balance of this appropriation to the General Fund.

0820-001-890—For support of Department of Justice, Criminal Law, Program 40, payable from the Federal Trust Fund 3,072,000

Provisions:

1. The Department of Justice may expend a maximum of $140,000 of the indirect cost funds contained in this item and Item 0820-001-001 for grant-related administrative activities. Any grant-related indirect cost funds in excess of $140,000 contained in this item shall be transferred quarterly to the unappropriated surplus of the General Fund.

0820-101-001—For local assistance, for Department of Justice, Program 70, Legislative Mandates, for reimbursement in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 35,000

Provisions:

1. 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.

0840-001-001—For support of State Controller 40,187,400

Schedule:

(a) 100000-Personal Services	35,260,000
(b) 300000-Operating Expenses and Equipment	16,463,400
(c) Refunds of Taxes, Licenses and other Fees	30,000
(d) Reimbursements	−7,557,000
(e) Amount payable from the Aeronautics Account, State Transportation Fund (Item 0840-001-041)	−216,000
(f) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0840-001-061)	−1,960,000
(g) Amount payable from the Retail Sales Tax Fund (Item 0840-001-094)	−121,000
(h) Amount payable from the State School Building Aid Fund (Item 0840-001-739)	−292,000
(i) Amount payable from the Federal Trust Fund (Item 0840-001-890) ..	−1,147,000
(j) Amount payable from the Unclaimed Property Fund (Item 0840-001-970)	−273,000

Provisions:

1. The appropriation made by this item shall be in lieu of any allocation made pursuant to subdivision (b) of Section 30462 of the Revenue and Taxation Code during the 1982–83 fiscal year and no funds shall be allocated to the State Controller pursuant to Section 30462 during the 1982–83 fiscal year.
2. The funds appropriated in schedule (c) are for refunding of payments of taxes, licenses, fees and other receipts which have been erroneously collected and deposited in the General Fund for the refund of which no other provision is made by law, for refunding of amounts withheld and deposited in a fund in the State Treasury to any person who is determined to be liable to a tax-

payer by reason of withholding and transmitting payments of taxes, interest, and penalties for the refund of which no other provision is made by law, and for payment of prior judgments, liens or encumbrances pursuant to Section 12516 of the Government Code; provided further, that expenditures made under schedule (c) of this item shall be charged to the year in which the warrant is issued by the State Controller.

3. The appropriation made by this item shall be in lieu of the appropriation in Section 1564 of the Code of Civil Procedure for all costs, expenses, or obligations connected with the administration of the Unclaimed Property Law, with the exception of payment of owners' or holders' claims pursuant to Section 1540, 1542, 1560, or 1561 of that code.
4. The Department of Finance shall submit to the Joint Legislative Budget Committee for approval, 30 days prior to implementation, a report detailing any proposed changes in the operation of the California Fiscal Information System as it relates to the 25 authorized new positions in this act. The report shall detail any proposed programmatic or workload changes or any proposed changes in work assignments, or both.

0840-001-041—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Aeronautics Account, State Transportation Fund.. 216,000

0840-001-061—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund 1,960,000

0840-001-094—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Retail Sales Tax Fund..... 121,000

0840-001-739—For support of State Controller, to be transferred to Item 0840-001-001, payable from the State School Building Aid Fund 292,000

0840-001-890—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Federal Trust Fund 1,147,000

0840-001-970—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Unclaimed Property Fund 273,000

0860-001-001—For support of State Board of Equalization 69,344,000

Schedule:

(a) 100000-Personal Services 78,274,000

(b) 300000-Operating Expenses and Equipment	9,540,000
(c) Reimbursements	−22,109,000
(d) Amount payable from the State Energy Resources Conservation and Development Special Account, General Fund (Item 0860-001-019)	−55,000
(e) Amount payable from the State Emergency Telephone Number Special Account, General Fund (Item 0860-001-022)	−70,000
(f) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-061)	−3,636,000
(g) Amount payable from the Timber Tax Fund (Item 0860-001-965)	−1,614,000
(h) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 0860-001-064)	−986,000

Provisions:

1. The State Board of Equalization shall use the effectiveness criterion of net assessments per dollar of cost for the purpose of audit selection and resource allocation processes and in reporting accomplishments to the Legislature. The board may use other criteria in evaluating the effectiveness of other aspects of the audit program. The board shall select audits and allocate audit resources solely on the basis of incremental or marginal net assessments expected to be produced. Nothing in this proviso shall require the board to individually rank each audit eligible account against all other eligible accounts or preclude the board from selecting audits for training purposes, or from allocating audit staff to verify claims for refund or to meet necessary management information needs.
2. The $986,000 from the Motor Vehicle License Fee Account, Transportation Tax Fund, shall be used for funding 50 percent of the local property tax-monitoring and assessment practices survey activities, exclusive of overhead expenses.
3. Notwithstanding the travel reductions made by the Legislature to this item and the limitations stated in Section 27.10 regarding additional reductions, additional reductions shall be made to this item pursuant to Section 27.10.

0860-001-019—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Energy Resources Conservation and Development Special Account, General Fund 55,000

0860-001-022—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the State Emergency Telephone Number Special Account, General Fund 70,000

0860-001-061—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund 3,636,000

0860-001-064—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund 986,000

0860-001-965—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Timber Tax Fund 1,614,000

0890-001-001—For support of Secretary of State 11,828,000

Schedule:

(a) 100000-Personal Services	6,890,000
(b) 300000-Operating Expenses and Equipment	3,204,000
(c) Ballot Pamphlet Printing	1,464,000
(d) Ballot Pamphlet Mailing (1982 Primary Election)	855,000
(e) Printing, Voter Registration by Mail	321,000
(f) Postage, Voter Registration by Mail	617,000
(g) Amount payable from the Political Reform Act of 1974 (Item 8640-001-001)	−530,000
(h) Reimbursements	−993,000

0890-101-001—For local assistance, for Secretary of State activities, for payment by the State Controller..... 1,911,000

Schedule:

(a) 40-Subventions for signatures in lieu of filing fees	369,000
(b) 45-Subventions for voter registration file purge	912,000
(c) 50-Subventions for registration by mail	630,000

Provisions:

1. The funds provided by Program 40 are 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.
2. The appropriation made by this item for Program 40 is in augmentation of, and in addition to, the funds continuously appropriated to the State Controller by Section 16100 of the Government Code.
3. The funds provided in Program 50 are for reimbursement of net costs to local government associated with the implementation of Chapter 704 of the Statutes of 1975, relating to voter registration and voting procedures, in accordance with Section 91 of that chapter, for such costs incurred during the 1982–83 fiscal year and that the Secretary of State shall determine the maximum reimbursement available to each local jurisdiction (and shall so advise the State Controller) for voter outreach programs which have been adopted and implemented pursuant to Section 304 of the Elections Code. The 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.
4. Prior to the payment of any claim funded by Program 50 the State Controller shall confer with the Secretary of State to determine whether the cost for which reimbursement is sought is properly reimbursable under Section 91 of Chapter 704 of the Statutes of 1975.
5. The State Controller pursuant to Section 12410 of the Government Code, shall audit claims submitted by counties pursuant to reimbursements made pursuant to Programs 40 and 50.

0910-011-001—For support of Commission on Voting Machines and Vote Tabulating Devices 11,000

0950-001-001—For support of State Treasurer 3,205,000

Schedule:

(a) 100000-Personal Services 3,505,000

(b) 300000-Operating Expenses and Equipment 1,191,000
(c) Reimbursements ..... −1,491,000

0970-001-171—For support of California Debt Advisory Commission, payable from the California Debt Advisory Commission Fund 538,180
Schedule:
(a) Personal Services 243,180
(b) Operating Expenses and Equipment 314,000
(c) Reimbursements ..... −19,000

STATE AND CONSUMER SERVICES

1100-001-001—For support of Museum of Science and Industry 4,314,000
Schedule:
(a) 100000-Personal Services 3,202,000
(b) 300000-Operating Expenses and Equipment 1,131,000
(c) Reimbursements ..... −19,000
Provisions:
1. No contract may be entered into between the Museum of Science and Industry (MSI) and the California Museum Foundation Fund (CMFF) unless the contract includes, but need not be limited to, all of the following provisions:
(a) The term of the contract shall not exceed 5 years.
(b) The contract shall include a cancellation clause which provides that MSI may cancel at any time if CMFF fails to fulfill the terms of the contract.
(c) CMFF shall be charged for the use of space at MSI not directly benefitting the activities of MSI.
(d) MSI shall reserve the right to review CMFF's proposed exhibits and retain veto power over any exhibits to be placed at MSI.
(e) MSI shall reserve some space for those exhibits it desires to bring to the museum; and CMFF shall be given a nonexclusive right to provide the museum with exhibits.
(f) MSI shall reserve the right to operate the food concession and gift shop at MSI.
(g) MSI shall reserve the right to review CMFF's books for purposes of evaluating

the fund's activities and coordinating exhibits.

1100-301-036—For capital outlay, Museum of Science and Industry, payable from the Special Account for Capital Outlay 7,232,000

Schedule:

(a) Working drawings and construct Aerospace Science building	3,895,000
(b) Working drawings and construct Afro-American History and Culture Museum building	2,920,000
(c) Elevator replacement.....	78,000
(d) Preliminary plans, working drawings and construction—site improvements, between Edgerton Hall and the future Hall of Economics and Finance	300,000
(e) Minor projects	39,000

1100-495—Reversion, Museum of Science and Industry notwithstanding any other provisions of law, as of June 30, 1982, 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:

036—Special Account for Capital Outlay

1. Item 110-301-036, Budget Act of 1981:

1120-001-704—For support of Board of Accountancy, Program 3, payable from the Accountancy Fund 2,126,000

1130-004-706—For support of California State Board of Architectural Examiners, payable from the California State Board of Architectural Examiners' Fund 1,149,000

Schedule:

(a) 6-Board of Architectural Examiners	1,153,000
(b) Reimbursements	−4,000

1140-006-001—For support of State Athletic Commission, Program 9 570,000

1150-008-128—For support of Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Automotive Repair Fund..... 3,989,000

Schedule:

(a) 12-Bureau of Automotive Repair..	8,254,000
(b) Reimbursements	−4,265,000

1160-010-713—For support of State Board of Barber Examiners, Program 15, payable from the State Board of Barber Examiners' Fund 658,000

Provisions:

1. Positions funded by this item shall be used for examiners/field representatives only and shall not be used for examination development.

1170-012-773—For support of Board of Behavioral Science Examiners of the State of California, Program 18, payable from the Behavioral Science Examiners Fund 538,000

1180-014-717—For support of Cemetery Board, Program 21, payable from the Cemetery Fund 218,000

1200-016-157—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Collection Agency Fund 584,000
Schedule:
(a) 24.10.010-Collection Agencies 621,000
(b) 24.10.020-Distributed Collection Agencies ..... −29,000
(c) Reimbursements ..... −8,000

1210-018-769—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Private Investigator Fund 1,746,000
Schedule:
(a) 24.20-Private Investigators 2,120,000
(b) Reimbursements ..... −374,000

1230-020-735—For support of Contractors' State License Board, Program 30, payable from the Contractors' License Fund 15,384,000
Provisions:
1. The $20,000 appropriated by this item for a work simplification study contract may not be expended until the Department of Consumer Affairs issues a favorable evaluation of the board's application processing procedures and no sooner than 30 days after written notification by the board to the Chairperson of the Joint Legislative Budget Committee.
2. No funds appropriated by this item for equipment purchase may be expended prior to approval by the Department of Finance and no sooner than 30 days after written notification by the Department of Finance to the Chairperson of the Joint Legislative Budget Committee.
3. No funds appropriated by this item may be expended for any services of the Attorney General which are in excess of the amounts budgeted therefor sooner than 30 days after written notification by the Department of Finance to the Chairperson of the Joint Legislative Budget Committee.
4. Of the amount appropriated by this item, $234,000 shall be expended for payment of a claim for Attorney General services during the 1980–81 fiscal year.

5. Of the amount appropriated by this item, no more than $3,646,000 may be expended sooner than 30 days after written notice is given by the board to each house of the Legislature that a policy has been implemented by the board to accept verified unlicensed contracting experience as part of the experience required to qualify for a contractor's license issued by the board.

1240-022-738—For support of State Board of Cosmetology, Program 33, payable from the Board of Cosmetology's Contingent Fund 2,312,000

1260-024-741—For support of Board of Dental Examiners of California, Program 36, payable from the State Dentistry Fund 1,718,000

Provisions:

1. Of the amount appropriated by this item, $61,000 is for the purposes of Assembly Bill No. 1555 of the 1981–82 Regular Session and shall be expended for such purposes only if Assembly Bill No. 1555 is chaptered.

1270-026-380—For support of Board of Dental Examiners of California, Program 36, payable from the Dental Auxiliary Fund 426,000

1280-028-325—For support of Bureau of Electronic and Appliance Repair, Department of Consumer Affairs, Program 39, payable from the Electronic and Appliance Repair Fund 928,000

1300-030-180—For support of Bureau of Employment Agencies, Department of Consumer Affairs, payable from the Bureau of Employment Agencies Fund 664,000

Schedule:

(a) 42.10.010-Employment Agencies .. 669,000

(b) 42.10.020-Distributed Employment Agencies ..... −5,000

1310-032-258—For support of Nurses' Registry, Program 42, payable from the Nurses' Registry Fund 17,000

1320-034-745—For support of State Board of Fabric Care, Program 45, payable from the Fabric Care Fund 806,000

Provisions:

1. Of the amount appropriated above, $54,000 shall be in lieu of the amounts which would otherwise be appropriated pursuant to Section 9575.6 of the Business and Professions Code.

1330-036-750—For support of State Board of Funeral Directors and Embalmers, Program 48, payable from the State Funeral Directors and Embalmers Fund 488,000

1340-038-205—For support of State Board of Registration for Geologists and Geophysicists, Program 51, payable from the Geology and Geophysics Fund.. 155,000

1350-040-001—For support of State Board of Guide Dogs for the Blind, Program 54 25,000

1360-042-752—For support of Bureau of Home Furnishings, Department of Consumer Affairs, Program 57, payable from the Bureau of Home Furnishings Fund 1,297,500

1370-044-757—For support of California State Board of Landscape Architects, Program 60, payable from the State Board of Landscape Architects Fund 288,000

Provisions:

1. The board's budget shall be considered a line item budget per schedule of expenditures, requiring Legislative notification of any internal shifting of funds.

1390-046-758—For support of Board of Medical Quality Assurance of the State of California, payable from the Contingent Fund of the Board of Medical Quality Assurance 10,615,000

Schedule:

(a) 63.10.010-Board of Medical Quality Assurance..... 10,843,000

(b) 63.10.020-Distributed Board of Medical Quality Assurance ..... −195,000

(c) Reimbursements ..... −33,000

1400-048-108—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Acupuncturists Fund..... 263,000

1410-050-208—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Hearing Aid Dispensers Fund .. 104,000

1420-052-759—For support of Board of Medical Quality Assurance of the State of California, payable from the Physical Therapy Fund 259,000

Schedule:

(a) 63.40-Physical Therapy Examining Committee 262,000

(b) Reimbursements ..... −3,000

1430-054-280—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Physicians Assistant Fund 164,000

1440-056-295—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Podiatry Fund..... 256,000

1450-058-310—For support of the Board of Medical Quality Assurance of the State of California, payable from the Psychology Fund 611,000

Schedule:
(a) 63.70-Psychology Examining Committee 617,000
(b) Reimbursements ..... —6,000
Provisions:
1. The Psychology Examining Committee may not expend funds for the development of the committee's own written exam until the committee has studied the effect on interstate reciprocity of withdrawing from the nationally accepted licensing exam, and reported its findings to the Legislature.

1460-060-376—For support of Board of Medical Quality Assurance of the State of California, payable from the Speech Pathology and Audiology Examining Committee Fund 158,000
Schedule:
(a) 63.80.010-Speech Pathology and Audiology Committee 160,000
(b) 63.80.010-Distributed Speech Pathology and Audiology Committee —2,000

1470-062-260—For support of State Board of Examiners of Nursing Home Administrators, Program 66, payable from the Nursing Home Administrator's State License Examining Board Fund 246,000

1480-064-763—For support of State Board of Optometry, payable from the State Optometry Fund 279,000
Schedule:
(a) 69-Board of Optometry 281,000
(b) Reimbursements ..... —2,000

1490-066-767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund 1,762,000
Schedule:
(a) 72-Board of Pharmacy 1,775,000
(b) Reimbursements ..... —13,000
Provisions:
1. The appropriation made by this item shall be in lieu of the appropriation in Section 7 of Chapter 883 of the Statutes of 1973 and no funds shall be appropriated to the California State Board of Pharmacy pursuant to Chapter 883 of the Statutes of 1973 during the 1982–83 fiscal year.

1500-068-770—For support of State Board of Registration for Professional Engineers, Program 75, payable from the Professional Engineers' Fund 1,913,000

1510-070-761—For support of Board of Registered Nursing, Program 78, payable from the Board of Registered Nursing Fund 3,719,000

Provisions:
1. Of the amount appropriated by this item, $732,000 is intended to be used for exam purchase and administration and may not be used for any other purpose sooner than 30 days after notice of such other use is given to the Chairperson of the Joint Legislative Budget Committee.

1520-072-771—For support of Certified Shorthand Reporters Board, Program 81, payable from the Shorthand Reporters' Fund 194,000

1530-074-775—For support of Structural Pest Control Board, Program 84, payable from the Structural Pest Control Fund..... 1,799,000

1560-078-777—For support of Board of Examiners in Veterinary Medicine, payable from the Board of Veterinary Examiners' Contingent Fund 417,000
Schedule:
(a) 90.10.010-Board of Examiners in Veterinary Medicine..... 424,000
(b) 90.10.020-Distributed Board of Examiners in Veterinary Medicine .. −4,000
(c) Reimbursements ..... −3,000

1570-080-118—For support of Board of Examiners in Veterinary Medicine, Program 90, payable from the Animal Health Technician Examining Committee Fund 60,000

1590-082-779—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners' Fund, Vocational Nurse Account 1,588,000
Schedule:
(a) 91.10.010-Vocational Nurses..... 1,620,000
(b) 91.10.020-Distributed Vocational Nurses..... −32,000

1600-084-780—For support of Board of Vocational Nurse and Psychiatric Technicians Examiners of the State of California, Program 91, payable from the Vocational Nurse and Psychiatric Technicians Examiners' Fund, Psychiatric Technicians Account..... 365,000
Provisions:
1. The amount appropriated from this item is from the moneys deposited under the provisions of Section 4547 of the Business and Professions Code.

1640-086-001—For support of Division of Consumer Services, Department of Consumer Affairs, Program 93 1,400,000

1640-086-702—For support of Division of Consumer Services, Department of Consumer Affairs, Program 93, payable from the Consumer Affairs Fund 562,000

1650-088-001—For support of Consumer Advisory Council, Department of Consumer Affairs, Program 92 78,000

1655-090-702—For support of Department of Consumer Affairs, payable from the Consumer Affairs Fund 1,525,000

Schedule:

(a) 94.01.010-Division of Administration	5,511,000
(b) 94.01.020-Division of Investigation	3,305,000
(c) 94.01.030-Building Maintenance and Operation	1,525,000
(d) 94.02-Distributed Administration	−8,411,000
(e) Reimbursements	−405,000

1655-301-702—For minor capital outlay, Department of Consumer Affairs, payable from the Consumer Affairs Fund 193,000

1700-001-001—For support of Department of Fair Employment and Housing..... 8,310,000

Schedule:

(a) 10-Enforcement of Anti-Discrimination Laws.	7,217,000
(b) 30-Administrative Services	1,093,000
(c) 40-Governor's Task Force on Civil Rights	45,000
(d) Reimbursements	−45,000

Provisions:

1. The department shall not enter into any contract with the federal government for processing more than 6,000 federal cases, unless the federal government reimburses the department for the full costs of processing every case in excess of 6,000.
2. The department shall not enter into any contract with the federal government to require the department to resolve any specific number of cases through settlement procedures.

1700-001-890—For support of Department of Fair Employment and Housing, payable from the Federal Trust Fund 1,852,000

Schedule:

(a) 10-Enforcement of Anti-Discrimination Laws.....	1,629,000
(c) 30-Administrative Services	223,000

1705-001-001—For support of the Fair Employment and Housing Commission 600,000

(a) 100000-Personal Services	454,000

(b) 300000-Operating Expenses and Equipment 146,000

1710-001-001—For support of State Fire Marshal 4,132,000

Schedule:

(a) 100000-Personal Services 3,837,000

(b) 300000-Operating Expenses and Equipment 1,162,000

(c) Reimbursements ..... −867,000

1730-001-001—For support of Franchise Tax Board 87,298,000

Schedule:

(a) 100000-Personal Services 72,417,000

(b) 300000-Operating Expenses and Equipment 18,635,000

(c) Reimbursements ..... −2,766,000

(d) Amount payable from Item 8640-001-001 Political Reform Act of 1974 ..... −988,000

Provisions:

1. Not more than $1,097,000 shown in schedules (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).
2. The Franchise Tax Board shall use the effectiveness criterion of net assessments per dollar cost in its audit selection and resource allocation processes and in reporting accomplishments to the Legislature. The board may use other criteria in evaluating the effectiveness of other aspects of the audit program. The board shall select audits and allocate audit resources solely on the basis of the incremental or marginal net assessments expected to be produced. Nothing in this proviso shall require the board to individually rank each return or preclude the board from conducting sample or discovery audits to the extent necessary.
3. No funds budgeted in support of the Franchise Tax Board for acquisition of a mainframe computer may be expended sooner than 30 days after the Department of Finance has provided the Joint Legislative Budget Committee a feasibility study report in support of the acquisition. The feasibility study report shall have been approved by the Department of Finance and prepared in accordance with the State Administrative Manual (Sections 4921 to 4928,

inclusive).

1730-101-001—For local assistance, Franchise Tax Board, for reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 5,000

Provisions:

1. 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.
2. The funds appropriated in this item may be expended only to reimburse mandated costs in excess of any revenues distributed pursuant to Schedule (i) of Item 9100-101-001.

1760-001-001—For support of the Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666 4,643,000

Provisions:

1. While the appropriation is reduced to reflect a redirection of funds which will become available from nonpayment of building construction loans, the activities shall not be reduced. It is the intent of the Legislature that the activities shall be paid for out of the rental account in the Service Revolving Fund.

1760-001-003—For support of Department of General Services for activities other than the Office of State Printing, payable from Motor Vehicle Parking Facilities Moneys Account, General Fund 1,327,000

1760-001-022—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from State Emergency Telephone Number Account, General Fund 239,000

1760-001-120—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from Architecture Public Building Fund 1,649,000

1760-001-189—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Energy Account, Energy and Resources Fund 958,000

Provisions:

1. Expenditures of $160,000 for consulting services shall be limited to the fraction equal to the ratio of capital outlay expenditures approved from state funds or alternative financing by this act to the expenditures proposed in the 1982–83 Governor's Budget.

1760-001-344—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Building Lease Purchase Fund 1,395,000

1760-001-602—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Architecture Revolving Fund.... 9,888,000

Provisions:

1. The appropriation from the Architecture Revolving Fund Item 1760-001-602 is for expenditure by the Office of State Architect for the purposes specified in Section 14957 of the Government Code.
2. Any balances in the Architecture Revolving Fund continue to be appropriated by and subject to Section 14957 of the Government Code, and are available for construction and for augmentation of this appropriation. During the 1982–83 fiscal year the Office of State Architect, Department of General Services, shall maintain expenditures for staff to a level commensurate with the funds necessary to maintain a staff sufficient to perform a basic architectural and engineering services workload volume of $52,755,000, as projected to June 30, 1983. 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 before October 1, 1982. No funds appropriated by this act shall be expended after September 30, 1982, to implement those regulations the operation of which is suspended or superseded by legislation enacted on or before September 30, 1982.
3. PCB program management activities shall not be reduced during the 1982–83 fiscal year and shall be supported from the amounts appropriated by this item.

4. Within 60 days of the enactment of this act, notice shall be given to the Joint Legislative Budget Committee of the revisions necessary to the budget of the Department of General Services funded from the Architecture Revolving Fund to reflect the changes made to capital outlay project funding by the Legislature.

1760-001-666—For support of Department of General Services for activities other than the Office of State Printing, payable from the Service Revolving Fund 176,634,000

(a) 10000C-Personal Services 99,695,000
(b) 30000C-Operating Expenses and Equipment 134,745,000
(c) Amount payable from the General Fund (Item 1760-001-001) ..... —4,643,000
(d) Amount payable from the State Emergency Telephone Number Account, General Fund (Item 1760-001-022) ..... —239,000
(e) Amount payable from the Architecture Public Building Fund (Item 1760-001-120) ..... —1,649,000
(f) Amount payable from the Energy Account, Energy and Resources Fund (Item 1760-001-189) ..... —958,000
(g) Amount payable from the Architecture Revolving Fund (Item 1760-001-602) ..... —9,888,000
(h) Amount payable from the State School Building Aid Fund (Item 1760-001-739) ..... —724,000
(i) Amount payable from the Federal Trust Fund (Item 1760-001-890) .. —100,000
(j) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-961) ..... —189,000
(k) Amount payable from the State School Lease Purchase Fund (Item 1760-001-344) ..... —1,395,000
(*l*) Amount payable from the General Fund (Item 1760-011-001) ..... —932,000
(m) Distributed services ..... —37,089,000

Provisions:

1. Of the amounts appropriated in schedules (a) and (b), $6,719,000 is for transfer from the original fund in the Service Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may au-

thorize; provided, that the money so transferred shall not be available for expenditure after June 30, 1983, and any unencumbered balances as of June 30, 1983, shall be returned to the General Fund.

2. 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 officer copier machines are hereby appropriated from the Service Revolving Fund as a loan to be repaid upon such terms and conditions as prescribed by the Director of Finance.
3. Temporary help and overtime authorizations for the Structural Safety Section shall not be transferred to any other section of the Office of the State Architect, or to any other division of the Department of General Services.
4. The Department of General Services shall repay its General Fund loan over the next five years out of parking fees. For the fiscal year 1982–83, the amount shall include $74,000 in addition to the $22,800 payment scheduled by the department.
5. The Department of General Services or the Office of Administrative Hearings, or both, shall expend no further funds regarding the matter of Nobriga, etc. v. Deukmejian, etc., No. 283505, now pending before the Superior Court of California, County of Sacramento.
6. 10 additional personnel years, in addition to the 3 personnel years funded in Item 1760-001-001, shall be used to establish: one 24-hour post, 7 days a week, in the Capitol Park; one 24-hour post, 7 days a week, in the West Wing of the Capitol Building; and one 8-hour post, 5 days a week, in the legislative chambers. The 10 additional personnel years shall be funded by rescheduling the overlapping shifts and shall not reduce coverage of the other buildings in the Sacramento area.

1760-001-739—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Building Aid Fund 724,000

1760-001-890—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Federal Trust Fund 100,000

1760-001-961—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Deferred Maintenance Fund 189,000

1760-011-001—For support of Department of General Services for purchase of vehicles for the Legislature to be transferred to Item 1760-001-666 932,000

1760-011-666—For augmentation of the Service Revolving Fund, to be transferred by the State Controller in such amounts and at such times as funds are made available. Upon approval of the State Board of Control, the State Controller shall transfer to this item from any appropriation made from the General Fund, or any special fund, by the provisions of this act that part of such appropriation which is intended to be used and is available, for the purchase or replacement of automobiles and reproduction equipment, and provided, any funds in the Service Revolving Fund may be used to purchase equipment from the General Fund or special funds of the State at the depreciated value at the time of purchase payable at the option of the Service Revolving Fund over the remaining depreciation period.

1760-021-666—For support of Office of State Printing, Department of General Services, payable from the Service Revolving Fund 38,153,000
Schedule:
(a) 100000-Personal Services 16,094,000
(b) 300000-Operating Expenses and Equipment 22,059,000

1760-101-022—For local assistance, Department of General Services, for reimbursement of local agencies and service suppliers or communications equipment companies for costs incurred pursuant to Sections 41137, 41137.1, 41138, and 41140 of the Revenue and Taxation Code, payable from the State Emergency Telephone Number Account, General Fund 16,959,000

1760-301-036—For capital outlay, Department of General Services, payable from the Special Account for Capital Outlay, General Fund 8,174,000
(a) Statewide-Fire and life safety alterations 6,620,000

(1) Resources Buildings, Sacramento-Construction 2,080,000
(2) Los Angeles Building-Construction .. 4,064,000
(3) Santa Ana Building-Construction .. 476,000
(b) Site-4, Sacramento-preliminary plans and working drawings..... 1,400,000
(c) Elevator modification (Earthquake safety) 41,000
(d) State Capitol-Handicapped accessibility alterations..... 113,000

1760-311-036—For capital outlay, Department of General Services, replacement of PCB-contaminated equipment, payable from the Special Account for Capital Outlay, General Fund 3,147,000

1760-495—Reversion, Department of General Services. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriations were made.

036—Special Account for Capital Outlay

(1) Item 176-301-036(b), Budget Act of 1981, 80.10-Statewide—elevator modifications (Earthquake Safety).
(2) Item 176-301-036(c), Budget Act of 1981, 80.15-Purchase Option—Department of Water Resources Building, Red Bluff.
(4) Item 176-301-036(h), Budget Act of 1981, 80.36-Construction—New state building, San Francisco.

1880-001-001—For support of State Personnel Board.... 21,386,000

Schedule:

(a) 10-Merit System Administration .. 21,697,000
(b) 20-Appeals 1,741,000
(c) 40-Local Government Services 1,504,000
(d) 50.01-Administrative Services..... 3,495,000
(e) 50.02-Distributed Administrative Services ..... −3,495,000
(f) Reimbursements..... −3,556,000

Provisions:

1. None of the funds specified in Program 10 for the jobs program, exclusive of COD participants who are clients of the Department of Rehabilitation, shall be used for defraying the payroll cost of a participant unless the employer of the par-

ticipant pays at least 20 percent of such payroll cost.

2. To maximize the use of federal funds in the state, the State Personnel Board shall enter into an agreement with the Department of Rehabilitation for transfer of $1,687,000 of the funds appropriated in category (a), which the department shall use to match available Rehabilitation "110" federal funds; provided further, that the interagency agreement shall require the Department of Rehabilitation to purchase on-the-job training services from the State Personnel Board in the amount of $1,687,000, to be paid from these matched funds, and to provide the State Personnel Board $374,976 of these matched funds to support administrative activities and related costs in the Board's Disabled Unit.
3. Salary increases for trainees in the career opportunities development program shall be equivalent to such increases granted state civil service employees of similar classifications within the same bargaining unit for the 1982-83 fiscal year.
4. The State Personnel Board may receive unbudgeted reimbursements from state agencies pursuant to interagency agreements for the provision of additional personnel services only upon approval of the Director of Finance and notification to the Legislature pursuant to the provisions of Section 28, except for reimbursements for which funding originates from nonstate sources.
5. The Auditor General shall report to the Joint Legislative Budget Committee by December 1, 1982, on functions, workload, staff, and associated resources transferred to the Department of Personnel Administration, effective July 1, 1981, by the State Personnel Board, the Department of General Services, the Department of Finance, the Board of Control, or any other agency. The scope of the Auditor General's inquiry shall include, but need not be limited to, the management/staff ratio in the contributing departments before and after the transfer, the process used in determining the number of positions and other resources to be transferred, and the fiscal process by which the transfer of resources was affected.

6. The State Personnel Board shall assist the Department of Health Services in establishing new classifications and open examinations necessary to accomplish the prompt transfer of designated employees and consultants from the Hazardous Waste Disposal Alternatives Program in the Office of Appropriate Technology and the toxics program in the Office of Planning and Research (funded in the 1982–83 fiscal year by interagency agreement) to the Department of Health Services. The board shall expedite the processing of all documents to facilitate the transfer of project staff by December 31, 1982.

1880-001-677—For support of State Personnel Board, for Program 40-Local Government Services, payable from the Cooperative Personnel Services Revolving Fund 1,347,000

1900-001-001—For support of Board of Administration of the Public Employees' Retirement System 52,000
Schedule:
(a) 10-Retirement 21,000
(b) 20-Social Security 31,000

1900-001-820—For support of Board of Administration of the Public Employees' Retirement System, Program 10-Retirement, payable from the Legislators' Retirement Fund 85,000
Provisions:
1. The appropriation from the Legislators' Retirement Fund Item 1900-001-820, is for support of the Board of Administration in accordance with Section 9354 of the Government Code.

1900-001-830—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund 23,186,000
Schedule:
(a) 10-Retirement 21,955,000
(b) 20-Social Security 499,000
(c) 40-PERS System Redesign Project 1,472,000
(d) 50.01-Administration 12,389,000
(e) 50.02-Administration—
Distributed ..... −11,821,000
(f) Reimbursements ..... −1,308,000
Provisions:
1. Of the amount appropriated by this item, $300,000 shall be used for the development of a contribution reporting system which accounts for employees' contributions paid by the employer to the Public Employees' Retirement System.

This amount shall be advanced from the Public Employees' Retirement Fund and shall be repaid over a three-year period, beginning with the 1983–84 fiscal year, through appropriate charges levied by the Board of Administration of the Public Employees' Retirement System against agencies which elect to pay all or a portion of these employees' contributions.

2. The Board of Administration of the Public Employees' Retirement System, within the capabilities of available staff resources, shall work with the Pension Investment Unit within the Office of Planning and Research on devising prudent investment alternatives that stimulate the state's economy and create new jobs.
3. This shall include, but need not be limited to, working with the Pension Investment Unit on targeting investments in California home mortgages that are insured privately or by the federal government. These programs would include the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).
4. The board shall also work with the Pension Investment Unit on targeting small business loans to California through the programs of the U.S. Small Business Administration which are federally insured.
5. The board shall report to the appropriate policy and fiscal committees on its activities in fulfilling the above requirements at the end of each calendar quarter in the 1982–83 fiscal year.

1900-001-950—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Contingency Reserve Fund 2,269,000

Schedule:

(a) 10-Retirement	7,000
(b) 30-Health Benefits	2,232,000
(c) 40-PERS System Redesign Project	50,000
(d) Reimbursements	−20,000

Provisions:

1. The appropriation made by this item is for support of the Board of Administration pursuant to Section 22840 of the Government Code.

1900-001-962—For support of Board of Administration of the Public Employees' Retirement System, Program 10-Retirement, payable from the Volunteer Firefighters Length of Service Award System Fund 85,000

1900-011-001—For support of Board of Administration of the Public Employees' Retirement System, for costs incurred by the Board of Administration of the Public Employees' Retirement System in administering the provisions of the Judges' Retirement Law pursuant to Section 75005 of the Government Code, Program 10-Retirement the sum of $127,000 is appropriated from the General Fund to the Judges' Retirement Fund. 127,000

Provisions:

1. The appropriation from this item is for costs incurred by the Board of Administration of the Public Employees' Retirement System in administering the provisions of the Judges' Retirement Law pursuant to Section 75005 of the Government Code.

1900-101-001—For local assistance, for Public Employees' Retirement System activities, Program 60-Legislative Mandates for reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 8,265,000

Provisions:

1. 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.

1920-001-835—For support of State Teachers' Retirement System, payable from the State Teachers' Retirement Fund..... 11,043,357

Schedule:

(a) 100000-Personal Services	6,045,833
(b) 300000-Operating Expenses and Equipment	5,266,524
(c) Reimbursements	−190,000
(d) Amount payable from the Teacher Tax Sheltered Annuity Fund (Item 1920-001-963)	−79,000

Provisions:

1. The State Teachers' Retirement System shall work with the Pension Investment Unit within the Office of Planning and Research on devising prudent investment alternatives that stimulate the state's economy and create new jobs. Invest-

ments in California home mortgages, insured privately or by the federal government, including the Federal Home Loan Mortgages Corporation (FHLMC) and the Federal National Mortgage Association (FNMA), shall be specifically considered in this regard.

2. The State Teachers' Retirement System shall also work with the Pension Investment Unit on providing small business loans to California through the federally insured programs of the United States Small Business Administration.
3. The State Teachers' Retirement System shall report to the Legislature by September 1, 1982, on its progress in devising these investment alternatives.

1920-001-963—For support of State Teachers' Retirement System, to be transferred to Item 1920-001-835 payable from the Teacher Tax Sheltered Annuity Fund 79,000

Provisions:

This appropriation is for costs incurred in operating the tax-sheltered annuity program pursuant to Section 22231 of the Education Code.

1960-001-001—For support of Department of Veterans Affairs 2,109,000

Schedule:

(a) 100000-Personal Services	2,138,609
(b) 300000-Operating Expenses and Equipment	402,391
(c) Educational Assistance to Veterans' Dependents	548,000
(d) Amounts payable from the Veterans' Farm and Home Building Fund of 1943 (Item 1960-001-592)	−745,000
(e) Reimbursements	−112,000
(f) Amounts payable from the California National Guard Farm and Home Building Fund of 1978.....	−34,000
(g) Unallocated reduction 5%	−89,000

Provisions:

1. Expenditures pursuant to schedule (c) are for educational assistance to veterans' dependents, Department of Veterans Affairs, to be expended under the provisions of Sections 890 through 899 of the Military and Veterans Code provided, that no funds appropriated by this item, except as specified, may be expended to provide financial assistance for the education of dependents

of non-California veterans killed or totally disabled as a result of active military service and of non-California servicemen currently missing in action.

2. This restriction shall not apply to dependents receiving such financial assistance in, or prior to, fiscal year 1978–79. Provided further, that "non-California veteran" means persons not meeting the requirements of Section 980 of the Military and Veterans Code.
3. No funds shall be expended for educational assistance program grants to persons whose family incomes exceed the following limits:
   (a) $25,000 for three or fewer family members.
   (b) $27,000 for four family members.
   (c) $29,000 for five family members.
   (d) $31,000 for six or more family members.
   (e) $33,000 for three or more family members, if at least two members are attending college.

   As used in this provision, the term "family member" shall include only the dependent applicant; the parents, either natural or adoptive, of the dependent applicant; the dependent brothers and sisters, either natural or adoptive, of the dependent applicant; the spouse of the dependent applicant, if married; and any other persons who are dependent upon the family income for more than 50 percent of their support. The term "family income" shall include only the income of the dependent applicant; the parents, either natural or adoptive, of the dependent applicant; and, if married, the spouse of the dependent applicant; and shall mean "adjusted gross income" as that term is defined in Section 17072 of the Revenue and Taxation Code.
4. Upon order of the Department of Veterans Affairs, funds appropriated by Item 1960-001-001 may be transferred to Item 1960-101-001, and funds appropriated by Item 1960-101-001 may be transferred to Item 1960-001-001, except that not more than $420,000 of the funds appropriated by Item 1960-001-001 may be transferred to Item 1960-101-001.

1960-001-592—For support of Department of Veterans' Affairs to be transferred to Item 1960-001-001 payable from the Veterans' Farm and Home Building Fund of 1943 745,000

1960-101-001—For local assistance, Department of Veterans Affairs, for contribution to counties toward compensation and expenses of county service officers, to be expended in accordance with Section 972 of the Military and Veterans Code 420,000

1970-011-001—For support of Veterans' Home of California 17,600,000

Schedule:

(a)	100000-Personal Services	22,182,000
(b)	300000-Operating Expenses and Equipment	8,012,000
(c)	Reimbursements	−3,848,000
(d)	Amount payable from the Federal Trust Fund (Item 1970-011-890) ..	−8,746,000

Provisions:

1. The Veterans' Home of California shall collect from home members, after due consideration of income and family status, fees and charges of domiciliary, nursing home, and hospital care.
2. Any reimbursements or federal funds received by the Veterans' Home of California in excess of the amounts set forth in this item shall revert to the unappropriated surplus of the General Fund in a manner prescribed by the Department of Finance, unless expenditure of such funds is authorized by the Department of Finance. Such authorization shall not become effective sooner than 30 days after notification in writing of the Joint Legislative Budget Committee or such lesser time as the committee or its designee may, in each instance, determine.

1970-011-890—For support of Veterans' Home of California, to be transferred to Item 1970-011-001, payable from the Federal Trust Fund 8,746,000

1970-301-036—For capital outlay, Veterans' Home of California, Department of Veterans Affairs payable from the Special Fund for Capital Outlay, General Fund 2,518,000

Schedule:

(a)	Minor Capital Outlay	658,000
	Major Capital Outlay:	
(b)	Hospital addition (Acute Care Facility)	703,000
(c)	Section A (Domiciliary), Veterans Home	118,000
(d)	Section B (Intermediate), Veterans Home.....	96,000
(e)	Section C (Domiciliary), Veterans Home	131,000

(f) Section D (Domiciliary), Veterans Home 72,000
(g) Section E (Domiciliary), Veterans Home 75,000
(h) Upgrade street lighting system, Veterans Home 278,000
(i) Replacement of boiler burners..... 33,000
(j) Reinstate steam mains 319,000
(*l*) Increase primary electric services 35,000

Provisions:

1. No funds for working drawings related to the Department of Veterans Affairs Master Plan are to be released prior to 30 days' written notice to the Joint Legislative Budget Committee that the project qualifies for 65 percent federal matching grant funds.
2. No funds are to be expended from category (a) relating to cogeneration development prior to 30 days' written notice to the Joint Legislative Budget Committee of the cogeneration development plan.

1970-495—Reversion, Department of Veterans Affairs. As of June 30, 1982, the unencumbered balances of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

036—Special Account for Capital Outlay

(1) Item 197-301-036(b), Budget Act of 1981. Preliminary plans and working drawings, hospital addition (Acute Care Facility).
(2) Item 197-301-036(d), Budget Act of 1981. Preliminary plans and working drawings, section A (Domiciliary) Vets Home.
(3) Item 197-301-036(e), Budget Act of 1981. Preliminary plans and working drawings, section C (Domiciliary) Vets Home.

BUSINESS, TRANSPORTATION AND HOUSING

2060-001-019—For support of Solarcal Office, in the Business, Transportation and Housing Agency, payable from the State Energy Resources Conservation and Development Special Account, General Fund 261,000

2080-001-019—For support of the Solar Energy Conservation Mortgage Corporation in the Business, Transportation and Housing Agency, payable from the State Energy Resources Conservation and Development Special Account, General Fund 240,000

Provisions:

1. The appropriation made by this item is a loan which shall be repaid, during the 1982–83 fiscal year, to the General Fund with interest equal to that earned by the Pooled Money Investment Fund during the 1982–83 fiscal year.

2100-001-001—For support of Department of Alcoholic Beverage Control 13,811,000

Schedule:

(a)	10.10-Licensing	9,441,000
(b)	10.20-Compliance	4,650,000
(c)	10.30.010-Administration	1,735,000
(d)	10.30.020-Distributed Administration	−1,735,000
(e)	Reimbursements	−280,000

2120-001-001—For support of Alcoholic Beverage Control Appeals Board, Program 10 286,000

Provisions:

1. The appropriation made by this item is a loan which shall be repaid only if legislation is enacted which authorizes the Alcoholic Beverage Control Appeals Board to adopt and implement a fee schedule to provide for its cost of operations. The loan shall be repaid to the General Fund with interest to be paid on the outstanding balance in an amount equal to that earned by the Pooled Money Investment Account during the 1982–83 fiscal year.

2140-001-136—For support of State Banking Department, payable from the State Banking Fund 6,471,000

Schedule:

(a)	100000-Personal Services	5,164,000
(b)	300000-Operating Expenses and Equipment	1,484,000
(c)	Reimbursements	−122,000
(d)	Amount payable from the Local Agency Deposit Security Fund	−55,000

2180-001-001—For support of Department of Corporations..... 7,356,000

Schedule:

(a)	100000-Personal Services	10,889,000
(b)	300000-Operating Expenses and Equipment	2,350,000
(c)	Reimbursements	−5,883,000

Provisions:

1. Notwithstanding the provisions of Section 1382 of the Health and Safety Code, any payments received pursuant to that section shall be credited to this item as reimbursements and are hereby appropriated for the purposes of this item.

2180-101-001—For local assistance, Department of Corporations, for reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 4,000

Provisions:

1. 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.

2200-001-001—For support of Department of Economic and Business Development 7,063,000

Schedule:

(a) 10-Office of Business and Industrial Development	629,000
(b) 20-Office of International Trade ..	465,000
(c) 30-Office of Tourism	653,000
(d) 40-Office of Local Economic Development	360,000
(e) 50-Office of Small Business Development	4,801,000
(f) 60-Office of Economic Planning Policy and Research Development	517,000
(g) 70.01-Administration	843,000
(h) 70.02-Distributed Administration	−843,000
(i) Unallocated reduction	−350,000
(j) Reimbursements	−12,000

Provisions:

1. Of the amount appropriated in category (e) for support of the Office of Small Business Development, $3,024,000 shall be for transfer to the Small Business Expansion Fund.
2. Of the amount appropriated by this item, $300,000 shall not be encumbered until January 1, 1983. If Assembly Bill No. 3757 of the 1981–82 Regular Session is chaptered, and creates the California State World Trade Commission, $300,000 appropriated by this item shall be avail-

able for encumbrance only for the purposes of the California State World Trade Commission.

2200-001-890—For support of Department of Economic and Business Development, payable from the Federal Trust Fund 418,000

Schedule:

(a)	10-Office of Business and Industrial Development	82,000
(b)	30-Office of Tourism	17,000
(c)	40-Office of Local Economic Development	155,000
(d)	50-Office of Small Business Development	88,000
(e)	60-Office of Economic Planning Policy and Research Development	76,000

Provisions:

1. $243,000 of the funds appropriated by this item for administration of grants for financial and technical assistance to small businesses for development and marketing of new technologies shall be available only if the Title IX federal grant is received.

2200-101-890—For local assistance, Department of Economic and Business Development, Program 50, Office of Small Business Development, payable from the Federal Trust Fund 2,000,000

Provisions:

1. The funds appropriated for financial and technical assistance to small businesses for development and marketing of new technologies shall be available only if the Title IX federal grant is received.

2200-490—Reappropriation, Department of Economic and Business Development. Notwithstanding any other provisions of law, the unencumbered balances, not to exceed $44,000, on the effective date of this act, of the appropriation provided in the following citation, is reappropriated for the purposes provided for in said appropriation, and shall be available for expenditure until June 30, 1983:

001-General Fund

(1) Item 220-001-001—Budget Act of 1981

2230-001-215—For support of the California Industrial Development Financing Advisory Commission, payable from the Industrial Development Fund .. 222,000

2240-001-001—For support of Department of Housing and Community Development 5,757,000

Schedule:

(a)	10-Codes and Standards Program	2,335,000

(b) 20-Community Affairs Program .. 5,844,000
(c) 30-Research and Policy Development Program 1,412,000
(d) 50.01-Administration 2,450,000
(e) 50.02-Distributed Administration.. −2,450,000
(f) Reimbursements ..... −3,459,000
(g) 97.20-Unallocated reduction ..... −375,000

Provisions:

1. All funds made available pursuant to the Small Cities Community Development Block Grant program shall be used primarily for the benefit of low and moderate income persons.
2. At least 51 percent of the funds made available pursuant to the Small Cities Community Development Block Grant program shall be utilized by cities and counties receiving the funds for the purpose of providing or improving housing opportunities for low and moderate income households or for purposes directly related to the provision or improvement of housing opportunities for low and moderate income households, including, but not limited to, the construction of infrastructure.
3. As a condition of receiving funds, a city or county shall have submitted a housing element to the department pursuant to the provisions of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code, except that no local application for funds shall be denied because of the content of the city's or county's housing element or the department's review of and findings with respect to the city's or county's housing element, except as provided in Provision 4.
4. No city or county shall be eligible to receive funds pursuant to the Small Cities Community Development Block Grant program if the city or county has adopted a general plan, ordinance, or other measure which directly limits, by number, (a) the building permits that may be issued for residential construction or (b) the buildable lots which may be developed for residential purposes. However, this provision shall not be applicable to: (1) a measure enacted as of May 5, 1982, which (a) imposes a moratorium, to protect the public health and safety, on residential construction for a specified period of time, if, under the terms of the ordinance, the moratorium will

cease when the public health or safety is no longer jeopardized by the construction, or (b) creates agricultural preserves under Chapter 7 (commencing with Section 51200) of Part 2 of Division 1 of Title 5 of the Government Code, or (c) was adopted pursuant to a specific requirement of a state or multistate board, agency, or commission, or (2) a city or county which has a housing element for which the department has issued findings of adequacy pursuant to subdivision (c) of Section 65585 or Section 65586 of the Government Code at the time the city or county applies for funds under the Small Cities Community Development Block Grant program, unless a final court order has found that the housing element is not in compliance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

5. One and one-fourth percent of funds made available under the Small Cities Community Development Block Grant program shall be set aside for eligible cities and counties applying on behalf of nonfederally recognized Indian Tribal Governments. Priority for these funds shall be to applicants submitting quality applications.

2240-001-245—For support of Department of Housing and Community Development, Codes and Standards, Program 1C, payable from the Mobilehome Parks Revolving Fund 1,392,000

2240-001-451—For support of Department of Housing and Community Development, Codes and Standards, Program 10, payable from the Mobilehome and Commercial Coach License Fee Fund 1,484,000

2240-001-635—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Housing Predevelopment Loan Fund 170,000

2240-001-648—For support of Department of Housing and Community Development, Codes and Standards, Program 10, payable from the Mobilehome Revolving Fund 8,466,000

Provisions:

1. None of the funds appropriated to the Department of Housing and Community Development for the development and operation of a data-processing project shall be expended sooner than 30 days after the Director of Finance has

submitted in writing to the Assembly Committee on Ways and Means, the Senate Committee on Finance, and the Joint Legislative Budget Committee, notification of the intent of the Department of Finance to authorize those expenditures, a copy of the approved Feasibility Study Report, and a summary of expected project costs.

2240-001-890—For support of Department of Housing and Community Development, Program 20, payable from the Federal Trust Fund 711,000

Provisions:

1. Provisions 1 to 5, inclusive, of Item 2240-001-001 shall also be applicable to this item.

2240-001-925—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Land Purchase Fund 33,000

2240-001-929—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Housing Rehabilitation Loan Fund 372,000

2240-001-936—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Homeownership Assistance Fund 200,000

2240-001-938—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Rental Housing Construction Fund 297,000

2240-001-980—For support of Department of Housing and Community Development, Community Affairs, Program 20, payable from the Urban Housing Development Loan Fund 77,000

2240-101-001—For local assistance, Department of Housing and Community Development, Community Affairs, Program 20..... 7,575,000

2240-101-890—For local assistance, Department of Housing and Community Development, Program 20, payable from the Federal Trust Fund 36,606,000

2260-001-501—For support of California Housing Finance Agency, Lending and Program Activity, Program 10, payable from the California Housing Finance Fund..... 6,050,000

Provisions:

1. Of the moneys appropriated by this item, the Director of Finance may authorize the expenditure of $39,000 for 2.0 accounting technicians, not sooner than 30 days after written notification of the necessity therefor is given to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee.
2. All expenditures for issuing bonds and notes under authority of the California Housing Agency shall be made in accordance with the provisions of Section 51000 of the Health and Safety Code.

2290-001-001—For support of Department of Insurance 10,630,000

Schedule:

(a)	10-Regulation of Insurance Companies and Insurance Producers	15,363,000
(b)	30-Tax Collection and Audit	90,000
(c)	40.01-Administration	2,404,000
(d)	40.02-Distributed Administration	−2,404,000
(e)	Reimbursements	−4,823,000

2290-001-218—For support of Department of Insurance, Program 20, Fraud Control, payable from the Insurance Commissioners Regulatory Trust Fund 534,000

2320-001-317—For support of Department of Real Estate, payable from the Real Estate Fund 16,377,000

Schedule:

(a)	100000-Personal Services	10,919,000
(b)	300000-Operating Expenses and Equipment	4,489,000
(c)	Education and Research	672,000
(d)	Recovery Act	537,000
(e)	Reimbursements	−240,000

Provisions:

1. Of the amount appropriated by this item, $946,000 shall not be expended unless and until A.B. 3030 of the 1981–82 Regular Session is enacted and the expenditure is authorized in writing by the Director of Finance. The Director of Finance shall authorize payments not sooner than 30 days after notifying the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committee of each house of the director's intention to authorize the expenditure of these funds.

2. The department, in coordination with the Department of Finance, shall report to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee by August 1, 1982, as to the revised 1982–83 expenditure plan regarding the timing of budget changes to bring the budget in line with revenues, what portions would be affected, and what potential cuts are to be made.

2320-011-317—For support of Department of Real Estate, payable from the Real Estate Fund 1,152,000

Schedule:

(a) 100000-Personal Services 594,000

(b) 300000-Operating Expenses and Equipment 558,000

Provisions:

1. The Director of Finance may authorize the expenditure of funds appropriated by this item only after written notification of the necessity therefor is given to the Chairperson of the Joint Legislative Budget Committee.

2320-495—Reversion, Department of Real Estate. Notwithstanding any other provisions of law, as of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

317—Real Estate Fund

(1) Item 168(c), Budget Act of 1980—Education and Research, provided that the amount reverted shall be 81,000

(2) Item 168(d), Budget Act of 1980—Recovery Act, provided that the amount reverted shall be 290,000

(3) Item 232-001-317(c), Budget Act of 1981—Education and Research, provided that the amount reverted shall be 350,000

(4) Item 232-001-317(d), Budget Act of 1981—Recovery Act, provided that the amount reverted shall be 300,000

2340-001-337—For support of Department of Savings and Loan, payable from the Savings and Loan Inspection Fund 3,273,000

Schedule:

(a) 100000-Personal Services 3,679,000

(b) 300000-Operating Expenses and Equipment 956,000

(c) Reimbursements ..... −1,362,000

2600-001-042—For support of the California Transportation Commission, payable from the State Highway Account, State Transportation Fund 110,000
Provisions:
1. Of the amount appropriated by this item, $70,000 may be used for additional consultant and professional services, or to employ additional staff.

2600-001-046—For support of California Transportation Commission, payable from the Transportation Planning and Development Account, State Transportation Fund 1,012,000

2640-101-046—To Business, Transportation and Housing Agency, for local assistance, Program 10, State Transportation Assistance, payable from the Transportation Planning and Development Account, State Transportation Fund 90,000,000
Provisions:
1. If any other statute is enacted during the 1982–83 fiscal year which contains an appropriation for State Transit Assistance, to the extent possible, an amount equal to the appropriation made by this item shall revert, as of the operative date of the other statute, to the unappropriated surplus of the Transportation Planning and Development Account, State Transportation Fund.

2640-490—Reappropriation, Special Transportation Programs. Notwithstanding any other provisions of law, the unliquidated 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, 1983:

046—Transportation Planning and Development Account, State Transportation Fund
(1) Section 71 (c) (3) (B), Chapter 161, Statutes of 1979—For public transportation purposes pursuant to Section 99312 of the Public Utilities Code—Special Transportation Programs.

2660-001-041—For support of Department of Transportation, payable from the Aeronautics Account, State Transportation Fund 1,837,000
Schedule:
(a) 10-Aeronautics 1,866,000
(b) Amount payable from Federal Trust Fund (Item 2660-001-890) .. −29,000

2660-001-042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund..... 612,073,680

Schedule:

(a)	20-Highway Transportation.....	607,273,680
	20.10-Rehabilitation.. (37,257,846)	
	20.20-Operational Improvements..... (52,351,766)	
	20.30-Local Assistance.. (6,442,740)	
	20.40-Program Development..... (3,321,262)	
	20.50-New Facilities.. (54,249,540)	
	20.60-Administration (81,206,313)	
	20.70-Operations..... (31,908,095)	
	20.80-Maintenance.... (340,536,118)	
(1)	20-Total Highway Transportation	701,842,000
(2)	Reimbursements	−8,992,000
(3)	Amount payable from Federal Trust Fund (Item 2660-001-890) ..	−85,232,320
(4)	Amount payable from California Environmental License Plate Fund (Item 2660-001-140)	−344,000
(b)	30-Mass Transportation	4,800,000

Provisions:

1. For Program 20—Highways, up to 10 percent of any of the amounts scheduled within the program as appropriated from the State Highway Account, State Transportation Fund, Item 2660-001-042, may be transferred to Item 2660-101-042 or Item 2660-301-042 as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. Funds appropriated by this item, Program 20 shall be available for support of those projects which have been included in a State Transportation Improvement Plan adopted by the California Transportation Commission.
4. The department shall notify the Joint Legislative Budget Committee, in writing, at least five days in advance, of the department's intention to obligate State Highway Program funds in the combined totals of the state and federal appropriation items (a) within any single program element at a level which exceeds the amount appropriated by this act, pursuant to Section 168 of the Streets and Highways Code, or (b) which would require a transfer of funds among expenditure categories. The notification shall specify the proposed amount and intended use of funds. This provision shall not be applicable to whatever necessary changes in fund use or

transfers resulting from unanticipated occurrences which are beyond the control of the department.

5. The department shall contract with the Department of Finance for the services of a person who will supervise the preparation of the department's budget and who will report directly to the agency secretary.
6. $1,664,000 appropriated for implementation of a financial management and accounting system shall not be expended sooner than 30 days after the Joint Legislative Budget Committee and the fiscal committee of each house have received a written report thereon from the department. This report shall include a systems implementation plan, a feasibility study report approved by the Department of Finance, and the provisions of any contracts for consultant services, including hourly rates proposed for each level of consulting services.
7. Notwithstanding any other provision of law, the selection of alternatives pursuant to the environmental assessment process specified by the California Environmental Quality Act and the National Environmental Policy Act shall be subject to the approval of the California Transportation Commission. The department shall report monthly to the California Transportation Commission of the status of all environmental assessment documents in preparation.
8. The department shall adopt the following rental policy for department-owned residential properties: (a) Households with earnings of more than 120 percent of area median income, as defined in Section 50093 of the Health and Safety Code and set forth in Title 25, California Administrative Code, Section 6910 et seq., shall be charged fair market rent as soon as practicable. (b) Households of low and moderate income, as defined in Section 50093 of the Health and Safety Code and set forth in Title 25, California Administrative Code, Section 6910 et seq., shall have rental increases limited to 25 percent per year until the rent reaches 25 percent of the household gross income, unless eligible for, and provided, replacement housing under the Uniform Relocation Assistance Act, in which case, the rental rate shall go to fair market. (c) Fair

market rent shall be charged to all new renters of department-owned residential properties.

9. The department shall contract for a study of the effectiveness of its highway maintenance management system. The detailed objectives and scope of this study shall be determined by a task force with representation from the department, the California Transportation Commission, the Department of Finance, majority and minority staff of the fiscal committee of each house, and the Legislative Analyst, with the Legislative Analyst serving as chairperson of the task force. The request for proposals (BFP) shall be developed by the department and subject to the review of the task force. The contractor selection process shall be approved by the task force. The task force as a whole shall assume the role of "client" insofar as there is a need to review work schedules, interim and draft reports, and acceptance of final products.
10. For Program 30-Mass Transportation, for ridesharing, the amount of $300,000 shall be used to assist persons, who live in areas where plant closures have contributed to high unemployment, in finding transportation to areas of greater employment opportunity.
11. The department, in the preparation of its 1983–84 budget, shall propose the Ridesharing Program be funded exclusively from the Transportation Planning and Development Account in the State Transportation Fund.

2660-001-046—For support of Department of Transportation, payable from the Transportation Planning and Development Account, State Transportation Fund 30,158,722

Schedule:

(a) 30-Mass Transportation		25,268,722
(1) 30-Total Mass Transportation	84,323,166	
(2) Reimbursements	−39,534,444	
(2x) Reimbursements-Section 2204.4 of the Revenue and Taxation Code	−377,000	
(3) Amount payable from Federal Trust Fund (Item 2660-001-890)	−17,543,000	
(4) Unallocated reduction	−1,600,000	

(b) 40-Transportation Planning 4,890,000
(1) 40-Total Transportation Planning..... 9,042,000
(2) Reimbursements ..—4,152,000

Provisions:

1. The department shall fund its transit management assistance program with federal funds or from reimbursements of State Transit Assistance funds to the extent that more than $243,000 in federal funds can be allocated for administration and technical assistance pursuant to Section 18(d) of the federal Urban Mass Transportation Act or if the 1982–83 appropriation for State Transit Assistance is greater than the 1981–82 appropriation. The department shall be reimbursed for this program beginning in 1983–84 regardless of the availability of federal or State Transit Assistance funds.
2. The department shall expend $220,000 appropriated for capital outlay project development only if the California Transportation Commission allocates funds to the department for capital improvements to the Southern Pacific Peninsula Commute Service.
3. $346,000 and six personnel-years from this item for Union Station management and operation shall be expended only if the department assumes control for operating Union Station. For each month in the fiscal year in which the department does not control the operation of the station, $^1/_{12}$ of the $346,000 shall revert to the unappropriated surplus of the Transportation Planning and Development Account in the State Transportation Fund.
4. The department's contribution to station management and operations shall not exceed 50 percent of the cost of these activities for Peninsula commute stations and their related facilities after their purchase by the department.
5. The department shall expend no funds related to the Sacramento Light Rail Project unless and until the Sacramento Transit Development Agency has received approval from federal, state, or local agencies for funds to reimburse the department. All expenditures incurred by the department related to the Sacramento Light Rail Project shall be reimbursed by the Sacramento Transit Development Agency.

6. At least 30 days before funds are expended on a shared vehicle demonstration project, the department shall submit the feasibility study report on the project to the Joint Legislative Budget Committee and the fiscal committee of each house with a recommendation whether to continue the project.
7. The department shall include as part of its budget documentation for the 1983–84 fiscal year an explanation and the rationale used to develop the rail marketing budgets. The working documents shall explain the proposed media expenditures in terms of objectives for the budget year, including, but not limited to, the following elements: ridership objectives condition of services, new, changing, and existing conditions of market; cost of media coverage, and target audience.
8. The department shall not subsidize a commuter rail passenger service at a rate which exceeds 60 percent of the difference between the operating revenues of the service, including any contributions made by the federal government and the railroad and the operating cost of the service and related facilities, after the end of the third year of operation of the service.
9. Notwithstanding any other provision of law, the department shall expend up to $66,000 to extend "The Spirit of California" to San Francisco.
10. The Department of Transportation shall not encumber any funds for tuition for training for the purpose of completing certificate programs in rail operations, planning, and engineering related to training, for department employees who would assist local agencies in the development of local guideway and rail projects.
11. $16,836,000 appropriated by this item shall be allocated by the California Transportation Commission pursuant to Section 14031.6 of the Government Code.

2660-001-140—For support of Department of Transportation, Program 20, Highway Transportation, payable from the California Environmental License Plate Fund for transfer to Item 2660-001-042..... 344,000

Provisions:

1. The department shall spend up to $275,000 for support of research, development, and testing of the lean combustion principle for internal combustion engines. The department shall competitively bid the research and development project and shall coordinate its efforts with the State Energy Resources Conservation and Development Commission.

2660-001-890—For support of Department of Transportation, payable from the Federal Trust Fund 102,804,320

Schedule:

(a) 10-Aeronautics for transfer to Item 2660-001-041 29,000

(b) 20-Highway Transportation for transfer to Item 2660-001-042 85,232,320
20.10-Rehabilitation .. (14,980,880)
20.20-Operational Improvements ..... (20,435,380)
20.40-Program Development ..... (10,822,000)
20.50-New Facilities .. (38,994,060)

(c) 30-Mass Transportation for transfer to Item 2660-001-046 17,543,000

Provisions:

1. For Program 20—Highways, up to 10 percent of any of the amounts scheduled within the program as appropriated from the State Highway Account, State Transportation Fund, Item 2660-001-042, may be transferred to Item 2660-101-042 or Item 2660-301-042 as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. Funds appropriated in this item, Program 20 shall be available for support of those projects which have been included in a State Transportation Improvement Plan adopted by the California Transportation Commission.

   Any federal reimbursements shall be from federal funds deposited in the State Highway Account, State Transportation Fund.
3. If federal funds are received in excess of the amount appropriated by this act and are available for expenditure in lieu of state funds appropriated by this act, the state funds shall not be encumbered for the purpose for which they were appropriated or any other purpose and shall revert to the unappropriated surplus of the

fund from which the appropriation was made.

2660-011-041—For transfer by the State Controller from the Aeronautics Account, State Transportation Fund (041), to the Transportation Planning and Development Account, State Transportation Fund (046), as prescribed by Section 21682.5 of the Public Utilities Code for appropriation as specified in this act for expenditures by the California Transportation Commission and the Department of Transportation for transportation planning and research ..... (30,000)

2660-021-042—For transfer by the State Controller from the State Highway Account, State Transportation Fund (042), to the Transportation Planning and Development Account, State Transportation Fund (046) as prescribed by Section 194 of the Streets and Highways Code for appropriation as specified in this act for expenditures by the California Transportation Commission and the Department of Transportation for transportation planning and research ..... (7,600,000)

2660-021-890—For transfer by the State Controller from the Federal Trust Fund (890), to the Transportation Planning and Development Account, State Transportation Fund (046), as prescribed by Section 194 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 ..... (4,000,000)

2660-101-041—For local assistance, Department of Transportation, Program 10, Aeronautics, payable from the Aeronautics Account, State Transportation Fund 1,000,000

Provisions:

1. The department shall disburse funds in accordance with Sections 21602 and 21684.5 of the Public Utilities Code.

2660-101-042—For local assistance, Department of Transportation, payable from the State Highway Account, State Transportation Fund 91,600,000

Schedule:

(a) 20-Highway Transportation..... 25,900,000
20.30-Local Assistance..... (25,900,000)
(1) Total Highway Transportation 208,000,000

(2) Amount payable from Federal Trust Fund (Item 2660-101-890) ..... --182,100,000
(b) 30-Mass Transportation 65,700,000

Provisions:

1. For Program 20—Highways, up to 10 percent of any amounts scheduled within Item 2660-101-042 may be transferred to Item 2660-001-042 or Item 2660-301-042 as authorized under the provisions of Section 168 of the Streets and Highways Code.
3. The appropriations made in this item for Program 20—Highway Transportation shall be available for expenditure during the 1982–83, 1983–84, and 1984–85 fiscal years.
4. For Program 30—Mass Transportation. The Department shall disburse from the State Highway Account, in accordance with the allocation made by the California Transportation Commission within the provisions of Sections 199 and 199.1 of the Streets and Highways Code.
5. The amount appropriated for Article XIX Transit Guideways shall be available for expenditure during the 1982–83, 1983–84, and 1984–85 fiscal years.
6. The amount allocated in the 1982–83 fiscal year by the California Transportation Commission for the construction of transportation facilities or the acquisition of related right-of-way or of rolling stock shall be available for expenditure during the 1982–83, 1983–84, and 1984–85 fiscal years.

2660-101-046—For local assistance, the Department of Transportation, payable from the Transportation Planning and Development Account, State Transportation Fund 40,672,000
Schedule:
(a) 30-Mass Transportation 38,640,000
(1) 30-Total Mass Transportation 38,760,000
(2) Amount payable from Federal Trust Fund (Item 2660-101-890) ..... —120,000
(b) 40-Transportation Planning 2,032,000
(1) 40-Total Transportation Planning..... 6,032,000

(2) Amount payable from Federal Trust Fund (Item 2660-101-890) ..... —4,000,000

Provisions:

1. The amounts allocated in the 1982–83 fiscal year by the California Transportation Commission for the construction of transportation facilities, the acquisition of related rights-of-way, or the acquisition of rolling stock shall be available for expenditure during the 1982–83, 1983–84, and 1984–85 fiscal years.
2. The amounts appropriated by Item 2660-101-046 for Guideway Projects and Intermodal transfer facilities shall be allocated by the California Transportation Commission.
3. The commission may amend the priority list adopted pursuant to Section 99317.5 of the Public Utilities Code to reflect the appropriation for guideway projects.
4. $8,000,000 appropriated in this item shall be allocated pursuant to the Abandoned Railroad Rights-of-Way Program.

2660-101-890—For local assistance, Department of Transportation, payable from the Federal Trust Fund 186,220,000

Schedule:

(a) 20-Highway Transportation for transfer to Item 2660-101-042 182,100,000
20.30-Local Assistance..... (182,100,000)
(b) 30-Mass Transportation for transfer to Item 2660-101-046..... 120,000
(c) 40-Transportation Planning for transfer to Item 2660-101-046 4,000,000

Provisions:

1. For Program 10—Aeronautics. The Department shall disburse funds in accordance with Sections 21602 and 21684.5 of the Public Utilities Code.
3. For Program 20—Highways, up to 10 percent of the amounts scheduled within the program as appropriated from the Federal Trust Fund, Item 2660-101-890, may be transferred to Item 2660-001-890 or Item 2660-301-890 as authorized pursuant to Section 168 of the Streets and Highways Code.
4. Any federal reimbursements shall be from federal funds deposited in the State Highway Account, State Transportation Fund.

5. For Program 30—Mass Transportation. The Department shall disburse from the State Highway Account, in accordance with the allocation made by the California Transportation Commission within the provisions of Sections 199 and 199.1 of the Streets and Highways Code.

2660-301-042—For capital outlay, Department of Transportation, payable from the State Highway Account, State Transportation Fund 186,000,000

Schedule:

(a) 20-Highway Transportation..... 186,000,000
20.10-Rehabilitation ..... (53,820,000)
20.20-Operational Improvements (61,915,000)
20.50-New Facilities..... (69,765,000)
20.70-Operations..... (500,000)
(1) 20-Total Highway Transportation 575,180,000
(2) Reimbursements .—55,000,000
(3) Amount payable from the Federal Trust Fund (Item 2660-301-890) .....—334,000,000
(4) Amount payable from Environmental License Plate Fund (Item 2660-301-140) ..... —180,000

Provisions:

1. For Program 20—Highways. Provided that up to 10 percent of the amounts within Item 2660-301-042 may be transferred to Item 2660-101-042 or Item 2660-001-042 of this act as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. Funds appropriated by Item 2660-301-042 shall be available for allocation by the California Transportation Commission to those projects which have been included in a State Transportation Improvement Plan adopted by the commission.

2660-301-046—For capital outlay, the Department of Transportation, payable from the Transportation Planning and Development Account State Transportation Fund 2,500,000

(a) 30-Mass Transportation 18,150,000
(b) Reimbursements ..... —15,650,000

Provisions:

1. Notwithstanding any other provisions of law, $2,500,000 shall be expended on rail capital improvements related to a Monterey-San Francisco passenger rail service.
2. The department shall name one of the Monterey-San Francisco passenger trains "The Alquist."

2660-301-140—For capital outlay, Department of Transportation, Program 20, Highway Transportation, payable from the California Environmental License Plate Fund for transfer to Item 2660-301-042 180,000

2660-301-890—For capital outlay, Department of Transportation, payable from the Federal Trust Fund .. 334,000,000

Schedule:

(a) 20-Highway Transportation for transfer to Item 2660-301-042 334,000,000
20.10-Rehabilitation ..... (65,000,000)
20.20-Operational Improvements (66,000,000)
20.50-New Facilities..... (203,000,000)

Provisions:

1. For Program 20—Highways. Provided that up to 10 percent of the amounts scheduled within the program as appropriated from the Federal Trust Fund, Item 2660-301-890, may be transferred to Item 2660-101-890 or Item 2660-001-890 as authorized pursuant to Section 168 of the Streets and Highways Code.
2. Provided further, that funds appropriated by Item 2660-301-890 shall be available for allocation by the California Transportation Commission to those projects which have been included in a State Transportation Improvement Plan adopted by the commission. Provided further, that any federal reimbursements shall be from federal funds deposited in the State Highway Account, State Transportation Fund.

2660-490—Reappropriation, Department of Transportation. Notwithstanding any other provisions of law, the unencumbered balances, or the portion thereof as specified in this item, 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, 1983.

042—State Highway Account, State Transportation Fund:

(1) Chapter 1364, Statutes of 1978--Capital Outlay, not to equal $39,000,000.

(2) Item 266-001-042(a), Budget Act of 1981, not to exceed $750,000.
(3) Item 172, Budget Act of 1980, as reappropriated by Item 266-490, Budget Act of 1981, not to exceed $475,000, State Operations.

046—Transportation Planning and Development Account, State Transportation Fund:
(1) Chapter 460, Statutes of 1978, Section (1)(a) and (d). Specified Intermodal Projects.
(2) Item 182.1, Budget Act of 1980, Intermodal Transfer Facilities.
(3) Item 266-101-046, Budget Act of 1981, Intercity Bus Service Improvements.

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 purpose provided for in such appropriations, and shall be available for expenditure until June 30, 1984.

046—Transportation Planning and Development Account, State Transportation Fund:
(1) Item 266-101-046, Budget Act of 1981, Intermodal Transfer Facilities.

2660-491—Except as otherwise provided in this item, notwithstanding any other provisions of law, the unliquidated encumbrances of the following local assistance appropriations are reappropriated for the purposes provided for in such appropriations, until June 30, 1983. Any project savings shall be available for the enlargement of other highway projects previously funded from the same appropriation. The appropriations in the following citations are reappropriated without regard to fiscal year if the State Controller notifies the Chairman of the Joint Legislative Budget Committee, in writing, that subdivision (c) of Section 16304 of the Government Code applies to these appropriations:

042—State Highway Account, State Transportation Fund
(1) Item 200(a), (b), (c), Budget Act of 1975—Local Assistance.
(2) Item 205(a), (b), (c), Budget Act of 1976—Local Assistance.
(3) Item 151.3, Budget Act of 1978—Local Assistance.
(4) Item 156, Budget Act of 1978—Local Assistance.
(5) Item 169, Budget Act of 1979—Local Assistance.

(6) Item 169.1, Budget Act of 1979—Local Assistance.
(7) Item 266-101-042, Budget Act of 1981—Local Assistance.

Notwithstanding any other provisions of law, the unencumbered balance of the appropriation provided in the following citations shall revert, on the effective date of this act, to the unappropriated surplus of the fund from which the appropriation was made. The unliquidated encumbrances plus whatever portion thereof is specified in this item are continued for expenditure until June 30, 1983. The funds continued for expenditure from the capital outlay appropriations in the following citations shall be available for allocation by the California Transportation Commission to any project whether or not included in an adopted State Transportation Improvement Program:

042—State Highway Account, State Transportation Fund

(1) Item 160.1, Budget Act of 1977—Capital Outlay—$200,000
(2) Item 447, Budget Act of 1978—Capital Outlay —$200,000
(3) Item 453, Budget Act of 1979—Capital Outlay —$200,000
(4) Item 180, Budget Act of 1980—Local Assistance—$300,000

046—Transportation Planning and Development Account, State Transportation Fund

(1) Chapter 161, Statutes of 1979, Section 71(c)(2)(B)—Intercity Bus Service

2700-001-044—For support of Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund 197,000
Schedule:
(a) State Operations 4,004,000
(b) Reimbursements ..... —47,000
(c) Amount payable from the Federal Trust Fund (Item 2700-001-890) .. —3,760,000

2700-001-890—For support of Office of Traffic Safety, to be transferred to Item 2700-001-044, payable from the Federal Trust Fund 3,760,000
Provisions:
1. The funds appropriated from this item constitute federal funds as defined in Section 8.7.

2700-101-890—For local assistance, Office of Traffic Safety, payable from the Federal Trust Fund 5,640,000
Provisions:

1. The amount specified by this item constitutes federal funds as defined by Section 8.7.

2720-001-044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund 326,708,382

Schedule:

(a) 10-Traffic Management	300,945,301
(b) 20-Regulation and Inspection.....	23,406,238
(c) 30-Vehicle Ownership Security	6,545,843
(d) Reimbursements	−4,189,000

Provisions:

1. If actual costs for leasing are lower than the $569,000 reserve provided in this item, the unencumbered balance shall not be encumbered for any other purpose and shall revert to the Motor Vehicle Account in the State Transportation Fund.
2. It is the intent of the Legislature that the Department of the California Highway Patrol be allowed to receive reimbursement from the Los Angeles Olympic Organizing Committee for the department's costs in developing plans for the traffic flow in and around the Los Angeles 1984 Olympic games, including, but not limited to, postgames activities, and for overtime and travel expenses related to the department's activities in connection with the games.

2720-001-050—For support of Department of the California Highway Patrol, Program 10, payable from the California Highway Patrol Law Enforcement Account, State Transportation Fund 11,930,000

2720-001-890—For support of Department of the California Highway Patrol, payable from the Federal Trust Fund 184,000

Schedule:

(a) 10-Traffic Management	168,000
(b) 20-Regulation and Inspection.....	12,000
(c) 30-Vehicle Ownership Security	4,000

2720-011-044—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, payable from the Motor Vehicle Account, State Transportation Fund ..... (2,000,000)

Provisions:

1. The Director of Finance shall report allocations from this item in the same manner as required for reporting allocations from Item 9840-001-494 of this act.

2720-021-044—For 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 $5,000,000 during the 1982–83 fiscal year, for delivery beginning in the 1983–84 fiscal year, payable from the Motor Vehicle Account, State Transportation Fund (5,000,000)

2720-301-044—For Capital Outlay, Department of California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund 6,487,000

Schedule:

(a) 50.10.001-Construction—Hollister/Gilroy	1,027,000
(c) 50.10.012-Purchase Leased Facility—Riverside	900,000
(d) 50.10.013-Purchase Leased Facility—Santa Cruz	784,000
(e) 50.10.014-Purchase Leased Facility—Oceanside	784,000
(f) 50.10.015-Purchase Leased Facility—Susanville	237,000
(g) 50.10.016-Purchase Leased Facility—Lake Valley	276,000
(h) 50.10.017-Purchase Leased Facility—Madera	243,000
(hx) 50.10.017.001-Purchase Leased Facility—Crescent City	199,000
(hxx) 50.10.017.002-Purchase Leased Facility—Humboldt	305,000
(i) 50.10.018-Site Acquisition and Preliminary Plans—Golden Gate Division Communications Center and Division Office	706,000
(j) 50.10.019-Construction—Stores and Equipment Warehouse	407,000
(*l*) 50.10.021-Property Options—Various Areas	15,000
(m) 50.20-Minor Projects	604,000

Provisions:

1. The funds appropriated in Schedule *l* shall be used only in connection with projects which are to be included in the budget submitted by the Governor for the 1983–84 fiscal year.

2720-490—Reappropriation, Department of California Highway Patrol. 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 those appropriations, and shall be available for expenditure until June 30, 1983:

044—Motor Vehicle Account, State Transportation Fund

(1) Item 272-301-044(e), Budget Act of 1981—site acquisition and working drawings—Santa Rosa.

(2) Item 272-301-044(g), Budget Act of 1981—preliminary plans and working drawings—Hollister/Gilroy.

Provisions:

1. No funds reappropriated by this item for project (1) shall be expended until the department and the Department of General Services (a) engage in further discussions with the owner of the currently leased facility in Santa Rosa to remodel the facility to meet the needs of the department and (b) submit an analysis of the alternatives for providing the needed space to the Chairperson of the Joint Legislative Budget Committee or his or her designee.

2740-001-001—For support of the Department of Motor Vehicles, Driver Licensing and Control, and Personal Identification, Program 21 64,000

Provisions:

1. The funds appropriated from this item are for anatomical donor designation program and petit jury panel selection.

2740-001-044—For support of the Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund 177,476,266

Schedule:

(a) 11-Vehicle and Vessel Registration and Titling..... 87,370,301
  (1) 11—Total Vehicle and Vessel Registration and Titling 93,734,965
  (2) Reimbursements ..—6,364,664

(b) 21-Driver Licensing and Control, and Personal Identification..... 77,339,262
  (1) 21—Total—Driver Licensing and Control and Personal Identification 86,861,262
  (2) Reimbursements ..—9,522,000

(c) 31-Occupational Licensing and Regulation 12,766,703

(d) 41.01-Administration 17,496,985
(e) 41.02-Distributed Administration.. —17,496,985

2740-001-064—For support of the Department of Motor Vehicles, Vehicle and Vessel Registration and Titling, Program 11, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund .. 38,211,000

Provisions:
1. The funds appropriated from this item are as provided by Section 11003 of the Revenue and Taxation Code.

2740-001-378—For support of the Department of Motor Vehicles, Vehicle and Vessel Registration and Titling, Program 11, payable from the State Bicycle License and Registration Fund 60,000

Provisions:
1. The funds appropriated from this item are as provided by Section 39001 of the Vehicle Code.

2740-001-516—For support of the Department of Motor Vehicles, Vehicle and Vessel Registration and Titling, Program 11, payable from the Harbors and Watercraft Revolving Fund 2,181,000

Provisions:
1. The funds appropriated from this item are for undocumented vessel registration and fee collection.

2740-001-890—For support of the Department of Motor Vehicles, payable from the Federal Trust Fund.... 43,000

Schedule:
(a) 11-Vehicle and Vessel Registration and Titling..... 6,000
(b) 21-Driver Licensing and Control; and Personal Identification 37,000

2740-011-044—For payment of deficiencies in appropriations for the Department of Motor Vehicles which may be authorized by the Director of Finance, with the consent of the Governor, payable from the Motor Vehicle Account, State Transportation Fund..... (1,000,000)

Provisions:
1. The Director of Finance shall report allocations from this appropriation in the same manner as required for reporting allocations from Item 9840-001-494 of this act.

2740-301-044—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund 2,448,000

Schedule:
(a) 70.11.010 Site acquisition—Los Angeles (Hope St.) 40,000

(b) 70.11.019 Site acquisition—El Cajon	990,000
(c) 70.21.007 Working drawings—Santa Barbara	30,000
(d) 70.21.010 Working drawings—Los Angeles (Hope St.)	58,000
(f) 70.21.019 Working drawings—El Cajon	137,000
(g) 70.31.007 Construct office building expansion—Santa Barbara	769,000
(j) 70.71.000 Minor projects	334,000
(k) 70.81.011-Environmental Impact Report, site acquisition study, and preliminary planning—San Clemente	90,000

Provisions:

1. The Director of Finance may not authorize the augmentation of the appropriation made for project (g), and the State Public Works Board may not approve any augmentation for project (g), pursuant to Section 16352 of the Government Code or any other provisions of law, in excess of the current construction cost index published in the most recently available edition of the "Engineering News Record." Any additional funds in excess of that cost increase shall be provided only by an appropriation made by the Legislature specifically for that purpose.
2. The allocation of $70,000 of the funds appropriated for project (k) shall be subject to the approval of the State Public Works Board, and the funds shall not be allocated by the board unless and until the Director of General Services, on behalf of the Department of Motor Vehicles, enters into a lease agreement with the federal government, with a term in excess of 20 years, to provide a site for the San Clemente field office. The agreement shall provide that the lease will not become operative if, based on the environment and site studies, the federal property is unsuitable for development by the Department of Motor Vehicles.

2740-490—Reappropriation, Department of Motor Vehicles. 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, 1983:

044—Motor Vehicle Account, State Transportation Fund:

(1) Item 517(k), Budget Act of 1980, as reappropriated by Item 274-490(8), Budget Act of 1981—Site Acquisition and Working Drawings—San Jose.

2740-495—Reversion. Department of Motor Vehicles. As of June 30, 1982, 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:

044—Motor Vehicle Account, State Transportation Fund:

(1) Item 517(g), Budget Act of 1980—Site Acquisition—Mission Viejo.
(2) Item 517(i), Budget Act of 1980—Minor Projects (El Centro field office)
(3) Item 517(j), Budget Act of 1980, as reappropriated by Item 274-490 (7), Budget Act of 1981—Working Drawings—Mission Viejo.
(4) Item 450(f), Budget Act of 1978, as reappropriated by Item 274-490 (5), Budget Act of 1981—Site Acquisition and Working Drawings—San Clemente.

2760-001-178—For support of the Traffic Adjudication Board, payable from the Driver Training Penalty Assessment Fund 1,699,000

Schedule:

(a) 10-Program Administration 1,971,000
(b) Reimbursements ..... −272,000

2780-001-683—For support of the Stephen P. Teale Data Center, Business, Transportation and Housing Agency, payable from the Stephen P. Teale Data Center Revolving Fund 34,985,000

Provisions:

1. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Stephen P. Teale Consolidated Data Center.

RESOURCES

3110-001-001—To the Resources Agency, Program 30, for grants to public and private higher education for use as a maximum of two-thirds of the local

matching share for projects under the National Sea Grant College and Program Act of 1966. 400,000

Provisions:

1. The amount appropriated in this item is in lieu of any amount which would otherwise be received pursuant to Section 6217 of the Public Resources Code.

3110-101-001—To the Tahoe Regional Planning Agency, Program 10, a Special Resources Program, for local assistance 165,000

Provisions:

1. An amount not to exceed $12,000 of this item shall be used to compensate California members of the Tahoe Regional Planning Agency appointed pursuant to the provisions of paragraph (B), subdivision (1), Section (a), Article III of the Tahoe Regional Planning Compact (Sec. 2, Chapter 872, Statutes of 1980), for actual and necessary expenses in connection with the performance of their official duties.

3110-101-140—To the Tahoe Regional Planning Agency, Program 10, a Special Resources Program, for local assistance, payable from the California Environmental License Plate Fund 135,000

3150-101-001—To the Resources Agency, for local assistance, Special Resources Program, for subvention to California Tahoe Regional Planning Agency 328,000

Schedule:

(a) Local Assistance	124,000
(b) Attorney General Contract Services	204,000

Provisions:

1. Expenditures from the appropriation made by this item shall be subject to Sections 15, 16, 18, and 28 of this act.

3310-001-731—For support of the California Alternative Energy Source Financing Authority, payable from the California Alternative Energy Authority Fund 126,000

3340-001-001—For support of California Conservation Corps 31,585,000

Schedule:

(a) 10.10-Orientation and Training Center	2,324,000
(b) 10.20-Base and Fire Centers.....	33,151,000
(c) 10.30-Energy Program	665,000
(d) 20.01-Program Support	3,580,000
(e) 20.02-Distributed Program Support	−3,580,000
(f) Reimbursements.....	−4,555,000

Provisions:

1. $111,000 budgeted for automation may be expended no sooner than 30 days after the Department of Finance has provided the Joint Legislative Budget Committee with a feasibility report in support of further automation. The feasibility report shall have been approved by the Department of Finance and prepared in accordance with Sections 4921 to 4928, inclusive, of the State Administrative Manual.

3340-001-019—For support of California Conservation Corps, Program 10.30 Energy Program, payable from the State Energy Resources Conservation and Development Special Account, General Fund 1,048,000

3340-001-190—For support of California Conservation Corps, Program 10.20, Base and Fire Centers, payable from the Resources Account, Energy and Resources Fund..... 1,000,000

3340-301-036—For capital outlay, California Conservation Corps, Program 30, Capital Outlay, payable from the Special Account for Capital Outlay 85,000
Schedule:
(a) 30.10-Minor Capital Outlay..... 85,000

3340-301-189—For capital outlay, California Conservation Corps, Program 30, Capital Outlay, payable from the Energy Account, Energy and Resources Fund 284,000
Schedule:
(a) 30.30-Greenwood Solar Center, construction and general site development 284,000

3360-001-019—For support of State Energy Resources Conservation and Development Commission, payable from the State Energy Resources Conservation and Development Special Account, General Fund 23,217,000
Schedule:
(a) 100000-Personal Services 15,854,000
(b) 300000-Operating Expenses and Equipment 10,139,000
(c) Reimbursements ..... −156,000
(d) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3360-001-044) .. −1,110,000
(e) Amount payable from the Federal Trust Fund (Item 3360-001-890) .. −1,510,000
Provisions:

1. If California's energy efficiency standards for appliances are preempted by federal standards, and no waiver of the federal preemption is sought or if a waiver is sought and the waiver is denied, no state funds appropriated in this item shall be expended for the study, development, planning, maintenance, or enforcement of appliance efficiency standards on or after the effective date of the federal preemption, and any unexpended funds appropriated in this item for the above purposes, as determined by the Director of Finance, shall revert to the unappropriated balance of the State Energy Resources Conservation and Development Special Account in the General Fund.

3360-001-044—For support of State Energy Resources Conservation and Development Commission, to be transferred to Item 3360-001-019, payable from the Motor Vehicle Account, State Transportation Fund 1,110,000

3360-001-189—For support of State Energy Resources Conservation and Development Commission payable from the Energy Account of the Energy and Resources Fund 7,964,000

(a) Salton Sea Solar Pond.....	500,000
(b) Schools, hospitals and public buildings energy efficiency retrofit	2,885,000
(d) Alcohol fleet test program	3,890,000
(e) Lignite-fired fluidized bed combustor	500,000
(f) Central administrative expenses ..	189,000

Provisions:

1. The amount appropriated in category (a) shall not be encumbered until funding from private utility and federal government sources is assured and the feasibility of the project can be established. If the project generates commercially salable power, the appropriation of state funds in category (a) shall become a loan to be repaid.
2. The amount appropriated in category (e) shall not be encumbered until full funding for the project is assured. The funds shall be used as a loan to the American Lignite Corporation, and the state shall have first mortgage call on all revenues. The terms of the loan shall require repayment within five years with interest to be paid at the rate of the Pooled Money Investment

Account, such interest rate will be adjusted annually to reflect any changes in rate to the Pooled Money Investment Account. The state shall have equity in the project in proportion to the remaining unpaid loan principal and accrued interest.

3360-001-890—For support of State Energy Resources Conservation and Development Commission, to be transferred to Item 3360-001-019, payable from the Federal Trust Fund 1,510,000

3360-101-034—For local assistance, State Energy Resources Conservation and Development Commission, to be available to the commission during the 1982–83 and 1983–84 fiscal years, payable from the Geothermal Resources Development Account, General Fund for a demonstration geothermal district heating project in the City of San Bernardino 2,750,000

Schedule:

(a) For the 1982–83 fiscal year 1,375,000

(b) For the 1983–84 fiscal year 1,375,000

Provisions:

1. In addition to moneys already available and notwithstanding the provisions of Section 3822 of the Public Resources Code, 30 percent of all revenues received and deposited in the Geothermal Resources Development Account, during the 1982–83 fiscal year shall be available to the commission for expenditure during the 1982–83 fiscal year. Of that amount, up to $1,375,000 or such lesser amount as may be determined to be necessary by the commission, shall be available to the commission for the appropriation in category (a); the remaining moneys shall be available for expenditure by the commission for grants to local jurisdictions for geothermal resource activities pursuant to the provisions of Section 3823 of the Public Resources Code. In addition to moneys already available to the commission during the 1983–84 fiscal year pursuant to Section 3822 of the Public Resources Code, 30 percent of all revenues received and deposited in the Geothermal Resources Development Account, during the 1983–84 fiscal year up to a maximum of $1,375,000 shall be available to the commission during the 1983–84 fiscal year for the appropriation made by this item.

2. The amount provided in category (a) shall be available for encumbrance in both the 1982–83 and 1983–84 fiscal years. The amount provided in category (b) shall be available for encumbrance only during the 1983–84 fiscal year.
3. The State Energy Resources Conservation and Development Commission shall execute a contract with the Board of Water Commissioners of the City of San Bernardino for a combination grant and loan. The grant shall be for the purpose of designing, constructing, and activating geothermal wells, pumps, storage tanks and arterial transmission pipelines to supply low temperature hot water for the San Bernardino Geothermal District Demonstration Heating System. When the system has become commercially operative and is supplying the heat resource to the users and generates net revenues after payment of reasonable annual operating costs and system replacement and expansion reserve costs, the grant shall become a loan to be repaid to the state in conformance with terms and conditions agreed to by the board and the commission as stated in the above-mentioned contract and amendments to the contract. Such terms and conditions shall provide for repayment of the principal with interest equivalent to the interest earned by the state Pooled Money Investment Account. The Legislature intends that the repayment period be five to seven years and shall not exceed 10 years. The terms of the loan shall be reviewed annually and may be adjusted to (1) change the interest rate based upon significant changes in the interest earned by the Pooled Money Investment Account and (2) change the payback period to expedite or delay repayment of the loan if appropriate within the 10-year limit. All proceeds from the loan shall be deposited in the Geothermal Resource Development Account and shall be available for expenditure by the commission for the purposes of Section 3822 of the Public Resources Code.

The commission and the board shall agree prior to encumbrance of state funds for the project, on a prudent level of expenditure of state grant funds which will not be exceeded for development of the wells, pumps, storage tanks and transmission pipelines unless and until the board

has executed service contracts with a sufficient number of users to assure that at least 60 percent of the planned capacity of the system will be utilized and the revenues therefrom will be realized.

The board shall return any unexpended balance of state funds made available for the project, if the project is terminated before system construction is completed.

3360-101-044—For local assistance, State Energy Resources Conservation and Development Commission, payable from the Motor Vehicle Account, State Transportation Fund for traffic signal synchronization 2,400,000

3360-101-189—For local assistance, State Energy Resources Conservation and Development Commission, for the streetlight conversion program, payable from the Energy Account, Energy and Resources Fund..... 1,885,000

3360-495—Reversion, State Energy Resources Conservation and Development Commission. As of June 30, 1982, the unencumbered balances of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

188—Energy and Resources Fund

(1) Chapter 905, Statutes of 1980—Solar Design Competition

3380-001-389—For support of Solid Waste Management Board, payable from the Solid Waste Management Fund 6,790,000

Schedule:

(a) 100000-Personal Services	2,827,000
(b) 300000-Operating Expenses and Equipment	4,128,000
(c) Reimbursements	−11,000
(d) Amount payable from the Federal Trust Fund (Item 3380-001-890) ..	−84,000
(e) Amount payable from Chapter 1019, Statutes of 1981 (California Environmental License Plate Fund)	−70,000

Provisions:

1. Notwithstanding the provisions of Title 7.8 (commencing with Section 68000) of the Government Code, the board shall adhere closely to the following allocations in distributing litter control, recycling and resource recovery funds:

Litter control	0	
Resource recovery	1,951,000	
Recycling	367,000	
Public Awareness	500,000	
3380-001-890—For support of Solid Waste Management Board, to be transferred to Item 3380-001-389, payable from the Federal Trust Fund		84,000
3380-490—Reappropriation, Solid Waste Management Board. Notwithstanding any other provision of law, the unencumbered balance, on the effective date of this act, of the appropriations provided for in the following citations are reappropriated for the purposes provided for in such appropriations, and shall be available for expenditure until June 30, 1983.		
140—Environmental License Plate Fund:		
(1) Chapter 1019, Statutes of 1981		
3400-001-001—For support of State Air Resources Board Schedule:		3,918,000
(a) 100000—Personal Services	18,987,000	
(b) 300000—Operating Expenses and Equipment	33,982,000	
(c) For transfer to category (b) upon authorization by the Department of Finance for increases pursuant to the terms of the contract between the Air Resources Board and Hamilton Systems for vehicle inspections	1,000,000	
(d) Reimbursements	−683,000	
(e) Amount payable from the State Energy Resources Conservation and Development Special Account, General Fund (Item 3400-001-019)	−144,000	
(f) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3400-001-044)	−26,158,000	
(g) Amount payable from the Air Pollution Control Fund (Item 3400-001-115)	−1,457,000	
(h) Amount payable from the Automotive Repair Fund (Item 3400-001-128)	−1,582,000	
(i) Amount payable from the California Environmental License Plate Fund (Item 3400-001-140)	−202,000	
(j) Amount payable from the Vehicle Inspection Fund (Item 3400-001-420)	−17,504,000	

(k) Amount payable from the Federal Trust Fund (Item 3400-001-890) .. −2,321,000

3400-001-019—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the State Energy Resources Conservation and Development Special Account, General Fund 144,000

3400-001-044—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Motor Vehicle Account, State Transportation Fund 26,158,000

3400-001-115—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Air Pollution Control Fund 1,457,000

3400-001-128—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Automotive Repair Fund 1,582,000

3400-001-140—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the California Environmental License Plate Fund..... 202,000

3400-001-420—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Vehicle Inspection Fund 17,504,000

Provisions:

1. Funds appropriated in this item are for the purposes of Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code.

3400-001-890—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Federal Trust Fund 2,321,000

3400-101-044—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts, payable from the Motor Vehicle Account, State Transportation Fund 6,719,000

Provisions:

1. The assistance to counties shall be in accordance with Chapter 5 (commencing with Section 39800) of Part 2 of Division 26 of the Health and Safety Code.

However, $110,000 of the amount appropriated in this item is available only for distribution by the Air Resources Board to cases of actual hardship in rural districts (as defined by the board in 1981–82), where the board determines after application by a district that the number of pollution sources in a

district is not sufficient to replace state subventions.

3460-001-001—For support of the Colorado River Board of California 167,000
Schedule:
(a) 100000—Personal Services 445,000
(b) 300000—Operating Expenses and Equipment 102,000
(c) Reimbursements ..... −380,000

3480-001-001—For support of Department of Conservation 9,610,000
Schedule:
(a) 10—Geologic Hazards and Mineral Resources Conservation 4,843,000
(b) 20—Oil, Gas and Geothermal Protection 5,533,000
(c) 30—Special Services for Resources Protection 176,000
(d) 40.01—Administration 2,265,000
(e) 40.02—Distributed Administration ..... −2,225,000
(f) Reimbursements ..... −982,000

3480-001-035—For support of Department of Conservation, Program 10, Geologic Hazards and Mineral Resources Conservation, payable from the Surface Mining and Reclamation Account, General Fund 1,175,000
Provisions:
1. Any unexpended balance of funds appropriated to the Surface Mining and Reclamation Account in the General Fund pursuant to Chapter 800, Statutes of 1980, shall be made available in the 1982–83 fiscal year for any salary and staff benefit increases which may be appropriated by the Legislature.
2. Any salary and staff benefit increases which apply to the Surface Mining and Reclamation Act shall be paid from the Surface Mining and Reclamation Account in the General Fund.

3480-001-042—For support of Department of Conservation, Program 10, Geologic Hazards and Mineral Resources Conservation, payable from the State Highway Account, State Transportation Fund 11,000
Provisions:
1. The funds appropriated by this item are for the State's share of the California Institute of Technology seismograph network.

3480-001-144—For support of Department of Conservation, Program 10, Geologic Hazards and Mineral Resources Conservation, payable from the California Water Fund 11,000

Provisions:
1. The funds appropriated from this item are for the State's share of the California Institute of Technology seismograph network.

3480-001-190—For support of Department of Conservation, payable from the Resources Account, Energy and Resources Fund 1,756,000
Schedule:
(a) 10—Geologic Hazards and Mineral Resources Conservation 549,000
(b) 30—Special Services for Resources Protection 1,207,000
Provisions:
1. The funds appropriated by this item are for soils data, digitized mapping activities, geologic data acquisition, assessment of geothermal resources, a geologic and seismic investigation in the California-Mexico international border region, wind erosion projects, and an allocation for statewide pro rata.

3480-001-398—For support of Department of Conservation, Program 10, Geologic Hazards and Mineral Resources Conservation, payable from the Strong-Motion Instrumentation Program Fund 1,589,000
Provisions:
1. The funds appropriated by this item are to be used in carrying out the functions of the Strong-Motion Instrumentation Program in the Division of Mines and Geology.

3480-001-890—For support of Department of Conservation, payable from the Federal Trust Fund 207,000
Schedule:
(a) 10—Geologic Hazards and Mineral Resources Conservation 187,000
(b) 30—Special Services for Resources Protection 20,000

3540-001-001—For support of Department of Forestry 119,868,000
Schedule:
(a) 10.10-Fire Protection, State Responsibility 118,766,000
(b) 10.20-Fire Protection, Local Government Contracts 32,497,000
(c) 10.30-Resource Management 8,202,000
(d) 20.01-Administration 10,624,000
(e) 20.02-Distributed Administration.. −10,624,000
(f) Reimbursements ..... −39,597,000
Provisions

1. An amount not more than $100,000 in emergency fire suppression and detection costs and related emergency revegetation costs may be expended from the amounts appropriated for Schedule (a) without approval of the Department of Finance.
2. Of the funds appropriated in Schedule (a), $5,000,000 is for allocation by the Director of Finance.
3. The amounts appropriated for support of the Dutch Elm Disease program shall not be available for expenditure unless and until urgency legislation is enacted providing the department with statutory authority to administer the program.
4. No moneys approved in the Department of Forestry's budget for the 1982–83 fiscal year shall be utilized to convert fixed wing operations and maintenance responsibilities from current vendor contracts to the State.
5. The department shall revise its existing cooperative agreement with the Bureau of Land Management (BLM) for fire protection provided to BLM lands in California, to provide for appropriate adjustments in the amount of the presuppression costs paid by the BLM to the state. This adjustment shall take into consideration the current level of salaries and operating expenses and adjustments for price increases.

   The department shall report quarterly to the Joint Legislative Budget Committee on its continuing negotiations concerning existing fire protection agreements affecting the U.S. Forest Service and the BLM.

3540-001-140—For support of Department of Forestry, Program 10.30 Resources Management payable from the California Environmental License Plate Fund 319,000

3540-001-190—For support of Department of Forestry, Program 10.30, Resources Management, payable from the Resources Account, Energy and Resources Fund..... 5,170,000

Provisions:

1. The funds appropriated by this item are for vegetation management, Dutch Elm Disease, timber harvest plan review, and rural forest improvement projects.

2. The amounts appropriated for support of the Dutch Elm Disease program shall not be available unless and until urgency legislation is enacted providing the department with statutory authority to administer the program.

3540-001-300—For support of Department of Forestry, Program 10.30 Resource Management, payable from the Professional Forester Registration Fund 82,000

Provisions:

1. The funds appropriated by this item are for carrying out the function of forester registration.

3540-001-890—For support of Department of Forestry, payable from the Federal Trust Fund 1,480,000

Schedule:

(a) 10.10-Fire Protection, State Responsibility 1,005,000

(b) 10.30-Resource Management 475,000

3540-001-928—For support of Department of Forestry, Program 10.30, Resource Management, payable from the Forest Resources Improvement Fund 4,941,000

Provisions

1. The funds appropriated by this item are for the Forest Resources Improvement Program and $320,000 shall be used to continue support of the reforestation project on State school lands administered by the State Lands Commission.

3540-001-940—For support of Department of Forestry, Program 10.30, Resource Management, payable from the Renewable Resources Investment Fund 1,377,000

3540-001-942—For support of Department of Forestry, Program 10.10, Fire Protection, State Responsibility, payable from the Special Deposit Fund, Department of Energy Consent Order Proceeds Account 442,000

3540-001-965—For support of Department of Forestry, Program 10.30, Resource Management, payable from the Timber Tax Fund 19,000

3540-011-928—For transfer to the General Fund, in accordance with subdivision (a) of Section 4799.13 of the Public Resources Code, for the costs of operation of the State forests for the period July 1, 1982 through June 30, 1983, payable from the Forest Resources Improvement Fund ..... (1,307,000)

3540-301-036—For capital outlay, Department of Forestry, Program 30, Capital Outlay, payable from the Special Account for Capital Outlay 128,000

Schedule:

(b) 30.20.030 Redding Forest Fire Station—barracks/messhall, preliminary plans and working drawings 55,000

(d) 30.50.020 Perris H.Q.—Auto Shop, preliminary plans and working drawings 21,000
(g) 30.80 Minor Capital Outlay 32,000
(j) 30.30.050-Columbia Air Attack Base-facility improvements, preliminary plans, and working drawings 20,000

Provisions:

1. The funds appropriated for minor capital outlay pursuant to schedule (g) of this item shall be available for expenditure only during the 1982–83 fiscal year.

3540-496—Reversion, Department of Forestry. As of June 30, 1982, the unencumbered balances of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation is made:

036—Special Account for Capital Outlay

(1) Item 521(c), Budget Act of 1980, Fernwood Helitack Base—land acquisition.
(2) Item 521(d), Budget Act of 1980 Region II Headquarters and Redding Forest Fire Station —land acquisition.
(3) Item 521(g), Budget Act of 1980, San Luis Obispo Headquarters—barracks and facility improvements—preliminary plans and working drawings.
(4) Item 521(o), Budget Act of 1980, Oak Glen Conservation Camp—planning, working drawings, and partial construction.
(5) Item 354-301-036(b) Budget Act of 1981, land acquisition—statewide opportunity purchases.
(6) Item 521(e), Budget Act of 1980, San Andreas auto shop—construction.
(7) Item 521(j), Budget Act of 1980, Perris H.Q.—material service center—construction.
(8) Item 521(m), Budget Act of 1980, Davis equipment facility—Phase II—construction.

3560-001-001—For support of State Lands Commission 7,319,000

Schedule:

(a) 100000-Personal Services 8,297,000
(b) 300000-Operating Expenses and Equipment 2,413,000
(c) Reimbursements ..... −3,250,000
(d) Amount payable from the Federal Trust Fund (Item 3560-001-890) .. −75,000
(e) Amount payable from the Environmental License Plate Fund (Item 3560-001-140) ..... −66,000

Provisions:

1. General Fund reimbursements of $2,847,000 are payable under the provisions of Chapter 138, Statutes of 1964 (First Extraordinary Session).
2. No funds shall be expended for geophysical/geologic data collection and analysis relating to the Point Conception proposed leasing area unless and until all of the following occur:
   (a) The commission has accepted, as complete, a Programmatic Environmental Impact Report (EIR) for the Point Conception leasing proposal and has made a specific finding based on that EIR that offshore oil and gas leasing in the Point Conception to Point Arguello area is environmentally acceptable and in the best interests of the state.
   (b) The commission has adopted a leasing policy for the Point Conception offshore area that takes into consideration all of the following:
      (1) Timing of sales.
      (2) Sequential leasing.
      (3) Configuration or pattern of lease blocks.
      (4) Prelease sale exploratory drilling.

3560-001-140—For support of State Lands Commission to be transferred to Item 3560-001-001 payable from the Environmental License Plate Fund 66,000

3560-001-890—For support of State Lands Commission, to be transferred to Item 3560-001-001, payable from the Federal Trust Fund..... 75,000

3580-001-001—For support of Seismic Safety Commission, Program 10 569,000

3580-001-890—For support of Seismic Safety Commission, Program 10, payable from the Federal Trust Fund 310,000

3600-001-001—For support of Department of Fish and Game, to be transferred to Item 3600-001-200..... 4,678,000

Provisions:

1. The funds appropriated in this item are solely for the support of existing programs devoted to nongame species management and protection and environmental protection, the Suisun Resources Conservation District, and fish studies on wild and scenic rivers.

3600-001-140—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the California Environmental License Plate Fund..... 2,365,000

3600-001-190—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the Resources Account, Energy and Resources Fund 4,805,000

3600-001-200—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 Pittman-Robertson Act, fish restoration and management projects under the provisions of the Dingell-Johnson Act, and the Anadromous Fish Act, 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 43,359,000

Schedule:

(a) 100000-Personal Services	43,324,000
(b) 300000-Operating Expenses and Equipment	30,134,000
(c) Special Items of Expense	157,000
(d) Reimbursements	−6,274,000
(e) Amount payable from the General Fund (Item 3600-001-001)	−4,678,000
(f) Amount payable from the California Environmental License Plate Fund (Item 3600-001-140)	−2,365,000
(g) Amount payable from the Resources Account, Energy and Resources Fund (Item 3600-001-190)	−4,805,000
(h) Amount payable from the Federal Trust Fund (Item 3600-001-890) ..	−11,064,000
(i) Amount payable from the Renewable Resources Investment Fund (Item 3600-001-940)	−1,070,000

Provisions:

1. The amount appropriated by this item may be increased with the approval of and under the conditions set by the Department of Finance to meet current obligations proposed to be funded by categories (d) and (h) of this item. This increased authorization may not be used to expand services or create new obligations.

   Reimbursements received under categories (d) and (h) of this item shall be used in repay-

ment of any funds utilized to meet current obligations pursuant to this provision.

2. Notwithstanding Sections 711 and 712 of the Fish and Game Code, $75,000 of the amount appropriated by this item shall be utilized for support of the Sea Otter Research Project because the primary objective of this study is the protection of the abalone and clam fisheries.
3. $469,000 for Wildlife Management is appropriated from the Resources Account, Energy and Resources Fund (Item 3600-001-190) for consulting and professional services in order to dredge Buena Vista Lagoon.

3600-001-890—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the Federal Trust Fund 11,064,000

3600-001-940—For support of the Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the Renewable Resources Investment Fund 1,070,000

3600-301-140—For capital outlay, Department of Fish and Game, payable from the California Environmental License Plate Fund 506,000

Schedule:

(a) Land acquisition-ecological reserves 446,000
(b) Ecological reserves, development 60,000

Provisions:

1. An amount, not to exceed $10,000, of the amount appropriated in schedule (b) of this item shall be encumbered for improvements for the development of a watering source for the desert bighorn sheep in Magnesia Springs Ecological Reserve and for the construction of barriers to prevent disturbance of the sheep.

3600-301-190—For capital outlay, Department of Fish and Game, payable from Resources Account, Energy and Resources Fund 200,000

Schedule:

(b) Preliminary plans, Big Springs Hatchery 200,000

Provisions:

1. The $200,000 appropriated in this item, schedule (b), for the first phase of the Big Springs Hatchery shall be available only if a comprehensive Anadromous Fisheries management plan for the Indian and non-Indian Fisheries within the Hoopa Indian Reservation is developed by the

U.S. Department of Interior and approved by the Department of Fish and Game with emphasis on the salmon resource.

The plan must contain provisions for accurately assessing in-river harvests by both Indian and non-Indian users as well as provisions to meet needed adult spawning escapement goals, as determined by the Department of Fish and Game, for resource maintenance.

3600-301-200—For capital outlay, Department of Fish and Game, payable from the Fish and Game Preservation Fund 2,883,000

Schedule:

(a) Project planning	40,000
(b) Minor capital outlay	723,000
(c) Working drawings for replacement ponds, Hot Creek Hatchery, phase I	100,000
(d) Construct regional office, Region III	1,619,000
(e) Land acquisition for regional facilities, Regions V and VI	401,000

3600-495—Reversion, Department of Fish and Game. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the funds from which the appropriations were made:

188—Energy and Resources Fund

(1) Item 524(a), Budget Act of 1980—Bolsa Chica Wetlands—Development and Restoration.

190—Resources Account, Energy and Resources Fund

(1) Item 360-301-190(c), Budget Act of 1981—Preliminary Plans, Big Springs Hatchery.

(2) Item 360-301-190(d), Budget Act of 1981—Land acquisition—rare and endangered species.

3640-001-447—For support of Wildlife Conservation Board, payable from the Wildlife Restoration Fund 456,000

Schedule:

(a) 100000-Personal Services	355,000
(b) 300000-Operating Expenses and Equipment	130,000
(c) Reimbursements	−29,000

Provisions:

1. 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.
2. In the event that Federal Land and Water Conservation Funds are received in reimbursement for administrative costs associated with bond projects, an amount equal thereto from the Wildlife Restoration Fund shall not be utilized for support of the Wildlife Conservation Board.

3640-301-190—For Capital outlay, Wildlife Conservation Board, payable from the Resources Account, Energy and Resources Fund, in accordance with the provisions of the Wildlife Conservation Law of 1947 2,565,000

Schedule:

(a)	Acquisition-wildlife habitat lands	2,000,000
(b)	Construction-Oyster Point fishing pier	165,000
(c)	Construction and renovation-Berkeley Pier	400,000

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

3640-301-742—For capital outlay, Wildlife Conservation Board, payable from the State, Urban, and Coastal Park Fund 958,000

Schedule:

(a)	Development, Lake Earl	40,000
(b)	Development, Grizzly Island	396,000
(c)	Development, Hill Slough	27,000
(d)	Development, Petaluma Marsh	100,000
(e)	Development, Bair Island	100,000
(f)	Development, Toy Property	14,000
(g)	Development, Elkhorn Slough Estuarine Sanctuary	281,000

3640-490—Reappropriation, Wildlife Conservation Board. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, but not to exceed $3,254,-000, are reappropriated for the purposes provided for in such appropriations and shall be available for expenditure until June 30, 1983; provided, however, that these appropriations shall be available for acquisition and development:

742—State, Urban, and Coastal Park Fund

(1) Item 510(a), Budget Act of 1978—Coastal wetlands, acquisition.

(2) Item 510(c), Budget Act of 1978—Interior wetlands and riparian habitat, acquisition.

3640-495—Reversion, Wildlife Conservation Board. Notwithstanding any other provisions of law, as of June 30, 1982, 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:
190-Resources Account, Energy and Resources Fund
(1) Item 364-301-190(c), Budget Act of 1981—Berkeley Fishing Pier

3680-001-001—For support of Department of Boating and Waterways, to be transferred to Item 3680-001-516 250,000

3680-001-516—For support of Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 2,755,000
Schedule:

(a) 100000-Personal Services	2,092,000	
(b) 300000-Operating Expenses and Equipment	908,000	
(c) Reimbursements	−15,000	
(d) Feasibility Determinations	20,000	
(e) Amount payable from the General Fund (Item 3680-001-001)	−250,000	

3680-101-190—For beach erosion control, local assistance, Department of Boating and Waterways, payable from the Resources Account, Energy and Resources Fund 585,000
Schedule:

(a) Alameda Beach project—Alameda County	585,000

3680-101-516—For local assistance, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 17,999,000
Schedule:

(a) Launching facility grants.....		3,283,000
(1) Big Bear.....	270,000	
(2) Discovery Park.....	85,000	
(3) East Bay.....	105,000	
(4) Elkhorn	100,000	
(5) Eureka	350,000	
(6) Floating restrooms	150,000	
(7) Ramp repairs	100,000	
(8) Lake Morena	350,000	
(9) Lake San Antonio	500,000	
(10) Morro Bay	313,000	
(11) Moss Landing	375,000	

(12) Oceanside	55,000	
(13) Shelter Cove.....	280,000	
(14) Vallejo.....	250,000	
(b) Loans: Local Government		12,000,000
(1) Balboa Yacht Basin	2,500,000	
(2) Diesel Street Marina	600,000	
(3) Downtown Shore..	600,000	
(4) Martinez Marina ..	300,000	
(5) Santa Cruz Harbor	600,000	
(6) Planning loans	100,000	
(7) Cabrillo Beach Marina	4,000,000	
(8) Spud Point.....	3,200,000	
(9) Emergency Storm Repairs	100,000	
(c) Boating safety and enforcement ..		2,716,000

Provisions:

1. The funds appropriated in category (b) are for loans to be made to cities, counties, or districts pursuant to Section 70.2 and 71.4 of the Harbors and Navigation Code, Department of Boating and Waterways.
2. The funds appropriated in category (a) are for grants to cities, counties, districts, or other public agencies pursuant to Section 72.5 of the Harbors and Navigation Code to be used for construction and development of small craft launching facilities.
3. The funds allocated for boating safety and enforcement programs are pursuant to Section 663.7 of the Harbors and Navigation Code.
4. The funds appropriated in category (b) (9) are for allocation by the Director of Finance to provide for repairs, authorized by the Director of Finance, of damage at small craft harbor facilities constructed pursuant to Sections 70.2, 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.

5. No funds appropriated for the Eureka launching facility in category (a) (5) shall be encumbered or expended unless and until an environmental impact report is completed and approved for the project.
6. No more than $1,400,000 appropriated for the Spud Point project by category (b) (8) shall be encumbered or expended unless and until the cash surplus in the Harbors and Watercraft Revolving Fund equals or exceeds $100,000.
7. The funds appropriated in category (b) shall not be available for expenditure unless the Boating and Waterways Commission establishes the interest rate to be charged for 1982–83 fiscal year loans for public marina and harbor development at 7.9 percent.

3680-301-516—For capital outlay, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 641,000
Schedule:
(a) Project Planning 25,000
(b) Minor projects 481,000
(c) Lake Elsinore launching ramp 135,000

3680-301-742—For capital outlay, Department of Boating and Waterways, payable from the State, Urban and Coastal Park Fund 519,000
Schedule:
(a) Project Planning 25,000
(b) Minor capital outlay 494,000
Provisions:
1. The projects appropriated from this item are for the purposes set forth in paragraph (3) of subdivision (e) of Section 5096.124 of the Public Resources Code.
2. Upon receipt of any reimbursements applicable to any of the projects specified in this item from the federal land and water conservation funds, such reimbursements shall be deposited in the 1976 State, Urban, and Coastal Park Fund to the credit of the Department of Boating and Waterways.

3680-490—Reappropriation, Department of Boating and Waterways. Notwithstanding any other provisions of law, the unencumbered balance, on the effective date of this act, of the appropriation provided in the following citation, is reappropriated for the purposes provided for in such appropria-

tion, and shall be available for expenditure until June 30, 1983:

516—Harbors and Watercraft Revolving Fund

(1) Item 368-101-516(c), Budget Act of 1981—Loan: private recreational marinas (statewide), provided that this appropriation shall not exceed $200,000.

3720-001-001—For support of California Coastal Commission 6,438,000

Schedule:

(a) 100000-Personal Services	5,537,000
(b) 300000-Operating Expenses and Equipment	2,014,000
(c) BCDC Grants	160,000
(d) Reimbursements	−40,000
(e) Amount payable from the California Environmental License Plate Fund (Item 3720-001-140)	−158,000
(f) Amount payable from the Federal Trust Fund (Item 3720-001-890) ..	−975,000
(g) Unallocated reduction	−100,000

Provisions:

1. The commission shall, to the extent legally possible, utilize categorical exclusions, permit exemptions, and administrative permits authorized by Division 20 (commencing with Section 30000) of the Public Resources Code to reduce the commission's regulatory workload and to achieve overall cost savings to the state.
2. The commission shall, to the extent resources are available, undertake efforts to expedite the transfer to local governments of coastal development permit authority pursuant to Division 20 (commencing with Section 30000) of the Public Resources Code by providing training and any other assistance it deems appropriate to assist local governments in the assumption of this coastal permit responsibility.
3. Notwithstanding the provisions of Sections 15.00 and 27.10 of this act, any reductions in the amounts budgeted for travel may be effected through reductions in other items of operating expenses or personal services.

3720-001-140—For support of California Coastal Commission, to be transferred to Item 3720-001-001, payable from the California Environmental License Plate Fund 158,000

Schedule:

(a) Coastal access projects	158,000

3720-001-890—For support of California Coastal Commission, to be transferred to Item 3720-001-001, payable from the Federal Trust Fund 975,000
Provision:
1. Federal Coastal Energy Impact Program funds for local assistance grants shall be expended in accordance with federal law.

3720-101-001—For local assistance, California Coastal Commission 280,000
Schedule:
(a) Assistance to Local Planning Agencies 1,000,000
(b) Amount payable from the Federal Trust Fund (Item 3720-101-890) .. −720,000
Provisions:
1. The funds appropriated in schedule (a) are for coastal planning assistance as provided in Section 16 of Chapter 1330 of the Statutes of 1976, as amended by Section 28 of Chapter 1331 of the Statutes of 1976.

3720-101-890—For local assistance, California Coastal Commission, for assistance to local planning Agencies, to be transferred to Item 3720-101-001 payable from the Federal Trust Fund 720,000

3720-111-001—For local assistance, California Coastal Commission, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 400,000
Provisions:
1. Allocations to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 2231 of the Revenue and Taxation Code.
2. 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.

3720-495—Reversion, California Coastal Commission. Notwithstanding any other provisions of law, as of June 30, 1982, the unencumbered balance of the appropriations provided in the following citation shall be reverted to the unappropriated surplus of the fund from which the appropriation was made:
001-General Fund
Chapter 855, Statutes of 1977, Liquid Natural Gas Terminal Siting Studies

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

3760-001-721—For support of the State Coastal Conservancy, pursuant to category (2) of subdivision (c) of, and subdivision (d) of, Section 5096.151 of the Public Resources Code, payable from the Parklands Fund of 1980 1,698,000
Schedule:

(a) 100000 Personal Services	1,104,000	
(b) 300000 Operating Expenses and Equipment	419,000	
(c) Preproject feasibility planning	200,000	
(d) Reimbursements	−25,000	

Provisions:
1. Of the funds appropriated in this item, an amount not to exceed $350,000 shall be used for administration of Sections 509.173 through 5096.177 of the Public Resources Code.

3760-101-140—For local assistance, State Coastal Conservancy, payable from the California Environmental License Plate Fund 500,000
Schedule:

(a) City of Eureka, Eureka Waterfront Restoration—land acquisition	500,000

3760-101-190—For local assistance, State Coastal Conservancy, payable from the Resources Account, Energy and Resources Fund 1,000,000
Schedule:

(a) Urban access grants	500,000
(b) San Dieguito Lagoon, San Diego County	500,000

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

3760-101-721—For local assistance, State Coastal Con-

servancy, pursuant to category (2) of subdivision (c) of Section 5096.151 of the Public Resources Code, payable from the Parklands Fund of 1980 .. 9,100,000

Provision:

1. The funds appropriated in this item shall be used for grants to counties, cities, and districts for the acquisition, development, rehabilitation, or restoration of real property, or the acquisition of any interest in real property, necessary for the implementation of local coastal programs; for the implementation of projects in San Francisco Bay, as defined in subdivisions (a) and (b) of Section 31006, of the Public Resources Code.

3760-301-140—For capital outlay, State Coastal Conservancy, pursuant to category (2) of subdivision (c) of, and subdivision (d) of, Section 5096.151 of the Public Resources Code, payable from the California Environmental License Plate Fund 115,000

Schedule:

(a) Sensitive Habitat Signing Program —design 25,000

(b) Sensitive Habitat Signing Program—development 40,000

(c) Tijuana Estuary Interpretive Center 50,000

3760-490—Reappropriations, State Coastal Conservancy. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations, and shall be available for expenditure until June 30, 1983:

565—State Coastal Conservancy

(1) Item 520.1, Budget Act of 1978. For capital outlay, for the purposes set forth in subdivisions (a), (b), (c), (d), and (e) of Section 5096.125 of the Public Resources Code.

Provisions:

1. Expenditures of funds for local assistance grants and grants to nonprofit organizations are exempt from State Public Works Board review.
2. No funds may be encumbered unless and until each project and the plan therefor is approved by the State Coastal Conservancy and, if required, is reviewed, approved, or certified by the California Coastal Commission, pursuant to Section 31152, 31206, 31208, 31213, 31255, 31258, 31263, or 31304, or any combination thereof, of

the Public Resources Code.

3. Upon the receipt of any federal reimbursement applicable to any of the projects specified, such reimbursement is hereby appropriated for expenditure by the State Coastal Conservancy for the types of projects specified in this item.

721—Parklands Fund

(1) Item 376-101-721, Budget Act of 1981. For local assistance, pursuant to category (2) of subdivision (c) of Section 5096.151 of the Public Resources Code.

Provisions:

1. The funds appropriated in this item shall be used for grants to counties, cities and districts for the acquisition, development, rehabilitation, or restoration of real property, or the acquisition of any interest in real property, necessary for the implementation of local coastal programs; for the implementation of projects in San Francisco Bay, as defined in subdivisions (a) and (b) of Section 31006, of the Public Resources Code.

(2) Item 376-301-721, Budget Act of 1981. For capital outlay, pursuant to category (2) of subdivision (c) of, and subdivision (d) of, Section 5096.151 of the Public Resources Code, payable from the Parklands Fund of 1980.

Provisions:

1. Of the funds appropriated in Item 376-301-721, Budget Act of 1981, an amount not to exceed $1,000,000 is available for implementation of projects in the coastal zone of the Santa Monica Mountains Zone, as described in Section 33105 of the Public Resources Code.
2. Of the funds appropriated in Item 376-301-721, Budget Act of 1981, an amount not to exceed $500,000 is available to implement a public access program at the Hollister Ranch in Santa Barbara County pursuant to Sections 30610.3 and 30610.8 of the Public Resources Code. Notwithstanding the provisions of subdivision (d) of Section 30610.8 of the Public Resources Code, all in-lieu fees received pursuant to Section 30610.8 of the Public Resources Code shall be credited as a reimbursement to the reappropriation made by this category.

3790-001-001—For support of Department of Parks and Recreation 68,068,000

Schedule:

(a) 100000-Personal Services 71,861,000

(b) 300000-Operating Expenses and Equipment	28,155,000
(c) Resources Exhibit, California Museum of Science and Industry	223,000
(d) Reimbursements	−8,449,000
(e) Amount payable from the Off-Highway Vehicle Fund (Item 3790-001-265)	−3,651,000
(f) Amount payable from the State Parks and Recreation Fund (Item 3790-001-392)	−7,351,000
(g) Amount payable from the Harbors and Watercraft Revolving Fund (Item 3790-001-516)	−351,000
(h) Amount payable from the Federal Trust Fund (Item 3790-001-890)	−2,978,000
(i) Amount payable from operating revenues (Item 3790-011-001)	−202,000
(j) Amount payable from appropriated revenues (Item 3790-021-001)	−8,832,000
(*l*) Amount payable from the California Environmental License Plate Fund (Item 3790-001-140)	−225,000
(m) Unallocated reduction	−132,000

Provisions:

1. Contracts for outside legal services related to land acquisition projects are exempt from approval by the Attorney General. The fees for those services shall not exceed the amount of fees normally charged by the Attorney General.
2. Of the $700,000 appropriated in this item for the State Capitol interpretive program, $400,000 shall be used for support of the Capitol and Capitol tour guide program in cooperation with the Joint Rules Committee.
3. On and after July 1, 1982, the Department of Parks and Recreation and the Department of Fish and Game shall provide for the full-time operation and maintenance of Point Dume State Beach, including law enforcement services. The Department of Parks and Recreation shall proceed as expeditiously as possible to manage and control beach access at that location.
4. The Department of Parks and Recreation may contract for lifeguard services at Scripps Beach if the department determines that these services can be provided by contract for an amount less than the $19,000 provided in this item.

5. Provision 5 of the provisions applicable to Items 379-001-001 through 379-001-890 of the Budget Act of 1981 is continued in full force and effect during the 1982–83 fiscal year with the exception that the plan to the Legislature shall be submitted by December 1, 1982.

3790-001-140—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the California Environmental License Plate Fund 225,000

Provisions:

1. Of the funds appropriated by this item, $223,000 is for the updating of a Resources Exhibit at the California Museum of Science and Industry.
2. The total State participation in this exhibit shall not exceed $223,000.

3790-001-263—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Off-Highway Vehicle Fund 3,651,000

3790-001-392—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the State Parks and Recreation Fund 7,351,000

3790-001-516—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Harbors and Watercraft Revolving Fund 351,000

Provisions:

1. The funds appropriated in this item are pursuant to subdivision (d) of Section 663.7 of the Harbors and Navigation Code, Harbors and Watercraft Revolving Fund.

3790-001-890—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Federal Trust Fund 2,978,000

3790-011-001—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001 by the State Controller 202,000

Provisions:

1. The amount transferred pursuant to this item shall not exceed the amount of revenue attributable to parking fees in excess of $2 at State-owned beaches in Santa Barbara County, Ventura County, Los Angeles County, Orange County, or San Diego County.

3790-021-001—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001 by the State Controller 8,832,000

Provisions:

1. The State Controller shall not make any transfer to Item 3790-001-001 pursuant to this item unless and until the State Controller has received $20,830,000 in State Park revenues during the 1982–83 fiscal year.
2. After the receipt of $20,830,000 in State Park revenues during the 1982–83 fiscal year, the State Controller shall transfer the remaining State Park revenues, not to exceed $8,832,000, to Item 3790-001-001.

3790-011-062—For transfer by the State Controller from the Highways Users Tax Account in the Transportation Tax Fund to the State Parks and Recreation Fund, as prescribed by subdivision (a) of Section 2107.7 of the Streets and Highways Code for the support of the Department of Parks and Recreation, for expenditure by the department for maintenance and repair of highways in units of the State park systems; payable from the Highway Users Tax Account, Transportation Tax Fund ..... (1,500,000)

3790-101-140—For local assistance, Department of Parks and Recreation, payable from the California Environmental License Plate Fund 555,000

Schedule:

(b) City of Berkeley, Cazadero Music and Arts Center	200,000
(c) City of Fontana, Jurupa Hills Regional Park Interpretive Center ..	150,000
(d) County of San Mateo, Coyote Point Museum	130,000
(e) City of Santa Cruz, Lighthouse Point repair	75,000

Provisions:

1. Notwithstanding the provisions of Section 2 of this act, the funds appropriated in category (b) of this item shall be available for expenditure during the 1982–83 and 1983–84 fiscal years.

3790-101-190—For local assistance, Department of Parks and Recreation, payable from the Resources Account, Energy and Resources Fund 8,000,000

(a) Robert Z'berg Urban Open-Space and Recreation Program	5,000,000
(b) Presley Urban Fishing Program Act	1,250,000
(c) Urban fishing project, City of San Jose—Lake Cunningham	1,000,000
(d) Presley Urban Fishing Program Act project, City of San Bernardino—Seccombe Lake	750,000

Provisions:

1. The funds appropriated for project (d) shall not be encumbered unless and until the Department of Parks and Recreation has approved a grant application that includes a plan of expenditure for the Seccombe Lake project, and the department has submitted that grant application to the Chairperson of the Joint Legislative Budget Committee for review.

3790-101-263—For grants to federal agencies, counties, cities, or special districts, pursuant to Division 7.8 (commencing with Section 8700) of the Public Resources Code, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund, to be available for expenditure during the 1982–83, 1983–84, and 1984–85 fiscal years 5,527,000

Schedule:

(a) County of Sacramento, Prairie City OHV Park, operation and maintenance	125,000
(b) County of Los Angeles, Baldwin Park OHV Park	867,000
(c) County of Madera, Lake Madera OHV Project	1,140,000
(d) City of Porterville, Porterville Regional ORV Park	1,446,000
(e) County of San Diego, ORV Rescue Vehicle Project	28,000
(f) County of Sierra, Sierra County Snowmobile Park	60,000
(g) County of Sonoma, Sears Point Cycle Park	500,000
(h) U.S. Bureau of Land Management, California Desert District	39,000
(i) U.S. Bureau of Land Management, Ukiah District	262,000
(j) Cleveland National Forest	146,000
(k) Los Padres National Forest	12,000
(*l*) Mendocino National Forest	136,000
(m) Plumas National Forest	13,000
(n) San Bernardino National Forest	83,000
(o) Shasta-Trinity National Forest	36,000
(p) Sierra National Forest	107,000
(q) County of Monterey, Laguna Seca Recreation Area	228,000
(r) County of Los Angeles, Motor Exposition	299,000

021 11705

Provisions:

1. Funds appropriated in category (q) of this item are for the development of an access road to United States military lands, provided that the United States Department of the Army deeds over to Monterey County any existing developed road and bordering lands for off-highway vehicle recreation use.
2. None of the funds appropriated in category (b) of this item for the County of Los Angeles, Baldwin Park OHV Park, shall be encumbered unless and until the Baldwin Park City Council has approved this project by board resolution after review of the final environmental impact report.

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

3790-101-721—For grants to counties, cities, and districts, as defined, in Section 5096.141, pursuant to subdivisions (a) and (e) of Section 5096.151, of the Public Resources Code, Department of Parks and Recreation, and for project review, payable from the Parklands Fund of 1980 14,153,000

Schedule:

(a) Project review	255,000	
(b) Project grants.....	13,898,000	

Projects in Alameda County

(1) Dublin San Ramon Community Services District, Valley Community Swim Center.....	42,000
(2) East Bay Regional Park District, Ardenwood	242,000
(3) East Bay Regional Park District, Hayward Shoreline Marsh	167,000
(4) East Bay Regional Park District, San Leandro Shoreline Trail.....	40,000
(5) City of Emeryville, Emeryville Recreation Facilities	20,000

Projects in Butte County	
(6) Durham Recreation and Park District, Durham Community Park..	20,000
(7) Feather River Recreation and Park District, Neighborhood Parks.....	14,000
(8) Feather River Recreation and Park District, Municipal Auditorium	6,000
(9) City of Gridley, Gridley City Park.....	20,000
Projects in Calaveras County	
(10) Jenny Lind Veterans Memorial District, Valley Springs Park	20,000
Projects in Contra Costa County	
(11) City of Antioch, Gentrytown Park..	119,000
(12) Dublin San Ramon Community Services District, Olympic Pool	41,000
(13) East Bay Regional Park District, Lafayette/Moraga Trail.....	46,000
(14) East Bay Regional Park District, Briones North.....	222,000
(15) City of Hercules, Hercules Trail.....	20,000
Projects in Del Norte County	
(16) City of Crescent City, Fred Endert Pool.....	20,000
Projects in El Dorado County	
(17) Cameron Park Community Services District, Cameron Park Parks....	25,000

Projects in Fresno County	
(18) City of Fresno, Cedar-Sierra Park	100,000
(19) City of Fresno, Hinton Community Center Park ..	90,000
(20) City of Fresno, Logan Park	170,000
(21) City of Fresno, Mosqueda Community Center	53,000
(22) City of Fresno, Vinland Park.....	90,000
(23) Lanare Community Services District, Lanare Community Park..	20,000
(24) City of Reedley, Smith Ferry Park..	33,000
Projects in Humboldt County	
(25) City of Arcata, Neighborhood Parks.....	60,000
(26) City of Eureka, Sequoia Park and Zoo	84,000
(27) City of Fortuna, Rohnerville and Newburg Roads Park.....	49,000
(28) Cities of Rio Dell and Ferndale and Manila Community Services District, Community Recreation Facilities.....	25,000
(29) Willow Creek Community Services District, Flower's Park.....	20,000
Projects in Imperial County	
(30) City of Brawley, Hawthorne and Meserve Parks	51,000
(31) Cities of Imperial and Calipatria, Two Cities Parks ..	21,000

(32) County of Imperial, Imperial County Parks	101,000
Projects in Kern County	
(33) County of Kern, Kern County Local Parks	122,000
(34) County of Kern, County Golf Courses	49,000
(35) County of Kern, County Parks	219,000
(36) City of Ridgecrest, Kern Desert Regional Park	54,000
Projects in Kings County	
(37) County of Kings, Armona Community Center	20,000
Projects in Los Angeles County	
(38) City of Avalon, Avalon Recreation Facility	20,000
(39) City of Arcadia, Eisenhower and Bonita Parks	142,000
(40) City of Burbank, Burbank Park Improvements	258,000
(41) City of Claremont, La Puerta Sports Park	87,000
(42) City of Covina, Royal Oaks Field ..	101,000
(43) City of Inglewood, Inglewood Parks	278,000
(44) City of Irwindale, Irwindale Parks	20,000
(45) City of LaVerne, LaVerne Parks	71,000
(46) City of Lynwood, City Park	124,000
(47) City of Monterey Park, Garvey Ranch Park	159,000

(48) City of Pico Rivera, Pico Rivera Recreation Facilities	154,000
(49) City of Pomona, Westmont Park	266,000
(50) City of Santa Fe Springs, Los Nietos Park	47,000
(51) City of South Gate, South Gate Recreation Facilities	187,000
(52) City of Whittier, Whittier Recreation Facilities	211,000
Projects in Marin County	
(53) Town of Corte Madera, Recreation Center	112,000
(54) County of Marin, McInnis Park and Trail	125,000
(55) City of Mill Valley, Bayfront Park	125,000
(56) City of Novato, Novato Recreation Area	125,000
(57) Town of San Anselmo, San Anselmo—Ross Parks	70,000
(58) City of San Rafael, Albert Park	148,000
(59) City of Sausalito, Marinship Park	30,000
(60) Town of Tiburon, Richardson Bay Lineal Park	44,000
Projects in Mariposa County	
(61) County of Mariposa, Mariposa County Park	100,000
Projects in Merced County	
(62) City of Gustine, Gustine Parks	20,000

(63) City of Los Banos, Los Banos Sports Complex	33,000
Projects in Mono County	
(64) County of Mono, Mono County Parks	100,000
Projects in Monterey County	
(65) City of Carmel-By-The-Sea, Carmel City Parks	20,000
(66) City of King, City/County Regional Park	20,000
(67) City of Salinas, Rossi-Rico Neighborhood Park	181,000
(68) City of Soledad, Soledad City Parks	20,000
Projects in Nevada County	
(69) Truckee-Donner Recreation and Park District, Truckee River Regional Park	39,000
Projects in Orange County	
(70) City of Fullerton, West Coyote Hills	377,000
(71) City of Garden Grove, Hare School Park	412,000
(72) City of Newport Beach, San Miguel Park	241,000
(73) City of San Clemente, San Clemente Beach Club	119,000
(74) City of Tustin, Tustin Recreation Facilities	125,000
(75) City of Westminster, 17th Street School	262,000
(75.2) Sunset Beach Community Center	20,000

Projects in Placer County	
(76) Auburn Area Recreation and Park District, Auburn Area Parks	63,000
(77) Tahoe City Public Utilities District, Star Harbor	20,000
Projects in Plumas County	
(78) County of Plumas, Crescent Mills Community Park	20,000
Projects in Riverside County	
(79) City of Blythe, Miller Park	20,000
(80) City of Hemet, Weston Park	57,000
(81) City of Indio, North Jackson Park	52,000
(82) Lake Elsinore Recreation and Park District, Lake Elsinore Recreation Facilities	20,000
(83) City of Perris, Perris Recreation Facility	20,000
(84) City of Riverside, Fairmount Park	160,000
(85) City of Riverside, Hunt Park	94,000
(86) City of Riverside, La Sierra Park	150,000
(87) City of Riverside, Nichols Park	25,000
Projects in San Bernardino County	
(88) City of San Bernardino, Al Guhin Park	30,000
(89) City of San Bernardino, Guadalupe Field	83,000
(90) City of San Bernardino, La Plaza Park	35,000

(91) City of San Bernardino, Nicholson Park	30,000
(92) City of San Bernardino, Shandin Hills Park	120,000
Projects in San Diego County	
(93) City of Chula Vista, General Rocca Park	49,000
(94) City of Chula Vista, Loma Verde Center	81,000
(95) City of Chula Vista, Rienstra Sports Complex	81,000
(96) City of Chula Vista, Park Way Pool	73,000
(97) City of Coronado, Coronado Parks and Golf Course	120,000
(98) Lake Cuyamaca Recreation and Park District, Lake Cuyamaca	75,000
(99) City of National City, Kimball Park	194,000
Projects in City and County of San Francisco	
(100) City and County of San Francisco, Golden State Park Carousel	300,000
(101) City and County of San Francisco, Stow Lake and Strawberry Hill	500,000
(102) City and County of San Francisco, West Sunset Playground	223,000
(103) City and County of San Francisco, West Sunset Soccer Field	750,000

Projects in San Joaquin County	
(104) City of Escalon, Escalon Community Park	25,000
(105) City of Lodi, Salas Park	117,000
(106) City of Tracy, Community Pool	61,000
Projects in San Luis Obispo County	
(107) City of Atascadero, Alvord Field	61,000
Projects in San Mateo County	
(108) Town of Atherton, Reading Park	25,000
(109) City of Daly City, Bayshore Heights Park	239,000
(110) City of Foster City, Catamaran Park	75,000
(111) Ladera Recreation District, Ladera Pool	20,000
(112) City of Redwood City, Hoover School Park	181,000
(113) City of San Bruno, City Park	91,000
(114) City of San Bruno, Monte Verde Park	30,000
(115) City of San Carlos, Arguello Park	87,000
Projects in Santa Barbara County	
(116) City of Carpenteria, Santa Monica Creek Trail	40,000
(117) City of Santa Barbara, East Beach	80,000
(118) City of Santa Barbara, Oak Park	115,000

Projects in Santa Clara County	
(119) City of Campbell, Campbell Historical Museum	59,000
(120) City of Gilroy, Wheeler Auditorium	50,000
(121) City of Saratoga, El Quito Park.....	70,000
Projects in Santa Cruz County	
(122) City of Capitola, Noble Gulch Park	32,000
(123) County of Santa Cruz, District Recreation Facilities ..	37,000
(124) County of Santa Cruz, Felton Covered Bridge.....	40,000
(125) County of Santa Cruz, Prather Lane Community Park.....	117,000
(126) County of Santa Cruz, Valencia Hall	20,000
(127) County of Santa Cruz, Veteran's Memorial Building	40,000
Projects in Shasta County	
(128) City of Redding, Caldwell Park.....	110,000
(129) Shasta Community Services District, Shasta Community Park..	25,000
Projects in Solano County	
(130) City of Benicia, Overlood Park	53,000
(131) Greater Vallejo Recreation District, Blue Rock Springs	207,000
(132) City of Rio Vista, Drouin Park	27,000

Projects in Sonoma County	
(133) City of Cloverdale, Cloverdale City Parks	20,000
(134) City of Healdsburg, Healdsburg Recreation Facilities	20,000
(135) Russian River Recreation and Park District, District Recreation Facilities	20,000
(136) City of Santa Rosa, Daniel Galvin Community Park	232,000
(137) City of Sonoma, Olsen Park	20,000
(137.2) Camp Meeker Recreation and Park District	20,000
Projects in Stanislaus County	
(138) City of Turlock, Tegner Recreation Site	78,000
Projects in Tehama County	
(139) City of Corning, Corning Parks	20,000
(140) City of Red Bluff, John R. Trainor Memorial Park	34,000
(141) County of Tehama, Noland Park	20,000
(142) County of Tehama, Tehama County Parks	42,000
Projects in Tulare County	
(143) City of Porterville, Murry Park	78,000
Projects in Ventura County	
(144) Casitas Municipal Water District, Lake Casitas	45,000

Projects in Yolo County
(145) City of Woodland, Existing Park Improvements 92,000

Projects in Yuba County
(146) City of Wheatland, Wheatland City Park 35,000
(147) County of Yuba, North Yuba Recreation Project 35,000

Provisions:

1. Funds appropriated in category (b) of this item shall be available for acquisition, development, rehabilitation, or any combination thereof.

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1964

3790-101-732—For grants to counties, cities, or cities and counties for acquisition, development, or acquisition and development, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1964 250,000

Schedule:

Project grants 250,000

Projects in Amador County:
(1) City of Ione, Preston Castle 200,000
(2) City of Ione, Howard Park 50,000

Provisions:

1. The funds appropriated in category (1) shall be used for the purpose of the repair and rehabilitation of Preston Castle, a historical landmark.
2. The Department of Parks and Recreation shall not allocate the funds appropriated in category (1) unless and until the Department of the Youth Authority enters into an agreement with the City of Ione which requires the City of Ione to operate and maintain the Preston Castle as a State Historical Landmark, and which requires that the public be granted access to the Preston Castle for recreational, educational, and historical interpretation purposes.

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1974

3790-101-733—For local assistance, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 176,000

NEJEDLY-HART STATE, URBAN AND COASTAL PARK BOND ACT PROGRAM

3790-101-742—For local assistance, Department of Parks and Recreation, payable from the State, Urban and Coastal Park Fund 1,958,000

Schedule:

(a) Project review	238,000	
(b) Project grants	1,720,000	
Projects in Alameda County		
(1) City of Alameda, Alameda City Hall and Historical Museum	11,000	
(2) City of Emeryville, Emeryville Recreation Facilities	13,000	
Projects in Calaveras County		
(3) Jenny Lind Veterans Memorial District, Valley Springs Park	15,000	
Projects in Contra Costa County		
(4) County of Contra Costa, El Sobrante Community Center	35,000	
Projects in Del Norte County		
(5) County of Del Norte, Pyke Field	25,000	
Projects in Fresno County		
(6) City of Fresno, Logan Park	20,000	
Projects in Humboldt County		
(7) City of Trinidad, Community Recreation Facilities	15,000	
Projects in Imperial County		
(8) County of Imperial, Palo Verde County Park	20,000	
Projects in Los Angeles County		
(9) City of Los Angeles, Santa Barbara/Western Park	750,000	

(10) County of Los Angeles, Venice Beach 352,000
(11) City of Lynwood, John D. Ham Park..... 120,000

Projects in Placer County
(12) County of Placer, Bear River Park..... 15,000

Projects in Plumas County
(13) County of Plumas, Crescent Mills Community Park 13,000

Projects in Sacramento County
(14) Elk Grove Recreation and Park District, Mendoza Park 16,000

Projects in Santa Cruz County
(15) County of Santa Cruz, Recreational Facilities..... 14,000

Projects in Shasta County
(16) City of Redding, Sacramento River Trail 60,000

Projects in Sonoma County
(17) County of Sonoma, Ragle Ranch 226,000

Provisions:

1. The project review funds payable from the State, Urban, and Coastal Park Fund appropriated in category (a) of this item are for purposes set forth in subdivision (a) of Section 5096.124 of the Public Resources Code and are available for expenditure during the 1982–83 fiscal year.
2. The grants payable from the State, Urban and Coastal Park Fund, appropriated in category (b) of this item, are 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 and 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.

3790-101-890—For local assistance, Department of Parks and Recreation, payable from the Federal Trust Fund 343,000

Schedule:

(a) National Historic Preservation Act of 1966 343,000

(1) Northern California 172,000
(2) Southern California 171,000

Provisions:

1. The funds appropriated by this item constitute federal funds as defined by Section 8.7 of this act.

3790-301-036—For capital outlay, Department of Parks and Recreation, payable from the Special Account for Capital Outlay 283,000

Schedule:

(a) Artifact restoration (Hearst Castle) 223,000
(b) Climate control study (Hearst Castle) 60,000

3790-301-189—For capital outlay, Department of Parks and Recreation, payable from the Energy Account, Energy and Resources Fund 247,000

Schedule:

(a) Minor projects 187,000
(b) Design and construction planning 60,000

Provisions:

1. The minor capital outlay projects funded in category (a) of this item shall be for solar retrofitting and energy conservation measures of park facilities. No funds appropriated for solar retrofitting of park facilities shall be expended unless and until the Department of Parks and Recreation enters into an interagency agreement with the California Conservation Corps for the construction and installation of such devices.

3790-301-190—For capital outlay, Department of Parks and Recreation, payable from the Resources Account, Energy and Resources Fund 7,868,000

Schedule:

(a) Anderson Marsh—acquisition 3,118,000
(d) Chino Hills—acquisition 4,500,000
(e) Colonel Allensworth SHP—working drawings and construct water pump 250,000

Provisions:

1. The funds provided in category (e) for the construction of a water pump at the Colonel Allensworth SHP shall be from the reversion of previously approved capital outlay appropriations reverted by Item 3790-495-188(2) and Item 3790-495-188(3).

3790-301-263—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund 770,000

Schedule:

(a) Hungry Valley SVRA—equip off-highway vehicle area	361,000
(c) Minor projects	259,000
(e) Prebudget and appraisal costs	75,000
(f) Relocation assistance	35,000
(g) Sycamore Canyon Project—feasibility study and planning	40,000

Provisions:

1. None of the funds appropriated for acquisition of parklands in this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.
2. Notwithstanding the provisions of Section 2 of this act, any appropriations made in this item for equipment items shall be available for expenditure only during the 1982–83 and 1983–84 fiscal years.

3790-301-392—For capital outlay, Department of Parks and Recreation, payable from the State Parks and Recreation Fund 14,273,000

Schedule:

(a) Hearst San Simeon SHM—continuing restoration	470,000
(b) Hearst San Simeon SHM—construct road repair	1,156,000
(d) Hearst San Simeon SHM—construct water system improvement	559,000
(f) Minor projects	1,702,000
(g) Big Basin SP—construct sewer	234,000
(h) Millerton Lake SRA—construct water treatment plant	498,000
(i) Old Town San Diego—acquisition of Bazaar del Mundo concession contract	500,000
(j) Statewide-working drawings and construct storm damage	465,000
(k) Chino Hills—acquisition	7,500,000
(*l*) Silverstrand SB—storm damage repair and development	1,024,000

(p) Crystal Cove State Park—relocation of equestrian facilities 75,000
(s) Old Sacramento SHP—planning for Chinese interpretive center.... 80,000
(t) Old Sacramento SHP—study for orientation film 10,000

Provisions:

1. None of the funds appropriated for acquisition of parklands in this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.
2. The funds appropriated in category (i) for the acquisition of the Bazaar del Mundo concession contract may be made available for expenditure for the development of the Seccombe Lake State Urban Recreation Area not sooner than 30 days after the Director of Parks and Recreation notifies the Chairperson of the Joint Legislative Budget Committee, the Chairperson of the Senate Finance Committee, and the Chairperson of the Assembly Ways and Means Committee, in writing, that the funds are no longer needed for the buyout of the Bazaar del Mundo concession contract.
3. None of the funds appropriated for Hearst San Simeon SHM road repair in category (b) shall be derived from tidelands oil revenues.

PARKLANDS FUND OF 1980

PROGRAM

3790-301-721—For capital outlay, Department of Parks and Recreation, payable from the Parklands Fund of 1980 70,687,000

Schedule:

(a) American River Bikeway Project —working drawings and construction—Phase II..... 1,330,000

(b) Angel Island SP—working drawings for restoration		155,000
(d) Bidwell River Park—acquisition		700,000
(e) China Camp SP—working drawings and construct village restoration		378,000
(f) Colonel Allensworth SHP—working drawings and construct restoration and site work		400,000
(g) El Presidio de Santa Barbara—acquisition		1,760,000
(i) Fort Humboldt SHP—restoration		554,000
(j) Humboldt Redwoods SP—bank protection study		350,000
(k) Huntington SB—working drawings and construct day use, parking, and rehabilitation—Phase I		6,500,000
(*l*) Indio Hills Palms—acquisition		705,000
(m) In-holding purchases		500,000
(o) Multicultural Center—Exposition Park—partial working drawings and construct multi-cultural center		4,205,000
(p) Notleys Landing—acquisition		2,400,000
(q) Old Sacramento SHP—working drawings and partial construction of 1849 scene		1,462,000
(r) Old Town San Diego SHP—working drawings and construct U.S. House, Light Freeman, and Wrightington Adobes		1,017,000
(s) San Simeon SB—working drawings and construct day use, campground, and sewer hookup		1,595,000
(t) San Pedro Beach—acquisition		1,600,000
(u) Schooner Gulch Project—acquisition		1,300,000
(v) Santa Suzanna Mountains Project —acquisition		2,350,000
(w) Minor Projects		2,066,000
(1) Handicapped retrofit	200,000	
(2) Enroute camping	300,000	
(3) Environmental camp sites	618,000	
(4) Volunteer projects	648,000	
(5) Coastal access projects	300,000	
(x) Design and construction planning		3,115,000
(y) Prebudget and appraisals		200,000

(aa) Angel Island SP—working drawings and construct sewage treatment facilities	210,000
(bb) Baldwin Hills Project—preliminary plans, working drawings and construct Phase I development	4,600,000
(cc) Chino Hills—acquisition	500,000
(dd) Columbia SHP—continuing restoration of Fallon Hotel and Theatre	1,001,000
(ee) East Bay Shoreline—acquisition	4,000,000
(ff) Fort Ross SHP—continuing restoration of Kuskov House	125,000
(gg) Montery SHP—continuing restoration of Cooper-Molera Adobe	1,022,000
(hh) Old Town San Diego SHP—working drawings and partial construction of Rose-Robinson Building, Schoolroom, Alvarado Family Property, Alvarado Lucia House, and parking	738,000
(ii) San Onofre State Beach—working drawings and construct parcel 1 camping	4,000,000
(jj) Reimbursements	−3,000,000
(kk) Preliminary planning	200,000
(*ll*) Statewide Interpretive, Natural, and Archeological Management	100,000
(mm) McGrath SB—working drawings and construct Harbor Boulevard Bridge	500,000
(nn) Chino Hills Project—acquisition	3,000,000
(oo) New Brighton SB—Porter Sesnon acquisition	4,000,000
(pp) Hostel facilities—Kent Canyon Hostel, Mt. Tamalpais SP	243,000
(qq) Citrus Heritage Park—Mockingbird Canyon Project—acquisition and planning	3,000,000
(rr) Pismo SB—Grand Avenue Entrance—rehabilitation, working drawings and construction	580,000
(ss) Fresno Ag Museum—development	3,000,000
(tt) Big Sur Project—acquisition	2,000,000
(uu) Fort Ross SHP—construct visitor center	800,000
(vv) Angel Island—continuing restoration	66,000
(ww) Opportunity purchases	360,000

(zz) South Monterey Bay Dunes—acquisition 1,000,000
(aaa) Hearst San Simeon SHM—construct visitor center 4,000,000

Provisions:

1. None of the funds appropriated for acquisition of parklands in this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.
2. No state funds appropriated in category (*l*) of this item for the acquisition of Indio Hills Palms shall be encumbered unless and until an agreement is entered into with the County of Riverside for the county to operate and maintain the project at no additional cost to the state.
3. No state funds appropriated in category (bb) of this item for Phase I development of Baldwin Hills shall be encumbered unless and until the following occur: (a) the Department of Finance has reviewed, and the State Public Works Board has approved, a long-term agreement between the Department of Parks and Recreation and the County of Los Angeles for the county to operate and maintain the project at no additional cost to the state; and (b) the County of Los Angeles has granted to the state the property necessary to complete the state development project.
4. An amount not to exceed $200,000 of the funds appropriated in category (m) of this item for in-holding purchases shall be used for acquisition of lands within the boundaries of Big Basin Redwoods State Park, which boundaries have been approved by the State Park and Recreation Commission.
5. None of the funds appropriated in category (ii) of this item shall be expended for the construction of parcel 1 camping at San Onofre State Beach unless and until $3,000,000 in reimbursements are received by the Department of Parks and Recreation from Southern California Edison

and San Diego Gas and Electric, as identified in category (jj) of this item.

6. None of the funds appropriated in category (qq) of this item may be encumbered unless and until all the following requirements have been satisfied:
   (a) The project receives the favorable recommendation of the State Park and Recreation Commission pursuant to subdivision (c) of Section 5096.162 of the Public Resources Code.
   (b) The County of Riverside encumbers at least $197,646 in funds available to it for the project.
   (c) The City of Riverside encumbers at least $429,137 in funds available to it for the project and transfers in fee or leases to the state, at no cost to the state, Mockingbird Canyon Reservoir and at least 128 acres of land owned by the city beneath and surrounding the reservoir.
7. None of the funds appropriated in category (qq), or available from any other source, may be encumbered for the purchase of any land northeast of Irving Street in the City of Riverside. In managing land acquired with funds appropriated in that category and in making expenditures of funds appropriated in that category for planning, the following requirements shall be adhered to:
   (a) Vehicular and other public access shall be restricted to Dufferin Avenue between Van Buren Boulevard and Jackson Street.
   (b) Interior roads, pathways, and attractions within the park shall be located so as to minimize opportunities for trespass onto adjoining nonpark properties, and fencing shall be installed in areas subject to high visitor usage.
   (c) A program of pest management shall be immediately undertaken in citrus groves, as they are acquired by the state, to prevent the spread of pests to nonstate property, and the citrus groves shall be managed so as to preserve them in a healthy and productive state.

8. Funds expended from the appropriation made by category (pp) shall be reimbursed to the Parklands Fund of 1980 from funds currently available to the department and contained in Section 5(c)(2) of Chapter 1440, Statutes of 1976, upon such time as the current freeze on the State Parks and Recreation Fund is lifted, or from funds accumulated by the State from payments made to the State Treasury by condominium sellers or buyers under Section 2(b)(3) of Chapter 1066, Statutes of 1981, but the reimbursements and expenditures from these sources in combination shall not exceed the total appropriation contained in category (pp).
9. The state participation in the construction of the McGrath SB-Harbor Boulevard Bridge as proposed in category (mm) of this item shall not exceed the amount appropriated by this item. Any amount necessary for the construction of this bridge in excess of the funds appropriated in category (mm) shall be made available from the County of Ventura or other nonstate sources.
10. The state participation in the construction of the Hearst San Simeon SHM visitor center as proposed in category (aaa) of this item shall not exceed the amount appropriated in category (aaa). Any amount necessary for the construction of this facility in excess of the funds appropriated in category (aaa) shall be made available from proposed concessionaires at this facility or other nonstate sources.
11. (a) Funds appropriated in category (tt) of this item for acquisition at the Big Sur Project shall be for the following parcels: Little Sur River (Hill Road Project); parcels 243-231-13, 243-231-15, 243-231-16, and 243-231-18 at Garapata State Beach; and parcel 601-818-00 at Julia Pfeiffer Burns State Park.
    (b) In addition, the department shall enter into an interagency agreement with the Department of General Services for reimbursement of expenses related to the acquisition of those lands by the Department of General Services, and for the deposit of any funds recouped by the Department of General Services in connection with the acquisition, in excess of administrative costs, to the Parklands Fund of 1980.

(c) No funds appropriated in category (tt) shall be encumbered if AB 2929 of the 1981–82 Regular Session is enacted into law.

12. The Legislature requests that the Santa Barbara Trust for Historic Preservation develop a comprehensive plan for the restoration of El Presidio de Santa Barbara and that the Santa Barbara City Council hold public hearings on that plan.

No further appropriation for El Presidio will be made by the Legislature until the Santa Barbara City Council has expressed its approval of that appropriation.

13. No funds appropriated in category (ss) of this item for the construction of the Fresno Ag Museum shall be encumbered unless and until the Department of Parks and Recreation has received an equal amount of funds from nonstate sources.

14. No funds appropriated in category (uu) for the construction of a visitor center at the Fort Ross SHP shall be encumbered if SB 705 of the 1981–82 Regular Session is enacted into law.

RECREATION AND FISH AND WILDLIFE ENHANCEMENT FUND

3790-301-728—For capital outlay, Department of Parks and Recreation, payable from the Recreation and Fish and Wildlife Enhancement Fund 1,916,000

Schedule:

(a)	Lake Perris SRA—continuing recreation development—construction	1,750,000
(b)	San Luis Reservoir SRA—improve Maderios Campground.....	150,000
(c)	Design and Construction Planning	16,000

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1964 PROGRAM

3790-301-732—For capital outlay, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1964 310,000

Schedule:

(a)	East Bay Trail Project—acquisition and development of riding and hiking trails.....	300,000
(b)	Design and construction planning	10,000

Provisions:
1. Notwithstanding Section 2, the funds appropriated in category (a) shall be available for expenditure only for the 1982–83 fiscal year.

STATE BEACH, PARK, RECREATIONAL, HISTORICAL FACILITIES BOND ACT OF 1974

3790-301-733—For capital outlay, project planning and design, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, Historical Facilities Fund of 1974 338,000

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

3790-301-742—For capital outlay, Department of Parks and Recreation, payable from the State, Urban, and Coastal Park Fund..... 3,362,000
Schedule:
(a) Project planning and design..... 362,000
(b) Spud Point—acquisition and development 3,000,000

3790-301-952—For capital outlay, Department of Parks and Recreation, payable from the State Park Contingent Fund..... -0-
Schedule:
(a) Chino Hills Project—acquisition .. 100,000
(c) Jedediah Smith Redwoods SP—acquisition 175,000
(e) Reimbursements—Federal Land and Water Conservation Fund .... −925,000
(f) Petrified Forest Project—acquisition 650,000

3790-490—Reappropriation, Department of Parks and Recreation. 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 unless otherwise specified) provided for in said appropriations, and shall be available for expenditure until June 30, 1983:
036—Special Account for Capital Outlay
(1) Chapter 1139, Statutes of 1973, North Coastal Acquisition.
(2) Item 528(b), Budget Act of 1980, Hearst San Simeon SHM—Visitors Center

Working Drawings.

263—Off-Highway Vehicle Fund

(1) Section 2(a), Chapter 741, Statutes of 1975, for the acquisition of an interest in real and personal property in San Diego County (Ocotillo Wells SVRA).

(2) Item 403.5(b), Budget Act of 1977, Hungry Valley SVRA—planning and operations.

(3) Item 461(b), Budget Act of 1978, Hollister Hills SVRA—working drawings and construction.

(5) Section 6(b), Chapter 809, Statutes of 1980, California OHV Development and Trail Study.

(6) Item 379-301-263(a), Budget Act of 1981, Hollister Hills SVRA—working drawings for facilities.

(7) Item 466(a), Budget Act of 1979, Pismo Dunes SVRA—acquisition. This reappropriation shall not exceed $1,700,000.

392—State Parks and Recreation Fund

(1) Item 350(gg), Budget Act of 1973, Candlestick Point SRA—land acquisition; provided that any funds not encumbered for acquisition may be encumbered for development at this unit.

(2) Section 1(h), Chapter 1521, Statutes of 1974, Mendocino Headlands SP—augmentation land acquisition.

(3) Section 2(A), Chapter 1529, Statutes of 1974, acquisition of riding, hiking, and bicycle trails—Santa Cruz, San Mateo, and Santa Clara.

(4) Section 2(B), Chapter 1529, Statutes of 1974, development of riding, hiking, and bicycle trails—Santa Cruz, San Mateo, and Santa Clara.

(5) Section 2(a), Chapter 744, Statutes of 1975, acquisition of recreational trail rights of way (San Mateo County).

(6) Section 1(a), Chapter 853, Statutes of 1975, acquisition of beach lands in the City of Pacifica.

(7) Section 5C(2), Chapter 1440, Statutes of 1976, hostel facilities.

(10) Section 2(b), Chapter 1066, Statutes of 1976, as amended by Section 6, Chapter 1305, Statutes of 1980, Lake Elsinore SRA.

(11) Item 402(d), Budget Act of 1977, Huntington SB—day use, working drawings.
(12) Section 1, Chapter 835, Statutes of 1977, Colonel Allensworth SHP—restoration and development.
(13) Item 402(g), Budget Act of 1977, McGrath SB—sewer system development.
(14) Item 457(e), Budget Act of 1978, property acquisition and boundary survey.
(15) Item 458.1(a), Budget Act of 1978, Seccombe Lake SURA—acquisition.
(16) Section 1, Chapter 977, Statutes of 1978, San Pasqual Battlefield SHP—working drawings and construction.
(17) Item 529(c), Budget Act of 1980, augmentation for land acquisition and condemnation proceedings for Bagley Conservation Fund projects.
(18) Item 530(i), Budget Act of 1980, augmentation for land acquisition and condemnation proceedings for State Parks and Recreation Fund projects.
(19) Item 379-301-392(g), Budget Act of 1981, Hearst San Simeon SHM—working drawings for water system.
(20) Item 379-301-392(k), Budget Act of 1981, Old Town San Diego SHP—working drawings and construction.
(22) Section 1, Chapter 1339, Statutes of 1978, John Marsh Home—development and restoration.
(23) Item 379-301-392(z), Budget Act of 1981 —Railtown 1897—acquisition, working drawings, and construction.

Provided, that funds appropriated for category (z) of Item 379-301-392 of the Budget Act of 1981 shall not be encumbered for the acquisition of "Railtown 1897" in Tuolumne County, which consists of 24 acres of land, several historic buildings and yard trackage, unless: (1) the state has first received a donation of railroad rolling stock, locomotives, and equipment, as identified in a report to the Legislature from the Sierra Railroad Company entitled "Inventory of Rail-

road Company", dated July 15, 1980, and (2) the owner of the connecting rail line between Oakdale and Sonora grants the state the use of the right-of-way free-of-charge for scheduled excursion trains, charter trains, and special trains. In the event that the rail line is ever abandoned, the owner of the rail line will deed, free-of-charge to the state, a minimum of six miles of railroad track and right-of-way including track between mile posts 35 and 41. The state shall also be granted an option to purchase the remaining right-of-way at fair-market-value in the event of abandonment.

Provided further, that the department shall make every effort to contract with a concessionaire to operate excursion trains from "Railtown 1897" to Sonora and Oakdale in the event the excursion business is continued.

Provided further, that in respect to the donation of railroad rolling stock, locomotives, and equipment to the state, it is the understanding of the Legislature that the gift deed shall permit the transfer of railroad rolling stock, locomotives, and equipment between "Railtown 1897" and the California State Railroad History Museum in Sacramento.

721—Parklands Fund of 1980

(1) Item 379-301-721 (d), Budget Act of 1981, project feasibility studies.
(2) Item 379-301-721 (f1), Budget Act of 1981, minor projects—environmental campsites.
(3) Item 379-301-721 (f2), Budget Act of 1981, minor projects—handicapped retrofit.
(4) Item 379-301-721 (f3), Budget Act of 1981, minor projects—volunteer projects.
(5) Item 379-301-721 (f4), Budget Act of 1981, minor projects—Point Arena Hostel.
(6) Item 379-301-721 (h), Budget Act of 1981, multi-cultural park feasibility study and working drawings.
(7) Item 379-301-721 (i), Budget Act of 1981, Salt Point SP—construction.

(8) Item 379-301-721(m), Budget Act of 1981, Verdugo Hills—acquisition; provided that the funds for this project may only be expended in an amount equal to the amount expended by local government for this same project.
(9) Item 379-301-721(o), Budget Act of 1981, Crystal Cove SP—preliminary plans, working drawings, and construction.
(10) Item 379-301-721(q), Budget Act of 1981, Malibu Creek SP—construction of day-use facilities.

728—Recreation and Fish and Wildlife Enhancement Fund
(1) Item 379-301-728(b), Budget Act of 1981, Lake Perris SRA—working drawings for day-use facilities.

732—State Beach, Park, Recreational, and Historical Facilities Fund of 1964
(1) Item 403.1J(a), Budget Act of 1976 as added by Chapter 1379, Statutes of 1976, Delta Meadows—land acquisition.
(2) Item 498(b), Budget Act of 1978, Salt Point SP—campground and day use.
(3) Item 498(c), Budget Act of 1978, San Onofre SB—water system buy-in.
(4) Item 495.5B(b), Chapter 1085, Statutes of 1979, Seccombe Lake SURA—general plan development.

733—State Beach, Park, Recreational, and Historical Facilities Fund of 1974
(1) Section 9.3(a), Chapter 1064, Statutes of 1973, Burton Creek Area—land acquisition.
(2) Item 410.7B(w), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974, Anza-Borrego Desert SP, Coyote Canyon —land acquisition.
(3) Item 410.3H(a), Chapter 1514, Statutes of 1974, Morro Bay SP—land acquisition.
(4) Item 387.4(e), Budget Act of 1975, Colonel Allensworth SHP—restoration and reconstruction.
(5) Item 387.4(1), Budget Act of 1975, Sonoma Barracks SHP—interpretive audiovisual program.
(6) Item 411.1A(a), Chapter 353, Statutes of 1976, Angel Island SP—repair and resto-

ration of the Immigration Station Barracks.

(7) Item 411(r), Budget Act of 1976, Ventura-Santa Barbara Counties Bikeway (Refugio).

(8) Item 411(v), Budget Act of 1976, Colonel Allensworth SHP—restoration and development.

(9) Item 387.1G(a), Chapter 212, Statutes of 1976, Watts Towers.

(10) Item 435(g), Budget Act of 1977, Fort Ross SHP—Kuskov House restoration.

(11) Item 435(j), Budget Act of 1977, Old Sacramento SHP—Railroad Museum—working drawings and construction.

(12) Item 435(m), Budget Act of 1977, San Onofre SB—day use, overnight, administrative facilities construction, provided that this reappropriation shall be limited to $250,000.

(13) Item 435(q), Budget Act of 1977, Topanga SP—trails, sanitary facilities, parking—working drawings and construction.

(14) Item 503(d), Budget Act of 1978, Monterey SHP—Cooper-Molera restoration.

(15) Item 503(e), Budget Act of 1978, Old Sacramento SHP—49er Scene—working drawings.

(16) Item 503(i), Budget Act of 1978, Plumas-Eureka SP—Stamp Mill restoration.

(17) Item 503(j), Budget Act of 1978, Point Mugu SP—working drawings and construction.

(18) Item 503(k), Budget Act of 1978, Salt Point SP—working drawings and construction.

(19) Item 503(*l*), Budget Act of 1978, San Juan Bautista SHP—Plaza Hotel restoration.

(20) Item 500(c), Budget Act of 1979, Malibu Lagoon SB—working drawings.

(21) Item 500(f), Budget Act of 1979, Old Sacramento SHP—exhibits and rolling stock, Railroad Museum.

(22) Item 500(h), Budget Act of 1979, option purchases.

(23) Item 578(k), Budget Act of 1980, Malibu Creek SP—campground working draw-

ings.

(24) Item 578(o), Budget Act of 1980, augmentation for land acquisition, condemnation proceedings for State Beach, Park, Recreational, and Historical Facilities Fund of 1974 projects.

(25) Item 578.1(a), Budget Act of 1980, Railtown 1897—acquisition, provided that this appropriation shall be available for acquisitions in the Chino Hills project.

(26) Item 578.5a, Budget Act of 1980, Neary Rodriguez—emergency repairs.

742—State, Urban, and Coastal Park Fund

(1) Item 443.2B(d), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Garrapata Beach—acquisition.

(2) Item 443.2B(e), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Gaviota State Park—acquisition.

(3) Item 443.2B(f), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Hunter's Lagoon—acquisition.

(4) Item 443.2B(h), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Lakes Earl and Talawa—acquisition.

(5) Item 443.2B(j), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Ten Mile Dunes—acquisition.

(6) Item 443.2B(m), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977, Morro Bay SP—acquisition.

(7) Item 512(a), Budget Act of 1978, Empire Mine SHP—working drawings and construction.

(8) Item 512(c), Budget Act of 1978, Huntington SB—Phase II working drawings.

(9) Item 512(d), Budget Act of 1978, Malibu Creek SP—Phase I construction.

(10) Item 512E(a), Chapter 1258, Statutes of 1978, Folsom Lake SRA—American River Parkway working drawings and construction.

(11) Item 512(i), Budget Act of 1978, Point Dume SB—acquisition and development.

(12) Item 508(a), Budget Act of 1979, Garrapata Project—acquisition.

(13) Item 508(d), Budget Act of 1979, Little

Sur River—acquisition.

(14) Item 508(e), Budget Act of 1979, McGrath State Beach—acquisition, provided that this reappropriation shall be limited to $1,701,000.

(15) Item 508(h), Budget Act of 1979, Irvine Coast—acquisition.

(16) Item 508(i), Budget Act of 1979, Santa Monica Mountains Zone—Backbone Trail, Viewshed of Malibu Creek SP, and Stunt Road area.

(17) Item 508(j), Budget Act of 1979, Candlestick Point SRA—development.

(18) Item 508(*l*), Budget Act of 1979, option purchases.

(19) Item 507.5B(a), Budget Act of 1979 as added by Chapter 372, Statutes of 1980, acquisition of land, leases, and other interests in land; acquisition and development of recreation facilities at Lake Elsinore SRA.

(20) Item 585(k), Budget Act of 1980, augmentation for land acquisition, condemnation proceedings for State, Urban, and Coastal Park Fund projects.

(21) Item 585(p), Budget Act of 1980, Malibu Lagoon SB—construction.

(22) Item 585(q), Budget Act of 1980, Wilder Ranch SP—California Dairy Museum Study.

(23) Item 379-301-742(b), Budget Act of 1981, Pyramid Reservoir—construction of camping and day-use facilities.

(24) Item 379-301-742(d), Chapter 999, Statutes of 1981, Santa Monica Mountains feasibility study.

952—State Park Contingent Fund

(1) Item 403(a), Budget Act of 1977, Big Basin Redwoods SP—acquisition.

3790-491—Reappropriation, Department of Parks and Recreation. 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 unless otherwise specified) provided for in such appropropriations, and shall be available for expenditures until June 30, 1983:

263—Off-Highway Vehicle Fund:
(1) Item 228(i), Budget Act of 1977, County of Los Angeles, Rowher Flats Off-Highway Vehicle Park Project Phase I.
(2) Item 228(a), Budget Act of 1977, County of Riverside, DeAnza Motorcycle Park.
(3) Item 228(d), Budget Act of 1977, City of Norco, Neal Snipes Motorcycle Park.
(4) Item 228(g), Budget Act of 1977, County of Sacramento, Off-Road Vehicle Park Development Phase I.
(5) Item 228(j), Budget Act of 1977, Los Angeles County Flood Control District, San Gabriel River Off-Highway Vehicle Staging Area.

733—State Beach, Park, Recreational, and Historical Facilities Fund of 1974
(1) Item 390.2D(1), Chapter 984, Statute of 1975, County of Amador, Pine Grove Park.
(2) Item 390.2D(2), Chapter 984, Statutes of 1975, County of Amador, Pioneer Park.
(3) Item 390.2D(5), Chapter 984, Statutes of 1975, City of Amador, Amador City Park.
(4) Item 390.2D(6), Chapter 984, Statutes of 1975, River Pine Public Utility District, Pine Lodge Park.
(5) Item 390.2D(7), Chapter 984, Statutes of 1975, City of Volcano, Soldier Gulch Park.

3790-492—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provisions of law, the undisbursed balances, at the completion of the projects for which appropriations were provided in Item 500(c) of the Budget Act of 1979, and Item 585(p) of the Budget Act of 1980, are appropriated without regard to fiscal years for recreational facilities, including ball playing fields, parking, and geological stabilization of land acquired pursuant to Item 443.2B(k) of the Budget Act of 1977, as added by Section 5 of Chapter 1109, Statutes of 1977.

3790-495—Reversion, Department of Parks and Recreation. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

001—General Fund

(1) Chapter 1166, Statutes of 1979, Roberti-Z'berg open space grants, an amount not to exceed $8,000,000.

036—Special Account for Capital Outlay

(1) Item 379-301-036(a), Budget Act of 1981. Climate control study (Hearst Castle).

(2) Item 379-301-036(b), Budget Act of 1981. Artifact restoration (Hearst Castle).

(3) Item 379-301-036(c), Budget Act of 1981. Artifact appraisal (Hearst Castle).

188—Energy and Resources Fund

(1) Item 532(g), Budget Act of 1980. South Monterey Bay Dunes—land acquisition.

189—Energy Account, Energy and Resources Fund

(1) Item 379-301-189(a), Budget Act of 1981. Project planning and design.

190—Resources Account, Energy and Resources Fund

(1) Item 379-301-190(a), Budget Act of 1981. Anderson Marsh—acquisition.

(2) Item 379-301-190(b), Budget Act of 1981. Durham Ferry SRA—working drawings and construction.

(3) Item 379-301-190(c), Budget Act of 1981. Seacliff SB—construction.

263—Off-Highway Vehicle Fund

(1) Item 532.5(a), Budget Act of 1980. Relocation assistance.

(2) Item 379-301-263(d), Budget Act of 1981. Ocotillo Wells SVRA—acquisition.

(3) Item 466(a), Budget Act of 1979, Pismo Dunes SVRA—acquisition; provided that this reversion shall be limited to $200,000.

392—State Parks and Recreation Fund

(1) Item 530(f), Budget Act of 1980. Torrey Pines—working drawings.

(2) Item 379-301-392(*l*), Budget Act of 1981. Old Sacramento SHP—working drawings for '49er scene.

(3) Item 379-301-392(m), Budget Act of 1981. Bale Grist Mill—construction of access road and parking lot.

(4) Item 379-301-392(o), Budget Act of 1981. Chino Hills—acquisition.

(7) Item 379-301-392(t), Budget Act of 1981. Angel Island SP—working drawings and partial construction of pier.

(8) Item 379-301-392(u), Budget Act of 1981. Preliminary planning.

(10) Item 379-301-392(a), Budget Act of 1981. Big Basin SP—working drawings and construction for sewer.
(11) Item 379-301-392(x), Budget Act of 1981. Millerton Lake SRA—working drawings and construction of water treatment plant.
(12) Item 379-301-392(bb), Budget Act of 1981. Old Town San Diego—acquisition of Bazaar del Mundo concession contract.

(13) Item 530(b), Budget Act of 1980. Opportunity purchases.
(14) Item 530(c), Budget Act of 1980. In-holding purchases.

721—Parklands Fund of 1980
(1) Item 379-101-721(c) (184), Budget Act of 1981, City of Lynwood, Lindberg Park.
(2) Item 379-101-721(c) (259), Budget Act of 1981, City of Garden Grove, Garden Grove Park.
(3) Item 379-101-721(c) (260), Budget Act of 1981, City of Garden Grove, Garden Grove Park.
(4) Item 379-101-721(c) (261), Budget Act of 1981, City of Garden Grove, Lake School Park.
(5) Item 379-101-721(c) (262), Budget Act of 1981, City of Garden Grove, Magnolia-Faylane Park.
(6) Item 379-101-721(c) (263), Budget Act of 1981, City of Garden Grove, Pioneer Park.
(7) Item 379-101-721(c) (264), Budget Act of 1981, City of Garden Grove, Twin Lakes Park.

742—State, Urban, and Coastal Park Fund
(1) Item 443.8(65), Budget Act of 1977, Highway City Community Services District, Highway City Park.
(2) Item 443.8(75), Budget Act of 1977, County of Imperial, Forrester Park.
(3) Item 443.8(172), Budget Act of 1977, County of Los Angeles, White Point Beach.
(4) Item 518(74.2), Budget Act of 1978, County of Los Angeles, Pepperdine University Park.
(5) Item 518(74.4), Budget Act of 1978, County of Los Angeles, Dockweiler State Beach.

(6) Item 518(154), Budget Act of 1978, County of Placer, Granite Bay Neighborhood Park.
(7) Item 590(25.5), Budget Act of 1980, City of Lynwood, Lindberg Park.
(8) Item 379-101-742(1.4), Budget Act of 1981, County of Del Norte, Ocean View Park.
(9) Item 379-101-742(22), Budget Act of 1981, County of Sonoma, Maxwell Farms Regional Park.
(10) Item 379-101-742(23), Budget Act of 1981, County of Sonoma, Roseland Community Park.

3790-496—Reversion, Department of Parks and Recreation. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

001—General Fund
(1) Item 461.5(a), Budget Act of 1979. Hearst San Simeon SHM—continuing restoration.

036—Special Account for Capital Outlay
(1) Item 379-301-036(d), Budget Act of 1981. Hearst San Simeon SHM—Visitors Center working drawings.

188—Energy and Resources Fund
(1) Item 532(c), Budget Act of 1980. Seacliff SB—storm damage.

189—Energy Account, Energy and Resources Fund
(1) Item 379-301-189(b), Budget Act of 1981. Minor projects.

263—Off-Highway Vehicle Fund
(1) Chapter 1379, Statutes of 1976. Lake Oroville SRA—planning, development, construction, and relocation.
(2) Item 461(a), Budget Act of 1978. Hollister Hills SVRA—erosion control.
(3) Section 2(b), Chapter 496, Statutes of 1978.
Carnegie SVRA—planning, development, construction, and administration.
(4) Item 379-301-263(f), Budget Act of 1981. Minor capital outlay.

392—State Parks and Recreation Fund

(1) Item 318.2(b) (14), Budget Act of 1972.
Angel Island SP.

(2) Item 350(aa), Budget Act of 1973.
Sonoma Coast SB—land acquisition.

(3) Item 350(nn), Budget Act of 1973.
Wilder Ranch SP—land acquisition.

(4) Item 350(m), Budget Act of 1973.
San Buenaventura SB—development.

(5) Section 1(d), Chapter 1521, Statutes of 1974.
Augmentation for land value increases, land acquisitions for Bagley Conservation fund projects.

(6) Section 1(r), Chapter 1521, Statutes of 1974.
Doheny SB—land acquisition.

(7) Section 2, Chapter 1529, Statutes of 1974.
Trails: Santa Cruz, San Mateo, Santa Clara—acquisition and development.

(8) Section 2, Chapter 1019, Statutes of 1975.
Santa Barbara-Ventura Trails.

(9) Section 2, Chapter 1020, Statutes of 1975.
Multipurpose Trail—acquisition and development.

(10) 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 SRA.

(11) Section 5(C) (1), Chapter 1440, Statutes of 1976.
Hostels—planning and development.

(13) Section 19.3, Budget Act of 1976.
American River Bikeway.

(14) Item 401(b), Budget Act of 1977.
Seacliff SB—day use and sanitary facilities working drawings and construction.

(15) Item 400(h), Budget Act of 1977.
Clear Lake SP—sewer buy-in.

(16) Section 1(a), Chapter 945, Statutes of 1977.
Trails: East Bay Corridor—planning, development, and acquisition.

(17) Item 463(d), Budget Act of 1979.
Santa Monica Mountains Zone Acquisi-

tions—preacquisition planning.

(18) Item 459(a), Budget Act of 1978.
Acquisition costs.

(19) Item 459(f), Budget Act of 1978.
Minor projects.

(20) Section 1, Chapter 987, Statutes of 1978.
Marshall Gold Discovery SHP—acquisition.

(21) Item 462(a), Budget Act of 1979.
Forest of Nisene Marks SP—acquisition.

(22) Item 463(e), Budget Act of 1979.
The Backbone Trail area between Topanga Canyon Boulevard and Malibu Creek SP, as identified in the recereation element of the preliminary plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to Section 67470 of the Government Code—acquisition.

(23) Item 464(a), Budget Act of 1979.
Acquisition costs.

(24) Item 464(b), Budget Act of 1979.
Inholding purchases.

(25) Item 464(c), Budget Act of 1979.
Opportunity purchases.

(26) Item 466.5(a), Budget Act of 1979.
Backbone Trail between Topanga 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—acquisition.

(27) Item 530(a), Budget Act of 1980.
Acquisition costs.

(28) Section 4(a), Chapter 809, Statutes of 1980.
Torrey Pines SR, Los Penasquitos Lagoon—acquisition.

(29) Section 4(b), Chapter 809, Statutes of 1980.
Town of Locke Project—acquisition and development provided that such reversion shall be limited to $446,400.

(30) Section 4(i). Chapter 809, Statutes of 1980.
Folsom Lake SRA—Salmon Falls.

(31) Section 4(k), Chapter 809, Statutes of

1980.
Mokelumne River—Big Bar day use, acquisition and development.
(32) Section 4(n), Chapter 809, Statutes of 1980.
Santa Monica Mountains Parks (Potrero Valley and Cross Mountain Park)—acquisition.
(33) Section 4(q), Chapter 809, Statutes of 1980.
Henry W. Coe SP Expansion (Gill-Mustang Ranch)—acquisition, provided that such reversion shall be limited to $380,000 of the fund balance remaining in this appropriation.
(34) Section 4(r), Chapter 809, Statutes of 1980.
South Yuba River Trail Project—acquisition.
(35) Section 4(s), Chapter 809, Statutes of 1980.
Bear Creek Redwoods Project—planning, acquisition.
(36) Section 4(t), Chapter 809, Statutes of 1980.
McGrath SB Addition—acquisition, provided that this reversion is limited to $2,670,000.
(37) Chapter 372, Statutes of 1980.
Lake Elsinore SRA—debris removal.
(38) Item 379-301-392(b), Budget Act of 1981.
Torrey Pines—construction, erosion control.
(39) Item 379-301-392(v), Budget Act of 1981.
Julia Pfeiffer Burns SP—acquisition.
(40) Item 379-301-392(n), Budget Act of 1981.
Minor projects.
(41) Item 379-301-392(y), Budget Act of 1981.
Candlestick Point SRA—construction.

721—Parklands Fund of 1980
(1) Item 379-301-721(a), Budget Act of 1981.
Irvine Coast Project—acquisition.
(2) Item 379-301-721(k), Budget Act of 1981.
Wilder Ranch SP—acquisition.
(3) Item 379-301-721(e), Budget Act of 1981.

Design and construction planning.

(4) Item 379-301-721(s), Budget Act of 1981. Seccombe Lake SURA—Planning and development

728—Recreation and Fish and Wildlife Enhancement Fund.

(1) Item 383(a), Budget Act of 1975. Silverwood Lake SRA—bicycle trails, restrooms, fencing, and clean-up.

(2) Item 433(b), Budget Act of 1977. Silverwood Lake SRA—working drawings, campground, and access road.

(3) Item 501(a), Budget Act of 1978. Silverwood Lake SRA—landscaping, water system, sewer system construction.

(4) Item 379-301-728(a), Budget Act of 1981. Project planning and design.

732—State Beach, Park, Recreational, and Historical Facilities Fund of 1964.

(1) Item 403.1A, Budget Act of 1976 as added by Chapter 1325, Statutes of 1976. South County Park.

(2) Item 495.5B(a), Budget Act of 1979 as added by Section 2.5B, Chapter 1085, Statutes of 1979. Seccombe Park—acquisition.

(3) Item 379-301-732(a), Budget Act of 1981. Project planning and design.

733—State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

(1) Item 410.7B(aa), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974. Bodie SHP—land acquisition.

(2) Item 410.7B(cc), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974. Big Basin Redwoods SP—land acquisition.

(3) Item 411.2C(e), Budget Act of 1976 as added by Chapter 350, Statutes of 1976. Forest of Nisene Marks SP, Hinkley Basin Inholding—land acquisition.

(4) Item 411.2C(m), Budget Act of 1976 as added by Chapter 350, Statutes of 1976. Castle Rock SP—proposed addition.

(5) Item 435(e), Budget Act of 1977. Emma Wood SB—camping and day use construction.

(6) Item 503I(a), Chapter 793, Statutes of 1978.

Town of Locke—planning, acquisition, development.

(7) Item 503(f), Budget Act of 1978.
Old Town San Diego SHP—working drawings and construction.

(8) Item 500(e), Budget Act of 1979.
San Buenaventura SB—working drawings and development.

(9) Item 503M(a), Chapter 392, Statutes of 1979.
Woodland Opera House—restoration and construction.

(10) Item 500(g), Budget Act of 1979.
Prenegotiation planning, outside appraisal, and legal services.

(11) Item 578B(a), Budget Act of 1980 as added by Section 2.8B, Chapter 1305, Statutes of 1980.
Atascadero SB—acquisition.

(12) Item 578(c), Budget Act of 1980.
Angel Island SP—day-use working drawings.

(13) Item 578(i), Budget Act of 1980.
Fort Ross SHP—preliminary planning and working drawings.

(14) Item 379-301-733, Budget Act of 1981.
Project planning and design.

(15) Item 435(m), Budget Act of 1977
San Onofre SB—day use, overnight, administration facilities construction, provided that this reversion is limited to $645,905.

742—State, Urban, and Coastal Park Fund

(1) Item 443.2B(c), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977.
El Capitan SB—acquisition.

(2) Item 443.2B(i), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977.
McNee Ranch—acquisition.

(3) Item 443.2B(*l*), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977.
Manresa SB—acquisition.

(4) Item 512(f), Budget Act of 1978.
Humboldt Lagoons—acquisition.

(5) Item 512F(d), Budget Act of 1978 as added by Chapter 1257, Statutes of 1978.
Santa Monica Mountains—acquisition.

(6) Item 508(k), Budget Act of 1979.
Prenegotiation planning, outside ap-

praisal, and legal services.

(7) Item 538(h), Budget Act of 1979. Crystal Cove SP, provided that this reversion is limited to $500,000.

(8) Item 585A(a), Budget Act of 1980 as added by Section 2.9A, Chapter 1305, Statutes of 1980. Stunt Ranch comprising 309.79 acres—acquisition.

(9) Item 585(f), Budget Act of 1980. Folsom Lake SRA—Beals Point working drawings.

(10) Item 585(o), Budget Act of 1980. Woodland Opera House—development.

(11) Item 379-301-742(a), Budget Act of 1981. Project planning and design.

(12) Item 508(e), Budget Act of 1979, McGrath State Beach—acquisition, provided that this reversion is limited to $850,000.

952—State Park Contingent Fund

(1) Item 465(a), Budget Act of 1979. Castle Rock SP—acquisition.

(2) Item 531(b), Budget Act of 1980. Humboldt Lagoon—acquisition.

3790-497—Reversion, Department of Parks and Recreation. As of June 30, 1982, 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.

733—State Beach, Park, Recreational, and Historical Facilities Fund of 1974

(1) Item 578(f), Budget Act of 1980. Clearlake SP—campground construction.

(2) Item 578(j), Budget Act of 1980. Humboldt Redwoods SP—sewer, working drawings and construction.

3810-001-001—For support of Santa Monica Mountains Conservancy 300,000

Schedule:

(a) 100000-Personal Services	333,000
(b) 300000-Operating Expenses and Equipment	249,000
(c) Amount payable from the Resources Account, Energy and Resources Fund (Item 3810-301-190)	−242,000
(d) Reimbursements	−40,000

Provisions:

1. The reimbursements specified in category (d) of this item are intended to be from the sale of properties acquired by the Santa Monica Mountains Conservancy pursuant to Item 535 of Chapter 510, Statutes of 1980.

3810-301-190—For capital outlay, Santa Monica Mountains Conservancy, payable from the Resources Account, Energy and Resources Fund 5,092,000

Schedule:

(a) Project planning and design..... 242,000

(b) Land acquisition—revolving fund purchases 4,850,000

3810-490—Reappropriation, Santa Monica Mountains Conservancy. Notwithstanding any other provisions of law, on the effective date of this act, the unencumbered balance 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, 1983:

392—State Parks and Recreation Fund

(1) Section 11, Chapter 1305, Statutes of 1980, Lake Sherwood-project planning.

3820-001-001—For support of San Francisco Bay Conservation and Development Commission 969,000

Schedule:

(a) 100000-Personal Services 860,000

(b) 300000-Operating Expenses and Equipment 332,000

(c) Reimbursements ..... —223,000

3820-110-001—For local assistance, for San Francisco Bay Conservation and Development Commission activities, for reimbursement, in accordance with the provisions of Subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, for the Suisun Marsh Protection Program, State Controller .. 28,000

3860-001-001—For support of the Department of Water Resources 20,391,000

Schedule:

(a) 10-Continuing Formulation of the California Water Plan..... 10,967,000

(1) 10-Total Continuing Formulation of the California Water Plan 11,928,000

(2) Reimbursements ..—2,078,000

(b) 20-Implementation of the State Water Resources Development System 249,000
(1) 20-Total Implementation of the State Water Resources Development System 260,000
(2) Reimbursements .. −11,000
(c) 30-Public Safety and Prevention of Damage 9,975,000
(1) 30-Total Public Safety and Prevention of Damage 10,928,000
(2) Reimbursements . −953,000
(d) 40-Services..... 317,000
(1) 40-Total Services .. 2,504,000
(2) Reimbursements ..−2,187,000
(e) 50.01-Management and Administration..... 21,407,000
(f) 50.02-Distributed Management and Administration .....--21,407,000

Provisions:

1. The amounts appropriated in Items 3860-001-001 to 3860-001-940, inclusive, shall be transferred to the Water Resources Revolving Fund (691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies. The money so transferred shall be placed in a special account in that fund and shall not be available for expenditure after June 30, 1983. Any unencumbered balances shall be returned to the appropriate funds as of June 30, 1983. Expenditures for technical services and general management charged to programs from all support appropriations for the Department of Water Resources in this act shall not exceed $12,532,000 and $8,454,000 respectively, without prior approval of the Department of Finance.

3860-001-140—For support of the Department of Water Resources, Continuing Formulation of the California Water Plan, Program 10, payable from the California Environmental License Plate Fund..... 477,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-189—For support of the Department of Water Resources, Implementation of the State Water Resources Development System, Program 20, payable from the Energy Account, Energy and Resources Fund 2,000,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.
2. With respect to the amount appropriated by this item for the Heber Geothermal Project, the Department of Water Resources is authorized to act for, and on behalf of, the state and shall carry out the purposes of this appropriation. The state shall acquire an ownership interest in the development project in proportion to its financial contribution and through the Department of Water Resources shall be entitled to receive a share of the electric power, if any, generated by the project. The state's interest authorized by this act shall be separate from any state interest acquired by the Department of Water Resources for purposes of the State Water Resources Development System. Public agencies which have contracted for water supplies from the State Water Resources Development System shall not be responsible for liabilities imposed upon the state as a result of this act. All benefits received from power allocated to the state as a result of this act shall be returned to the Energy Account, Energy and Resources Fund. The Department of Water Resources may deduct from such benefits actual administration costs incurred by it. The Director of Water Resources in awarding the funds under this section shall prescribe other conforming terms and conditions necessary to carry out the objectives of this appropriation and shall enter into the necessary contracts within 90 days after the effective date of this act.
3. State funds appropriated for the Heber Geothermal Project shall not be encumbered unless and until federal and private funding are secured.

3860-001-190—For support of the Department of Water Resources payable from the Resources Account, Energy and Resources Fund 1,032,000

Schedule:

(a) 10-Continuing Formulation of the California Water Plan..... 866,000

(b) 30-Public Safety and Prevention of Damage 166,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-742—For support of the Department of Water Resources, Implementation of the State Water Resources Development System, Program 20, payable from the State Urban and Coastal Park Fund..... 535,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-890—For support of Department of Water Resources, payable from the Federal Trust Fund..... 808,000

Schedule:

(a) 10-Continuing Formulation of the California Water Plan..... 223,000

(b) 20-Implementation of the State Water Resources Development System 90,000

(c) 30-Public Safety and Prevention of Damage 185,000

(d) 40-Services..... 310,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-940—For support of the Department of Water Resources, Continuing Formulation of the California Water Plan, Program 10, payable from the Renewable Resources Investment Fund..... 400,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-101-001—For local assistance, Department of Water Resources, Public Safety and Prevention of Damage, Program 30 2,000,000

Provisions:

1. For expenditure by the Department of Water Resources, in accordance with Chapter 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, for payment of, and for reimbursement for necessary advances made for, the cost of cooperation by the state for major flood control projects adopted by the Legislature, for small flood control projects approved under Section 12750 of

the Water Code, and for watershed protection and flood prevention projects as authorized pursuant to Chapter 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, and administrative costs.

2. No expenditures 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.

3860-101-190—For local assistance, Department of Water Resources, Public Safety and Prevention of Damage, Program 30, for reimbursement of agencies' maintenance or improvement costs on nonproject levees, payable from the Resources Account, Energy and Resources Fund 1,984,000

Provisions:

1. No costs incurred for maintenance or improvement shall be reimbursed from the appropriation in this item if the entire cost incurred per mile of levee is $1,000 or less and 50 percent of any costs incurred in excess of $1,000 per mile shall be reimbursed. No funds appropriated by this item shall be expended for the purposes of that item unless a nonstate entity provides hold-harmless assurances to the State of California for the work which would be done with such funds.
2. Of the funds appropriated by this item, $650,000 shall be available to pay claims made during fiscal year 1981–82.

3860-301-036—For capital outlay, Department of Water Resources, Flood Control Activities under Reclamation Board Authority, Program 30, payable from the Special Account for Capital Outlay..... 500,000

Provisions

1. The amount appropriated in this item is for acquisition of land, easements and rights-of-way, including but not limited to, borrow pit, spoil areas and easements for levees, clearing, flood control works and flowage, and for appraisals, surveys, and engineering studies necessary for the completion or operation of the projects in

the Sacramento and San Joaquin watersheds as authorized by Section 8617.1 and Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code; and for advances to the federal government or payments to the federal government or others for incidental construction or reconstruction items which are an obligation of the state in connection with the completion or operation of the following projects and for materials and necessary construction, reconstruction, relocation, or alterations to highways, railroads, bridges, powerlines, communication lines, pipelines, irrigation works and other structures and facilities and for appraisals, surveys and engineering studies incidental thereto.

2. Notwithstanding the provisions of Section 2 of this act, the amounts appropriated in this item shall be available for expenditure only during the 1982–83 fiscal year, and shall be exempt from the provisions of Section 7 of this act.

3860-301-190—For capital outlay, Department of Water Resources, Public Safety and Prevention of Damage, Program 30, payable from the Resources Account, Energy and Resources Fund 1,500,000

(a) 30.10.050.002—Sacramento River Flood Control Project—Property acquisition 1,500,000

Provisions:

1. The amount appropriated in category (a) of this item may be expended only if the Reclamation Board in the Department of Water Resources secures negotiated settlements for the acquisition of Sacramento River riparian vegetation sites. The Reclamation Board shall not use condemnation proceedings to acquire these sites.

3860-301-742—For capital outlay, Department of Water Resources, Implementation of the State Water Resources Development System, Program 20, payable from the State Urban and Coastal Park Fund..... 3,265,000

(a) Pyramid Lake Recreational Facilities—Construction 3,190,000

(b) Oroville Wildlife Area—Land Acquisition 75,000

3860-495—Reversion, Department of Water Resources. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

001—General Fund

(1) Chapter 510, Statutes of 1980, Item 537 Sutter Bypass Rehabilitation—West Levee Bridge No. 3, and Snow Data Telemetry.

036—Special Account for Capital Outlay

(1) Item 386-301-036, Budget Act of 1981, Flood Control, Reclamation Board, and Snow Data Telemetry.

189—Energy Account, Energy and Resources Fund

(1) Item 386-001-189, Reverse Osmosis Desalter—State Operations.

(2) Item 386-301-189(a), Reverse Osmosis Desalter—Capital Outlay.

3940-001-001—For support of the State Water Resources Control Board 14,144,000

Schedule:

(a) 10-Water Quality	10,640,000
(b) 20-Water Rights	5,480,000
(c) 30.01-General Support	4,533,000
(d) 30.02-Distributed General Support	−4,533,000
(e) Reimbursements	−1,976,000

3940-001-890—For support of the State Water Resources Control Board, payable from the Federal Trust Fund 14,847,000

Schedule:

(a) 10-Water Quality	14,747,000
(b) 20-Water Rights	100,000

3940-101-190—For local assistance, State Water Resources Control Board, Water Quality, payable from the Resources Account, Energy and Resources Fund 168,000

Schedule:

(a) 10.40.001-Colusa Basin Discharge	168,000

HEALTH AND WELFARE

4100-001-890—For support of the State Council on Developmental Disabilities, payable from the Federal Trust Fund 3,139,000

Schedule:

(a) 100000-Personal Services	397,000

(b) 300000-Operating Expenses and Equipment 277,000
(c) Community Program Development 981,000
(d) Allocation for Area Boards 1,484,000

4110-001-001—For support of Area Boards on Developmental Disabilities 0
Schedule:
(a) 100000-Personal Services 1,093,000
(b) 300000-Operating Expenses and Equipment 359,000
(c) Reimbursements ..... −1,452,000

4120-001-001—For support of the Emergency Medical Services Authority 974,000
Provisions:
1. The Emergency Medical Services (EMS) Authority shall use the following guidelines in administering assistance to local agencies of state funds: (a) funding eligibility shall be limited to rural regions that demonstrate a heavy use of the EMS system by nonresidents, (b) local agencies shall provide matching funds of at least $1 for each dollar of state funds received, (c) state funding shall be used to provide only essential minimum services necessary to operate the system, as defined by the authority, (d) no region shall receive both federal and state funds in the same fiscal year for the same purpose, and (e) the authority shall use a competitive process to award the funds and shall monitor the use of the funds by recipients to assure that these funds are used in an appropriate manner.

4120-001-890—For support of the Emergency Medical Services Authority, payable from the Federal Trust Fund 3,218,000

4130-001-632—For support of the Health and Welfare Agency Data Center, payable from the Health and Welfare Consolidated Data Center Revolving Fund 21,904,000
Provisions:
1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Health and Welfare Agency Data Center.

4140-001-001—For support of the Office of Statewide Health Planning and Development 1,414,000
Schedule:
(a) 100000-Personal Services 5,128,000
(b) 300000-Operating Expenses and Equipment 4,090,000

(d) Reimbursements ..... −3,448,000
(e) Amount payable from Health Facilities Construction Loan Insurance Fund (Health and Safety Code Section 436.26) ..... −616,000
(f) Amount payable from Hospital Building Account, Architecture Public Building Fund (Health and Safety Code Section 15012) ..... −2,248,000
(g) Amount payable from the Federal Trust Fund (Item 4140-001-890) .. −1,492,000

Provisions:

1. In the event Senate Bill No. 961 of the 1981–82 Regular Session is enacted, the Director of Finance shall immediately reduce the amount appropriated in this item by $246,000 and transfer that amount to the unappropriated surplus of the General Fund and the amount payable from the Hospital Building Account, Architecture Public Building Fund (Section 15012 of the Health and Safety Code) pursuant to category (f) shall be increased by $246,000.

4140-001-890—For support of the Office of Statewide Health Planning and Development, to be transferred to Item 4140-001-001, payable from the Federal Trust Fund 1,492,000

Provisions:

1. The Director of the Office 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 that any rule or regulation adopted by the Director of the Office of Statewide Health Planning and Development during the 1982–83 fiscal year which adds to the costs 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.

4140-101-001—For local assistance, Office of Statewide Health Planning and Development for Health Professions Development (Family Physician Training) 2,880,000

Provisions:

1. Notwithstanding the provisions of Section 2 of this act, the funds appropriated in this item for contracts with: accredited medical schools, programs which train primary care physician's assistants, hospitals or other health care delivery systems located in California, which meet the standards of the Health Manpower Policy Commission established pursuant to Chapter 1 (commencing with Section 69270) of Part 42 of Division 5 of Title 3 of the Education Code, shall be available for fiscal years 1983–84, 1984–85, and 1985–86. Provided, the amount appropriated by this item shall only be used for such contracts which commence on or after July 1, 1983.

4140-111-001—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 212,000

Provisions:

1. 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.

4170-001-001—For support of Department of Aging 1,736,000

(a) 10-Nutrition	1,007,000
(b) 20-Senior Community Employment Services	42,000
(c) 30-Supportive Services and Centers	654,000
(d) 40-Special Projects	61,000
(e) 50.01-Administration	3,928,000
(f) 50.02-Distributed Administration	−3,928,000
(h) Reimbursements	−28,000

Provisions:

1. The funds allocated in category (a) for contracts with Area Agencies and local providers for provisions of meals shall be allocated only on the basis of contracts which project the number of meals served on a realistic computation of (1) the estimated costs of providing those meals taking into account food and other costs, and (2) the expected offsets in the form of contributions, including but not limited to in-kind services, provided further that the Department shall re-

view quarterly the expenditures and meal services under each contract and may reduce, at the discretion of the Director of Aging, the senior meal service level on a quarterly basis, of those contracts which are overspending their allotted funds on an annualized basis.

2. Of the amount appropriated by this item, an amount not to exceed $309,000 shall be used for the Senior Nutrition Volunteer Program. However, any amount for this purpose shall be reduced by the amount reappropriated from the Transportation Planning and Development Account of the State Transportation Fund and the Nutrition Reserve Fund and authorized for use for the Senior Nutrition and Volunteer Program by Chapter 251, Statutes of 1981.

4170-001-890—For support of Department of Aging, payable from the Federal Trust Fund 2,835,000

(a) 10-Nutrition	1,298,000
(b) 20-Employment	353,000
(c) 30-Supportive Services and Centers	1,033,000
(d) 40-Special Projects	151,000

Provisions:

The funds allocated in category (a) for contracts with Area Agencies and local providers for provisions of meals shall be allocated only on the basis of contracts which project the number of meals served on a realistic computation of (1) the estimated costs of providing those meals taking into account food and other costs, and (2) the expected offsets in the form of contributions, including but not limited to in-kind services, provided further that the Department shall review quarterly the expenditures and meal services under each contract and may reduce, at the discretion of the Director of Aging, the senior meal service level on a quarterly basis, of those contracts which are overspending their allotted funds on an annualized basis.

4170-101-001—For local assistance, Department of Aging 3,837,000

Schedule:

(a) 10-Nutrition (for match)	1,776,000
(b) 30-Supportive Services and Centers (for match)	1,394,000
(c) 40-Special Projects	667,000

Provisions:

1. Of the amount appropriated by this item, an amount not to exceed $309,000 shall be used for the Senior Nutrition Volunteer Program. However, any amount for this purpose shall be reduced by the amount reappropriated from the Transportation Planning and Development Account of the State Transportation Fund and the Nutrition Reserve Fund and authorized for use for the Senior Nutrition and Volunteer Program by Chapter 251, Statutes of 1981.

4170-101-890—For local assistance, Department of Aging, payable from the Federal Trust Fund 72,129,000

Schedule:

(a) 10-Nutrition	41,479,000
(b) 20-Employment	4,755,000
(c) 30-Supportive Services and Centers	25,700,000
(d) 40-Special Projects	195,000

4170-490—Reappropriation, Department of Aging. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, or so much thereof as may be required, 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, 1983.

046—Transportation Planning and Development Account, State Transportation Fund

(1) Paragraph (2) of Section 2, Chapter 251, Statutes of 1981. For implementation of the Nutrition and Volunteer Services Program for senior citizens, an amount not to exceed $101,000.

939—Nutrition Reserve Fund

(1) Paragraph (1) of Section 2, Chapter 251, Statutes of 1981. For implementation of the Nutrition and Volunteer Services Program for senior citizens, an amount not to exceed $65,000.

4180-001-001—For support of Commission on Aging 212,000

Schedule:

(a) 10-Commission on Aging	393,000
(b) Reimbursements	−181,000

Provisions:

1. The amount appropriated in this item for the California Senior Legislature shall be reduced by ½ of the total amount of any private contributions made to the commission for the California Senior Legislature which are in excess of $33,000.

4200-001-001—For support of Department of Alcohol and Drug Programs 6,890,000

Schedule:

(a) 10-Alcohol Program	3,568,000
(b) 20-Drug Program	3,884,000
(c) 30.01—State Administration	9,207,000
(d) 30.02—State Administration–distributed	−9,207,000
(e) 40.01—Drug & Alcohol Projects	1,009,000
(f) 40.02—Drug & Alcohol Projects–distributed	−1,009,000
(fx) 97.20—Unallocated reduction	−360,000
(g) Reimbursements	−202,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this appropriation and Item 4200-101-001.
2. The Department of Finance may authorize the transfer of funds from this appropriation to the Health Care Deposit Fund for the State's share of expenditures of alcohol and/or drug abuse services provided to persons eligible under the California Medical Assistance Program.
3. Of the amount appropriated in this item, $500,000 shall be used for the purpose of administering a School-Community Primary Prevention Program if, and only if, Senate Bill No. 1409 is enacted into law.

4200-001-890—For support of Department of Alcohol and Drug Programs, payable from the Federal Trust Fund 2,689,000

Schedule:

(a) 10-Alcohol Program	1,224,000
(b) 20-Drug Program	1,465,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this appropriation and Item 4200-101-890.

2. The Department of Finance may authorize the transfer of funds from this appropriation to the Health Care Deposit Fund for the State's share of expenditures of alcohol and/or drug abuse services provided to persons eligible under the California Medical Assistance Program.
3. The least possible amount of block grant funds shall be utilized for purposes of administration at the state, local and direct provider levels.
4. No state department's administrative expenditures shall exceed 10 percent of any block grant.
5. A preliminary estimate of all projected 1982–83 fiscal year state and local administrative expenditures shall be submitted by the affected departments to the Legislature by January 30, 1983, and a final report by April 1, 1983. These estimates shall include a definition of direct as well as indirect administrative costs, and shall include an indication of state General Fund as well as federal resources used in support of administration for the block grant and directly related programs.
6. Proposals for definitions and limitations on all state, local, and direct provider administrative expenditures during the 1983–84 fiscal year shall be submitted by affected departments in conjunction with the 1983–84 Governor's Budget. These proposals shall reflect state General Fund as well as federal resources proposed to support administrative expenditures for block grant and directly related programs during the 1983–84 fiscal year.
7. Each affected department shall provide to the Legislature by April 15, 1983, information regarding programs under the federal block grants which it administers. This information shall be for the purposes of Section 16367.1 of the Government Code. To the extent that the information is also required by federal law, the same may be submitted along with any additional information as required by this proviso. The information shall include, but need not be limited to, whatever data and estimates are reasonably available and feasible to provide information regarding the following:
   (1) Types of services provided and program characteristics.
   (2) Numbers and characteristics of clients served.

(3) Resources and allocations to various regions of the state, including historical patterns of funding.
(4) Directly related programs funded by other sources.
(5) Indicators of program effectiveness.

4200-101-001—For local assistance, Department of Alcohol and Drug Programs 61,785,000
Schedule:
(a) 10-Alcohol Program 32,223,000
(b) 20-Drug Program 31,562,000
(c) Reimbursements ..... −2,000,000
Provisions:
1. The Department of Finance may authorize the transfer of funds from this appropriation to the Health Care Deposit Fund for the State's share of expenditures of alcohol and/or drug abuse services provided to persons eligible under the California Medical Assistance Program.
2. The Department of Finance may order, and the State Controller shall transfer such funds as are necessary between this appropriation and Department of Mental Health appropriation 4440-101-001 for purposes of reimbursing the costs of Local Assistance, for the Drug Program.

4200-101-890—For local assistance, Department of Alcohol and Drug Programs, payable from the Federal Trust Fund 29,222,000
Schedule:
(a) 10-Alcohol Program 9,115,000
(b) 20-Drug Program 20,107,000
Provisions:
1. The Department of Finance may authorize the transfer of funds from these appropriations to the Health Care Deposit Fund for the State's share of expenditures of alcohol and/or drug abuse services provided to persons eligible under the California Medical Assistance Program.
2. The Department of Finance may order, and the State Controller shall transfer such funds as are necessary between this appropriation and Department of Mental Health appropriation 4440-101-001 for purposes of reimbursing the costs of Local Assistance, for the Drug Program.

4220-001-001—For support of the Governor's Advisory Committee on Child Development Programs appointed pursuant to Section 8254 of the Education Code 133,000

4260-001-001—For support of Department of Health Services 91,512,541

Schedule:

(a) 11-Health Protection	20,439,699
(b) 12-Toxic Substances Control	2,404,766
(c) 13-Environmental Health	13,012,392
(d) 20-Community Health Services	6,356,700
(e) 25-County Health Services	1,386,442
(f) 40-Rural Health	4,886,297
(g) 50-Medical Assistance	22,231,572
(h) 55-Licensing and Certification	9,297,922
(i) 60-Audits and Investigation	10,321,058
(k) 70-Administration Program	2,941,774
(*l*) 97-Unallocated Reduction	−1,766,081

Provisions:

1. Should any additional federal funds become available to support venereal disease programs currently operated pursuant to state law by the Department of Health Services, such funds shall be used in lieu of funds appropriated by this item for the same purpose to the extent consistent with federal law or regulations.
2. Notwithstanding any other provision of law, the Director of Health Services may give public notice relative to proposing or amending any rule or regulation which could result in increased 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; and any rule or regulation adopted by the Director of Health Services and any communication which revises any departmental 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 when a date for public hearing has been established for a change in any program, rule, or regulation or the Department of Finance has approved any communication revising any departmental program, the Joint Legislative Budget Committee shall be notified if the annual General Fund cost of the proposed change is $100,000 or more.
3. Departmental fees subject to the annual fee increase provisions of Chapter 1012, Statutes of 1980, shall be increased at a rate of 6.64 percent effective January 1, 1983.

4. 55-Licensing and Certification
(a) This Item shall be augmented by $2,432,000 for the support of the Licensing and Certification program through the allocation by the Director of Finance contingent upon the passage of legislation which will allow on an annualized basis the collection of fees of $6,400,000 or more which represents the budgeted General Fund revenue ($4,000,000) and lost Federal Participation ($2,432,000).
(b) In addition, this item shall be augmented by $255,000 for support of the Health Protection program through an allocation by the Director of Finance contingent upon the passage of legislation which will allow on an annualized basis for an increase in fee collections of $255,000 or more which represents lost Federal Participation ($255,000).
5. The Department of Health Services shall not award grants or approve contracts that contain provisions for the financing of conferences or meetings of providers of health services that are not mandated by statute if the funding includes a state General Fund appropriation, unless the conferences or meetings are an integral part of the department's programs or are necessary for the administration or implementation of the department's programs as mandated by statute.

4260-001-014—For support of Department of Health Services, Program 12, Toxic Substances Control, payable from the Hazardous Waste Control Account, General Fund 6,813,171

Provisions:
1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services payable from the Hazardous Waste Control Account, General Fund.
2. The amount appropriated by this item shall be reduced to the extent federal funds become available for the purpose of funding the Office of Public Education and Liaison.

3. By December 31, 1982, the Department of Health Services shall arrange for the transfer to the Toxic Substances Control Division of the department, the Hazardous Waste Disposal Alternatives Program of the Office of Appropriate Technology and the toxics program in the Office of Planning and Research, both funded by the department in fiscal year 1982–83 by interagency agreement. The Department of Health Services, the Office of Planning and Research, and the Office of Appropriate Technology shall work together to expedite all steps necessary to provide for the orderly transfer of designated responsibilities, employees, and consultants consistent with state civil service requirements.
4. The department shall report to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee on or before November 1, 1982, concerning its progress and specific plans for implementing the transfer of programs from the Office of Planning and Research to the Department of Health Services.
5. The amount appropriated by this item shall be used to fund five positions in the Office of Public Education and Liaison. It is the intent of the Legislature that up to two additional positions, including associated support costs, may be established in the office if federal funds are available for that specific purpose. In addition, the amount appropriated by this item for the five positions, including associated support costs in the office, shall be reduced to the extent that these federal funds are available to fund any of the five positions and associated support costs after two additional positions and associated support costs are fully funded.

4260-001-044—For support of Department of Health Services, Program 11. Health Protection, payable from the Motor Vehicle Account, State Transportation Fund 300,000

4260-001-190—For support of Department of Health Services, Program 12. Toxic Substances Control, payable from the Resources Account, Energy and Resources Fund 1,093,000

4260-001-203—For support of Department of Health Services, Program 20, Community Health Services, payable from the Genetic Disease Testing Fund .. 10,114,103

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Genetic Disease Testing Fund.
2. Only the $378,103 appropriated in this item shall be used to initiate the implementation of the maternal serum-alpha fetoprotein screening test, or any other new screening programs. No additional funds for the Neural Tube Defects Program shall be approved by the Department of Finance for expenditure by the department, from the Genetic Disease Testing Fund, until the department has demonstrated to the Legislature pursuant to Section 28.00 that: (1) the expenditure would not result in a delay of the scheduled annual repayment ($850,000 in 1982–83) of the department's outstanding loan to the General Fund for the newborn screening program
3. Separate accounts shall be set up in the Genetic Disease Testing Fund for the use of the Newborn Screening and Neural Tube Defects Programs. Scheduled repayments for the two loans shall be arranged so that both loans shall be repaid by June 30, 1986.

4260-001-455—For support of Department of Health Services, for transfer to Item 4260-001-001, payable from the Hazardous Substance Account, General Fund 10,000,000

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Hazardous Substances Account, General Fund.

4260-001-898—For support of Department of Health Services, Program 25. County Health Services, for the administration of the Special Needs and Priorities Program, payable from the County Health Services Fund. 99,000

4260-001-890—For support of Department of Health Services, payable from the Federal Trust Fund 193,718,192

Schedule:

(a) 11-Health Protection.....	475,000
(b) 12-Toxic Substances Control.....	2,773,509
(c) 13-Environmental Health	41,000
(d) 20-Community Health Services....	4,818,377
(e) 40-Rural Health	151,000
(f) 50-Medical Assistance	36,922,214

(g) 55-Licensing and Certification..... 4,825,351
(h) 60-Audits and Investigation 9,752,391
(i) 70-Administration Program 2,299,003
(j) 90-Support Special Projects 139,109,263
(k) Reimbursements ..... −7,337,000
(*l*) 97.20-Unallocated Reduction..... −112,016
Provisions:

1. Should any additional federal funds become available to support venereal disease programs currently operated pursuant to state law by the Department of Health Services, such funds shall be used in lieu of funds appropriated by this item for the same purpose to the extent consistent with federal law or regulations.
2. Funds appropriated in this item for support of public health programs shall be transferred to the Public Health Federal Fund.
3. Administrative expenditures shall not exceed 10 percent of the Maternal and Child Health block grant and 6 percent for the Department of Health Services' portion of the Preventative Health Services block grant.
4. The least possible amount of the Maternal and Child Health and Preventative Health Services block grant funds shall be utilized for purposes of administration at both the state, local, and direct provider levels.

   A preliminary estimate of all projected fiscal year 1982–83 state and local administrative expenditures shall be submitted by the affected departments to the Legislature by December 30, 1982, and a final report by March 1, 1983. The estimates shall include a definition of direct as well as indirect administrative costs, and shall include an indication of state General Fund as well as federal resources used in support of administration for the block grant and directly related programs.

   Proposals for definitions and limitations on all state, local, and direct provider administrative expenditures during fiscal year 1983–84 shall be submitted by affected departments in conjunction with the Governor's Budget for the 1983–83 fiscal year. These proposals shall reflect state General Fund as well as federal resources proposed to support administrative expenditures for block grant and directly related programs during fiscal year 1983–84.

   Each affected department shall provide to the

Legislature by March 15, 1983, information regarding programs under the federal block grants which it administers. This information shall be for the purpose of Article 1.7 (commencing with Section 16366.1) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code. To the extent that the information is also required by federal law, it may be submitted along with any additional information as required by this paragraph. This information shall include, but need not be limited to, such data and estimates as are reasonably available and feasible to provide all of the following:

(a) Types of services provided and program characteristics.

(b) Numbers and characteristics of clients served.

(c) Resources and allocations to various regions of the state, including historical patterns of funding.

(d) Directly related programs funded by other sources.

(e) Indicators of program effectiveness.

5. The salaries of the Chief Deputy Director for Preventive Health Services, the Chief of the Information and Planning Bureau, and the staff of the Preventive Medical Services Branch in the Department of Health Services shall be frozen effective September 1, 1982, if the following information has not been received by the Joint Legislative Budget Committee and the fiscal committee of each house on or before September 1, 1982:

a. A report on the 1982–83 fiscal year implementation, including: (1) listing of awards made to local agencies; and (2) work plans for state staff.

b. Information required by Chapter 1186 of the Statutes of 1981, including: (1) the impact of funding reductions on program recipients and local agencies; (2) policy recommendations on program changes and priorities; and (3) a proposal for structural and administrative organization of federal programs to be administered by the state.

c. A detailed descriptive analysis of the formerly categorical programs and recommendations for future changes in allocations or administrative practices, or both, including:

(1) analysis of the cost-effectiveness of the categorical programs; (2) examination of alternative delivery methods, including consolidation of programs into county block grants. (3) a listing and analysis of other prevention programs that would be eligible for funding from the block grant and which do not currently receive federal funds; and (4) a discussion of the options for consolidating and integrating the federal programs with state programs.

d. A workload analysis of all state staff positions, including: (1) documentation for the department's estimate of staff utilized for administrative versus direct program functions; (2) discussion, by program, of the impact of further staffing reductions; and (3) comparable information on state-funded positions in related programs.

e. Estimates of local administrative costs and recommendations for including these costs in the 10 percent administrative cost cap established by the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35).

4260-001-900—For support of Department of Health Services, in lieu of the amounts which would otherwise be appropriated in the Local Health Capital Expenditure Account of the County Health Services Fund pursuant to Chapter 1351, Statutes of 1980, payable from the Local Health Capital Expenditure Account 197,000

Provisions:

1. The provisions of Item 9840-001-983 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Local Health Capital Expenditure Account.

4260-101-001—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (912) after transfer from the General Fund..... 2,431,876,165

Schedule:

(a) 50.10-Eligibility (County Administration) 94,779,025

(b) 50.11-Benefits (Medical Care and Services) 2,320,332,140

(c) 50.50-Fiscal Intermediary Management 16,765,000

Provisions:

1. The amount authorized to be expended from this item shall fully cover the state's share of payments for medical care and services as defined in the Welfare and Institutions Code, county administration and fiscal intermediary services for the 1982–83 fiscal year; 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.
2. After June 30, 1983, a transfer to the Health Care Deposit Fund from this item shall be permitted to meet the total General Fund obligation incurred pursuant to this item.
3. 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 1982–83 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. When a projected deficiency exists in the Medical Assistance Program, such funds, subject to Section 28 provisions, are hereby appropriated and shall be expended as soon as practicable for the state's share of payments for medical care and services, county administration and fiscal intermediary services.
4. Notwithstanding any other provision of law, both the Federal and non-Federal shares of any money recovered for previously paid health care services, provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code.

5. Notwithstanding any other provision of law, accounts receivable, for recoveries as described in proviso 4 above, shall have no effect upon the positive balance of the General Fund or the Health Care Deposit Fund.
6. 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.
7. The Department of Health Services shall reimburse hospitals operated by the University of California for medical teaching purposes, where the University is responsible for the operating costs of such a hospital, at rates for services to Medi-Cal patients which result in the minimum General Fund liability for the care of such patients.
8. Without regard to fiscal year, the General Fund shall make a loan available not to exceed a cumulative total of $45 million to be transferred as needed to the Health Care Deposit Fund to meet cash needs. The Department of Health Services shall report quarterly to the Department of Finance regarding loans and repayments made under this proviso. Such loans are subject to repayment provisions of Section 16351 of the Government Code. Any additional loan requirement in excess of $45 million shall be processed in the manner prescribed by Section 16351 of the Government Code.
9. The amount authorized to be expended by this item is also subject to the proviso relating to the increased costs of rules, regulations, or communications contained in Item 4260-001-001.
10. No funds appropriated by this item shall be used for payment to any provider of durable medical equipment under a pilot program in Fresno and Madera Counties operating pursuant to Article 7 (commencing with Section 14490) of Chapter 8 of Part 3 of Division 9 of the Welfare and Institutions Code, who sells its services or goods outside the geographic area of the pilot program without complying with the treatment authorization request procedure of the Department of Health Services.

11. Pursuant to Section 14154 of the Welfare and Institutions Code, the Department of Health Services shall continue the implementation of the County Administration Cost Control Plan and expand the provisions of the plan to control eligibility determination costs at county hospitals and all costs for other outstationed eligibility functions.
12. Notwithstanding any provision of law, none of the funds appropriated by this item shall be used to provide cost-of-living adjustments to any county welfare department for personal, or nonpersonal services, which exceeds the percentage increase authorized by the Legislature for all counties in this item for the 1982–83 fiscal year.

    The 1982–83 county administration cost control plan shall contain a provision which specifies that any county cost-of-living increase for personal and nonpersonal services which exceeds the percentage increase authorized by the Legislature shall be the sole fiscal responsibility of the county unless the excess costs are funded by permanent productivity increases.

    The department shall not allocate, reallocate, or transfer unused portions of county cost-of-living funds between counties nor shall the department use funds from the unallocated reserve to fund cost-of-living adjustments in excess of the percentage increase authorized by the Legislature in this item.
13. Recoveries of advances made to counties in prior years pursuant to Section 14153 of the Welfare and Institutions Code are hereby reappropriated to the Health Care Deposit Fund for reimbursement of those counties where allowable costs exceeded the amounts advanced. Recoveries in excess of the amounts required to fully reimburse allowable costs shall be transferred to the General Fund.
14. The department shall prepare budget change proposals to justify county activities which will add to the total cost of county administration in 1982–83 or 1983–84.

15. 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.
16. The department shall not reimburse Los Angeles County Hospitals more than $136 per application nor more than the total appropriated in this item for Los Angeles County Hospitals.
17. The department shall develop and implement an amendment to the county administration cost control plan which would permanently reduce county administration allocations to reflect the savings that will result from MEDS implementation.
18. The department shall require Computer Sciences Corporation to use a physician/supplier claim form which shall be optically scannable and which shall collect sufficient data to permit the fiscal intermediary's claims processing system to be certified for maximum federal fiscal participation.
19. (a) None of the funds appropriated by this item shall be used to develop or evaluate the alternative of having the state assume the Medi-Cal fiscal intermediary role.
    (b) The funds appropriated by this item for procuring the next Medi-Cal fiscal intermediary shall be used only for studying other alternatives or for developing a fiscal intermediary request for proposal.
    (c) The request for proposal shall be reviewed by the Auditor General, whose findings thereupon shall be reported to the fiscal committees which consider appropriations in each house of the Legislature.
20. (a) State funds shall not be used for activities directly related to influencing employees regarding their right to organize or not to organize, and to form a union or to join an existing union, since these activities are not directly related to patient care and therefore are not allowable costs. State funds shall not be used for these activities whether these activities are performed by the provider or by an independent contrac-

tor, consultant or attorney.

(b) Nothing in this provision shall be construed as limiting the employers' rights under Section 8(c) of the National Labor Relations Act. Nothing in this provision shall be construed as limiting the use of state funds by the provider in the employment of, or contracting for, assistance in good faith collective bargaining or assistance in handling employee grievances, including arbitration, when under an employer-employee contract or prior to an agreement by the parties or where a contract is not in effect.

(c) The Medi-Cal Audits Division of the Department of Health Services shall report to the Legislature by January 1983, on the amount of costs disallowed for pro- or anti-union campaigns under subdivision (a) for the period of June 1980 to June 1982.

21. The augmentation of amounts available for expenditure for any category shall not exceed 3 percent of the amount scheduled for that category, and any augmentation of amounts available for expenditure in any category shall be subject to Section 28.00 notification requirements.

22. Change orders to the fiscal intermediary contract for amounts exceeding $250,000 shall be approved by the Department of Finance not sooner than 30 days after written notification of the change order is provided to the chairperson of the committee in each house which considers appropriations, the chairperson of the committee in each house which considers bills relating to public health and welfare, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may designate.

If there are changes or potential changes in federal funding, the Department of Finance shall provide timely written notification of the changes to the chairperson of the committee in each house which considers appropriations and to the Chairperson of the Joint Legislative Budget Committee. This notification shall include proposed corrective action, including an implementation schedule and whether the po-

tential or actual change represents a decrease in federal funding.

23. 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 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.

Nothing in this provision shall be interpreted to prohibit payment for drugs or devices to prevent implantation of the fertilized ovum.

Limitation on payment for abortions provided for in this provision shall apply only to abortions performed after August 15, 1981.

In every case there shall be, prior to abortion, appropriate counseling regarding the situation, complications, risks, benefits, and alternatives.

The State Department of Health Services shall provide the Legislature by May 1, 1983, a report listing the number of abortions theretofore paid for during fiscal year 1982–83 pursuant to this act, with the 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 provision.

24. The provider rate and hospital increases funded by this item shall become operative only if AB 799 and AB 3480 of the 1981–82 Regular Session are enacted.

4260-101-890—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (912) after transfer from the Federal Trust Fund 1,824,551,732

Schedule:

(a) 50.10-Eligibility (County Administration) 64,398,532

(b) 50.11-Benefits (Medical Care and Services) 1,729,757,200

(1) 50.11-Total Benefits 1,803,354,200

(2) Reimbursements —73,597,000

(c) 50.50-Fiscal Intermediary Management 30,396,000

Provisions:

1. Provisions 3 to 5, inclusive, and 9 to 24, inclusive, contained in Item 4260-101-001 are also applicable to this item.

4260-111-001—For local assistance, Department of Health Services 471,997,302

Schedule:

(a) 11-Health Protection	5,764,686
(b) 20-Community Health Services	93,004,500
(c) 25-County Health Services	365,433,116
(d) 40-Rural Health	7,795,000

Provisions:

1. Program 11-Health Protection:

(a) Should influenza vaccine, or funding for influenza vaccine, become available to the State, such resources or funds shall be used in lieu of equivalent funds appropriated from the General Fund for such purpose to the extent that the same target population is served.

2. Program 20-Community Health Services:

(a) Funds appropriated in this item for services to physically handicapped children shall be used in accordance with provisions of Article 2 (commencing with Section 248) of Chapter 2 of Division 1 of the Health and Safety Code, provided that any person who is eligible for and is receiving services under the program funded by this item shall not be denied services or suffer an interruption of services because of any relocation within this State.

(b) Collections of family repayments (a) by CCS in excess of $1,200,000 and (b) by GHPP in excess of $100,000 shall be utilized to offset the General Fund appropriation to those programs.

(c) The CCS Program may require all CCS applicants who are potentially eligible for cash grant public assistance to apply for Medi-Cal eligibility prior to becoming eligible for CCS funded services.

(d) The Department of Health Services shall develop and submit to the Office of Administrative Law regulations related to the California Children's Services Program by June 30, 1983.

3. Program 25. County Health Services:

(a) Funds appropriated in this item for local government relief are in lieu of the amount which would otherwise be appropriated in the County Health Services Fund for the 1982–83 fiscal year pursuant to Section 16702 of the Health and Safety Code.

(b) The Director may allocate funds available pursuant to Section 16707 of the Welfare and Institutions Code, upon approval of the Director of Finance, and not sooner than 30 days after notification of the priority funding areas and justification therefor is provided in writing to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

(c) The Director shall notify the Department of Finance in writing by June 30, 1982, of the total amount of funds made available pursuant to Section 16707 of the Welfare and Institutions Code.

(d) The director shall withhold, in part or in whole, payment of County Health Services funds to a local jurisdiction, unless the reports specified in Section 16716 of the Welfare and Institutions Code are submitted to the department by November 15 of each fiscal year.

The department shall provide data and analysis of these reports by April 15 of each fiscal year to the chairpersons of the fiscal committees of the Legislature and the Joint Legislative Budget Committee.

4. Program 40-Rural Health

(a) The department shall cancel project contracts subject to Section 1185.6 of the Health and Safety Code, if the contractor has repeated serious violations of contract terms or makes no progress towards improving performance of contract objectives.

5. The amount authorized to be expended by this item is subject to the provisions relating to the increased costs of rules, regulations, or communications contained in Item 4260-001-001.

6. 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.

4260-111-890—For local assistance, Department of Health Services, for transfer to the Public Health Federal Fund payable from the Federal Trust Fund 17,413,000

Schedule:

(a) 20-Community Health Services 16,828,000
(b) 25-County Health Services 585,000

Provisions:

1. Provisions contained in proviso (2) (a) and (5) of Item 4260-111-001 are also applicable to this item.
2. The Department of Finance shall not approve contracts or grants under the clinics program specified in Chapter 1186, Statutes of 1979, unless the Director of Health Services certifies that the contractor has (a) documented in detail the reasons for its financial problems, and (b) submitted a three-year financial plan.
3. The department shall cancel project contracts subject to Section 1185.6 of the Health and Safety Code, if the contractor has repeated serious violations of contract terms or makes no progress towards improving performance of contract objectives.
4. The CCS Program may require all CCS applicants who are potentially eligible for cash grant public assistance to apply for Medi-Cal eligibility prior to becoming eligible for CCS funded services.
5. From funds appropriated in this item and available for perinatal care projects, the following projects shall receive funds at least equal to the amount received in the 1981–82 fiscal year:
   (a) City of Pasadena
   (b) San Bernardino County
   (c) University of California at San Francisco General Perinatal Project
   (d) San Jose, Gardner Health Clinic
   (e) El Dorado County
   (f) Oakland Perinatal Health Project, but not to exceed $825,000.
6. Provisions 3 and 4 in Item 4260-001-890 are also applicable to this item.

4260-111-900—For local assistance, Department of Health Services, in lieu of the amounts which would otherwise be appropriated in the Local Health Capital Expenditure Account in the County Health Services Fund pursuant to Chapter 1351, Statutes of 1980, payable from the Local Health Capital Expenditure Account 1,000,000

Provisions:

1. The provisions of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Local Health Capital Expenditure Account.

4260-121-001—For local assistance, Department of Health Services, Legislative Mandates, Program 80, for reimbursement, in accordance with subdivision (a) Section 2231 of the Revenue and Taxation Code, of the costs, of any new program or increased level of service of an existing program mandated by Statute, State Controller 6,000

Provisions:

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.

4260-301-036—For capital outlay, Department of Health Services, payable from the Special Account for Capital Outlay, General Fund 257,000

Schedule:

(a) 94.10—Autoclave Replacement—Phase III—Berkeley Lab Facility 143,000

(b) 94.50—Minor Capital Outlay 114,000

4260-301-189—For capital outlay, Department of Health Services, payable from the Energy Account, Energy and Resources Fund 80,000

Schedule:

(a) 94.50—Minor Capital Outlay 80,000

4260-490—Reappropriation, Department of Health Services. Notwithstanding any other provisions of law, on the effective date of this act, the appropriations provided in the following citations, are reappropriated for the purposes provided for in the appropriation, and shall be available for expenditure until June 30, 1983, unless otherwise specified:

001—General Fund

(1) Item 426-001-001, Budget Act of 1981, for Chapter 567, Statutes of 1979, regulation review, in augmentation of Item 4260-001-001 not to exceed $192,000. This reappropriation, however, shall only be available until October 31, 1982.
(2) Item 426-001-001, Budget Act of 1981, for Chapter 169, Statutes of 1981, in augmentation of Item 4260-001-001 Medi-Cal cost recoveries, not to exceed $931,000.
(3) Item 426-101-001 (c), Budget Act of 1981, Child Health Disabilities Program, not to exceed $3,100,000.

4260-495—Reversion, Department of Health Services. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:
001-General Fund
(1) Chapter 1163, Statutes of 1979, SNF pharmacy pilot project.
(2) Chapter 1129, Statutes of 1980, fiscal intermediary monitoring.
(3) Chapter 1211, Statutes of 1980, skilled nursing care study.

4300-001-001—For support of Department of Developmental Services 15,744,000
Schedule:

(a) 10-Community Services Program	10,776,000
(b) 20-State Hospital Services Program	9,052,000
(c) 35.01-Administration	19,828,000
(d) 35.02-Administration—Distributed	−19,828,000
(e) Reimbursements	-977,000
(f) Amount payable from Item 4300-101-001	−1,535,000
(g) 97.20-Unallocated reduction	−849,000
(h) Amount payable from Item 430-001-001(b), Budget Act of 1981, reappropriated pursuant to Item 4300-490	--605,000
(i) Amount payable from Developmental Disabilities Program Development Fund (Item 4300-001-172)	−118,000

Provisions:

1. 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 Department of Developmental Services only after approval by the Department of Finance as to the availability of funds.
2. Any rule or regulation adopted by the Director of Developmental Services during the 1982–83 fiscal year which adds to the cost of any program administered by the 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.

4300-001-172—For support of Department of Developmental Services, Program 10, Community Services Program, to be transferred to Item 4300-001-001, payable from the Developmental Disabilities Program Development Fund 118,000

4300-011-001—For support of the State hospitals, Department of Developmental Services 0

Schedule:

(a) 20-Hospital Services	421,621,000
(b) Amount payable from 4300-101-001	−320,115,000
(c) Amount payable from 4300-101-890	−31,000
(d) Reimbursements	−101,475,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 4300-101-001, 4440-101-001, and 4440-011-001.

4300-101-001—For local assistance, Department of Developmental Services 330,284,000

Schedule:

10.10-Regional Centers	(207,404,000)
10.10.010-Operations	(76,875,000)
(a) 10.10.010.010-Personal Services	64,835,000
(b) 10.10.010 020-Operating Expense and Equipment	14,240,000
(bx) 10.10.010.030-Operations unallocated	−2,200,000
10.10.020-Purchase of services	(128,385,000)
(c) 10.10.020.010-Out-of-home care	60,484,000
(d) 10.10.020.020-Day programs	25,071,000
(e) 10.10.020.030-Medical services	2,843,000

(f) 10.10.020.040-Camps and respite care		7,124,000
(1) 10.10.020.040 Total Camps and Respite Care	7,624,000	
(2) Amount payable from Item 4300-101-172	−500,000	
(g) 10.10.020.050-Other services		35,363,000
(gx) 10.10.020.060-Purchase of services, unallocated reduction		−2,500,000
(h) 10.10.030.060-Intermediate care facilities—developmentally disabled-habilitation		2,144,000
10.20-Community Development Program		
(1) 10.10.030.060 Total Intermediate care facilities—developmentally disabled habilitation	2,331,000	
(2) Amount payable from Item 4300-101-172	−137,000	
10.20-Community Development Program		
(i) 10.20.010-Program development		0
(1) 10.20.010-Total program development	2,170,000	
(2) Amount payable from Item 4300-101-172	−2,170,000	
(j) 10.20.020-Protective living services		1,535,000
(k) 10.20.030-Cultural center for the handicapped		135,000
(l) 10.20.040-Special pilot projects		375,000
(m) 10.20.050-Diversion program		720,000
(n) 20-State hospital services		320,115,000
(o) 20.20-Special project activities		0
(1) 20.20-Total special project activities	3,351,000	
(2) Reimbursements	−2,509,000	
(3) Amount payable from Item 4300-101-890	−842,000	

Provisions:

2. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 4300-101-001 and Items 4300-011-001, 4440-101-001, and 4440-011-001. Provided further, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the State's share of expenditures for developmental services provided to persons eligible under the California Medical Assistance Program.
3. 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 program.
4. The Department of Developmental Services' proposed allocations for level-of-care staffing in state hospitals that serve persons with developmental disabilities shall be submitted to the Department of Finance for review and approval in July and again on a quarterly basis. The July and each quarterly reports shall include an analysis of client characteristics of admissions and discharges in addition to information on any changes in characteristics of current residents.
5. Notwithstanding any other provision of law, regional centers shall not provide regional center employees with a cost-of-living adjustment for salaries, wages, or benefits which exceeds the percentage amount granted by the Legislature in this act.
6. The Department of Development Services shall implement an absence payment policy for regional center-vendored programs serving children from birth to age three which pays vendors the set monthly rate for a client who attends 50 percent or more of his or her monthly program days and half the set monthly rate for a client who attends less than 50 percent of his or her monthly program days. If a client is absent from 50 percent or more of his or her monthly program days in three consecutive months, the regional center shall review the appropriateness of the infant's enrollment in the program The department shall design and implement by June 30, 1983, a plan for equitable rate setting for infant development programs that recognizes the special needs of this population.

7. It is the intent of the Legislature that proposals submitted to the Joint Legislative Budget Committee pursuant to provision 2 of the provisions applicable to Items 430-301-036 and 430-301-189 of the Budget Act of 1981 conform with the following policies:
   (a) The proposals shall be implemented through contracts with regional centers.
   (b) The new programs shall be developed by regional centers, in conjunction with clients, parents, state hospital staff, and specific service providers.
   (c) Interim reimbursement rates shall be based on negotiation, and shall not preclude obtaining continuation funding from existing regional center or Medi-Cal sources.
   (d) The proposal shall result in savings to the General Fund.
   (e) The proposal shall include a detailed implementation timetable.
8. The Director of the Department of Developmental Services, in consultation with the State Council on Developmental Disabilities, shall establish priorities for expenditure of funds from categories (a) to (h), inclusive. These priorities, insofar as is possible, shall be consistent with the Lanterman Developmental Disabilities Services Act, and, when formally transmitted to regional centers by the Director of the Department of Developmental Services, shall govern the authorization for and expenditure of these funds. Compliance with these priorities shall be monitored prospectively and by postaudit by the Department of Developmental Services.

4300-101-172—For local assistance, Department of Developmental Services, Program 10, Community Services Program, for transfer to Item 4300-101-001, payable from the Developmental Disabilities Program Development Fund 2,857,000

Provisions.

1. The department shall design and implement, no later than July 1, 1983, fee schedules for nonresidential services. These schedules shall reflect the following criteria:
   (a) Fees shall encourage treatment in the least restrictive, normalizing settings, and shall encourage parents to keep their developmentally disabled children at home.
   (b) Fees shall be based in part on ability to pay

(c) Fees shall not discourage the use of preventive services, including prenatal diagnosis services.

(d) Fees shall not discourage the adoption of developmentally disabled children.

(e) Fees shall not impose unreasonable or excessive administrative costs on regional centers.

2. The fee schedules for nonresidential services shall be designed in consultation with a Parental Fee Advisory Committee, consisting of seven members, selected by the department. Three of the members shall be the parents, guardians, or conservators representing consumer organizations which advocate for persons with developmental disabilities, one member shall be a representative of the Association of Regional Center Agencies, one member shall be a representative of the Organization of Area Boards, one member shall be a representative of the State Council on Developmental Disabilities, and one member shall be a representative of the Department of Finance. The department shall report to the Joint Legislative Budget Committee no later than February 1, 1983, on the revision of fee schedules for residential care and the development of fees for nonresidential services.

4300-101-890—For local assistance, Department of Developmental Services, for transfer to 4300-011-001 and 4300-101-001, payable from the Federal Trust Fund 873,000

4300-111-001—For local assistance, for Department of Developmental Services activities, Program 10—Community Services Program, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller. 144,000

Provisions:

1. Allocations to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 2231 of the Revenue and Taxation Code.

4300-301-036—For capital outlay, Department of Developmental Services, Special Account for Capital Outlay 1,019,000
Schedule:
(a) 55.10.010 Statewide–Minor Capital Outlay 566,000
55.20 Camarillo State Hospital
(b) 55.20.015.020 Camarillo Fire and Life Safety and Environmental Improvements—Items to complete Phase I—preliminary plans, working drawings, and construction 280,000
55.40 Napa State Hospital
(e) 55.40.015.060 Napa–Fire Sprinklers, RTC—Working Drawings and Construction 145,000
(f) 55.40.095.010 Napa–Install Fire Detection System–Preliminary Plans, Working Drawings 28,000

4300-301-189—For capital outlay, Department of Developmental Services, payable from the Energy Account, Energy and Resources Fund 159,000
55.15 Agnews State Hospital:
(a) 55.15.065.010 Boilers—Replacement at West Facility—preliminary plans and working drawings 39,000
55.20 Camarillo State Hospital:
(b) 55.20.095.010 Steam and Hot Water Pipe Insulation—Preliminary plans and working drawings..... 9,000
55.30 Lanterman State Hospital
(c) 55.30.095.010 Replace Existing Interior Lighting with Energy Savings Lighting—Preliminary plans, working drawings and construction 111,000

4300-301-942—For capital outlay, Department of Developmental Services, payable from the Special Deposit Fund, D.O.E. Consent Order Proceeds Account 2,201,000
55.15 Agnews State Hospital:
(a) 55.15.095.010 Install HVAC Temperature Controls, R & T Building (East Area)—preliminary plans, working drawings, and construction 6,000

(b) 55.15.095.020 Hot Water and Steam Pipe Insulation–East Campus. Preliminary plans and working drawings 10,000

55.30 Lanterman State Hospital:

(c) 55.30.095.020 Install Heat Reclaim for Laundry Waste Water–preliminary plans, working drawings and construction 247,000

(c.1) 55.15.096.020 Steam and Hot Water Pipe Insulation-West Campus-preliminary plans and working drawings..... 38,000

55.40 Napa State Hospital

(d) 55.40.060 Cogeneration System–Phase II—Construction 1,426,000

(e) 55.10.010 Statewide–Minor Capital Outlay..... 474,000

4300-490—Reappropriation, Department of Developmental Services. Notwithstanding any other provisions of law, on the effective date of this act, an amount not to exceed $605,000 is reappropriated from Item 430-001-001, Budget Act of 1981, for the purpose of purchasing software for the state hospital pharmacy system and the Uniform Fiscal System, and shall be available for expenditure until June 30, 1983.

4300-495—Reversion, Department of Developmental Services. As of June 30, 1982 the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001-General Fund

(1) Item 295, Budget Act of 1980, For Support—Department of Developmental Services, Uniform Accounting System.

(2) Chapter 644, Statutes of 1980, For Local Assistance—legislative mandate for judicial commitment proceedings.

(3) Chapter 1304, Statutes of 1980, For Local Assistance—legislative mandate for conservatorship, developmentally disabled adults.

(4) Chapter 1253, Statutes of 1980, For Local Assistance—legislative mandate for court appointed public defenders or attorneys.

189—Energy Account, Energy and Resources Fund

(1) Item 430-301-189(b)(2), Budget Act of 1981, Camarillo State Hospital, cogeneration system —preliminary plans.
(2) Item 430-301-189(c), Budget Act of 1981, Lanterman State Hospital, cogeneration system—preliminary plans.
(3) Item 430-301-189(d)(1), Budget Act of 1981, Napa State Hospital, cogeneration system phase II—construction.
(4) Item 430-301-189(d)(3), Budget Act of 1981, Napa State Hospital, conservation and comfort conditioning of patient occupied space, R&T building—construction.

4440-001-001—For support of Department of Mental Health 13,562,000
(a) 10-Community Services 11,243,000
(1) Total Community Services 24,668,000
(2) Payable from 4440-011-001, 4440-101-001, and 4440-101-890 ..... —13,425,000
(b) 20-State Hospital Services 6,125,000
(c) 30.01-Departmental Administration 17,923,000
(d) 30.02-Distributed Departmental Administration ..... —17,923,000
(e) Reimbursements ..... —3,198,000
(f) 97.20-Unallocated 5 percent reduction ..... —708,000

Provisions:

1 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 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 1982–83 fiscal year which adds to the cost of any program administered by the 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.

2. A county may elect to directly provide protective social services in lieu of purchasing such services from the Department of Mental Health if the guidelines of the Department of Mental Health which were applied to counties so electing prior to July 1, 1980, are applied. It is the intent of this proviso to enable the transfer of state employees to county employment in such a way that personnel benefits are protected.
3. The department shall spend no more than $64,000 in General Fund support appropriated in this item and Items 4440-011-001 and 4440-101-001 to support the Health Training Centers without the approval of the Department of Finance. The Department of Finance shall not approve additional General Fund support unless the Department of Mental Health intends to use the funds to provide necessary training services to state hospital or department staff.
4. The department may expand the automated patient admissions, discharge, and transfer system at Metropolitan State Hospital to include automation of additional hospital functions, or install any such systems at a hospital other than Metropolitan State Hospital, only if the department requests funds for such expansion or installation from the Legislature and submits with its request an evaluation of the Metropolitan pilot project, including a cost-benefit analysis, and a feasibility study report on the expanded project which reviews the feasibility of automating all additional functions which the department intends to automate with the existing system and which has been approved by the Department of Finance.
5. Notwithstanding any other provision of law, the department shall not be required to propose private residential care rates to the Legislature in the 1982–83 fiscal year.

4440-001-890—For support of Department of Mental Health, Program 10, Community Services, payable from the Federal Trust Fund 403,000

4440-011-001—For support of the State Hospitals, Department of Mental Health 93,409,000

Schedule:

(a) 10.10.020 Community Services–Other Treatment	3,190,000	
(b) 10.30 Community Services–Other Community Programs ..	473,000	

(c) 20.20 State Hospital Services–Penal Code Judicially Committed 90,664,000
(d) 20.30 State Hospital Services–Other ... 4,878,000
(e) Reimbursements–State Hospital Services ... −5,796,000

Provisions:

1. The amounts appropriated above are for support of the hospitals for the mentally ill for judicially committed patients and patients committed pursuant to the penal code.
2. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4300-011-001, 4300-101-001, and 4440-101-001.
3. The Department of Mental Health shall submit the proposed allocations for level-of-care staffing in the state hospitals that serve the mentally disabled, to the Department of Finance for review and approval on a quarterly basis beginning in July.

4440-101-001—For local assistance, Department of Mental Health ... 470,766,000

Schedule:

(a) 10.10.010-Community Residential Treatment System ... 16,013,000
(b) 10.10.020-Other Treatment ... 343,098,000
(c) 10.20-Community Outreach ... 4,719,000
(d) 10.30-Other Community Programs ... 38,870,000
(e) 20.10 State Hospital Services–Lanterman-Petris-Short ... 124,057,000
(f) Reimbursements–Community Services ... −40,791,000
(h) Unallocated 125 percent Capitation ... −15,200,000

Provisions:

1. The amounts appropriated in this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 5 (commencing with Section 5000) of the Welfare and Institutions Code, Department of Mental Health, and in addition, any amounts transferred from the Health Care Deposit Fund shall augment and be available for expenditure for the purposes specified above.

2. The Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for mental health services provided to patients eligible under the California Medical Assistance Program.
3. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 4300-011-001, 4300-101-001, 4440-011-001, and 4200-101-001.
4. County Short-Doyle planning estimates, allocations or reallocations to counties be approved by the Department of Finance and certified by the Department of Mental Health as to the source and availability of funds, and that such action would not create a deficiency.
5. The department may allocate $6.1 million plus the cost-of-living provided local mental health services, from the General Fund to support patch programs only to the extent that federal funds are not available for the programs in 1982–83. In the event that federal funds do become available, the department shall revert that amount to the General Fund.
7. No transfers shall be made between categories (b) and (e) unless the Department of Finance notifies the fiscal committees and the Joint Legislative Budget Committee 30 days before authorizing such a transfer.
8. The department shall reimburse county claims only if the claim is submitted within 150 days of the end of the month in which service was delivered.
9. In allocating the $2,400,000 for performance contracts, the department shall fund contracts whose proposals maximize savings in the state hospitals including fixed and variable costs. The department is prohibited from entering into contracts which result in costs per community bed that exceed $25,000.
11. The department shall make quarterly adjustments to local mental health services allocations to the extent that the department's projections indicate that a county will use more state hospital days than the department has allocated to it. The department may authorize counties to establish agreements pooling state hospital days, but shall make quarterly adjustments to their allocations if the department's

projections indicate that the counties' state hospital use will exceed their combined total. To the extent that counties use less state hospital days in the aggregate than have been allocated to them, the department shall use any savings above the $10,600,000 identified in the budget to fund county mental health programs in accordance with the Short-Doyle Act.

4440-101-890—For support of Department of Mental Health, Program 10, Community Services, payable from the Federal Trust Fund 8,506,000

Provisions:

1. The amounts appropriated in this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 5 (commencing with Section 5,000) of the Welfare and Institutions Code. In addition, any amounts transferred from the Health Care Deposit Fund shall augment and be available for expenditure for these purposes.
2. The Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for mental health services provided to patients eligible under the California Medical Assistance Program.
3. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4200-101-890.
4. County Short-Doyle planning estimates, allocations or reallocations to counties shall be approved by the Department of Finance and certified by the Department of Mental Health as to the source and availability of funds, and that such action would not create a deficiency.
5. The Department of Mental Health may authorize advance payments of federal ADAMH block grant funds on a monthly basis to the counties for grantees. Such advance payments may not exceed one-twelfth of the individual grant award for 1982–83. No General Fund money may be used in making grant awards under the provisions the federal ADAMH block grant.

6. The least possible amount of block grant funds shall be utilized for purposes of administration at both the state, local and direct provider levels. The department's administrative expenditures shall not exceed 10 percent of any block grant. A preliminary estimate of all projected 1982–83 state and local administrative expenditures shall be submitted by the affected departments to the Legislature by January 30, 1983, and a final report by April 1, 1983. These estimates shall include a definition of direct, as well as indirect, administrative costs, and shall include an indication of state General Fund as well as federal resources used in support of administration for the block grant and directly related programs. Proposals for definitions and limitations on all state, local and direct provider administrative expenditures during the fiscal year 1983–84 shall be submitted by affected departments in conjunction with the fiscal year 1983–84 Governor's Budget. These proposals shall reflect state General Fund as well as federal resources proposed to support administrative expenditures for block grant and directly related programs during fiscal year 1983–84.

The department shall provide to the Legislature by April 15, 1983, information regarding programs under the federal block grants which they administer. This information shall comply with the requirements provided by Section 16367.1 of the Government Code. To the extent that the information is also required by federal law, the same may be submitted along with any additional information as required by this paragraph. This information shall include, but not be limited to, such data and estimates as are reasonably available and feasible to provide regarding:

(a) Types of services provided and program characteristics.
(b) Numbers and characteristics of clients served.
(c) Resources and allocations to various regions of the state, including historical patterns of funding.
(d) Directly related programs funded by other sources.
(e) Indicators of program effectiveness.

4440-106-001—For local assistance, Department of Mental Health, Program 10, Community Services, for voluntary out-of-home placement of mentally disabled children 5,311,000

Provisions:

1. The funds appropriated by this item are for voluntary out-of-home placement of mentally disabled children
2. If legislation is enacted and becomes law which exempts emotionally disturbed children from the six-month limitation on Aid to Families with Dependent Children foster care payments for children voluntarily placed in foster care on or after January 1, 1982, upon order of the Department of Finance, the State Controller shall transfer the funds appropriated by this item in the amounts determined by the Department of Finance for the purposes of the legislation as follows:
   (a) To category (a) of Item 5180-101-001 for the state share of foster care payments.
   (b) To Item 5180-141-001 for the state share of administrative costs to provide foster care payments.
   (c) To Item 4440-001-001 for a report on services for emotionally disturbed children for foster care.
   (d) To the unappropriated surplus of the General Fund.

4440-111-001—For local assistance, Program 10, Community Services, for Department of Mental Health activities, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute, State Controller 314,000

Provisions:

1. Allocations to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 2231 of the Revenue and Taxation Code.

4440-301-036—For capital outlay, Department of Mental Health, payable from the Special Account for Capital Outlay 9,499,000

Schedule:

Metropolitan State Hospital:
(b) 50.35.015.020—Fire and life safety and environmental improvements, units 401, 403, 405, 407, 409, 411, 413, and 415—working drawings and construction 7,699,000
Patton State Hospital:
(f) 50.45.095.010-Security improvements—preliminary plans, working drawings and construction..... 1,620,000
Statewide:
(g) 80.30.018-Minor capital outlay 180,000

4440-301-189—For capital outlay, Department of Mental Health—payable from the Energy Account, Energy and Resources Fund 24,000
Schedule:
Atascadero State Hospital:
(a) 50.18.095.030-Steam and hot water pipe insulation and maintenance tunnel and passage ways-preliminary plans, working drawings, and construction 9,000
(b) 50.18.095.040-Replace incandescent fixtures in laundry-preliminary plans, working drawings, and construction 1,000
(c) 50.18.095.050-Replace incandescent lighting in gym-preliminary plans, working drawings, and construction 14,000

4440-490—Reappropriation, Department of Mental Health. The sum of $700,000 appropriated in proviso 11 of Item 444-101-001 of the Budget Act of 1981 and not expended in the 1981–82 fiscal year is hereby reappropriated to the Department of Mental Health on July 1, 1982, without regard to fiscal years, for the purposes of implementing Chapter 208 of the Statutes of 1982 (S.B. 929).

4440-495—Reversion, Department of Mental Health. As of June 30, 1982, the amounts reflected under 001-General Fund and the unencumbered balance of the appropriations reflected under 306 Special Account for Capital Outlay shall revert to the unappropriated surplus of the fund from which the appropriation was made:
001-General Fund
(1) Chapter 1172, Statutes of 1979, Section 4(b)—$71,936 for preliminary design of a mental health information system.

(2) Chapter 1194, Statutes of 1979, Section 5(a)—$136,441 for establishment of residential care rate system.

(3) Chapter 1172, Statutes of 1979, Section 4(c)—$17,204 for development of a statewide mental health prevention program.

036-Special Account for Capital Outlay

(1) Item 544(a)(1), Budget Act of 1980—Atascadero State Hospital, build energy efficient improvements—preliminary plans, working drawings, and construction.

(2) Item 544(a)(2), Budget Act of 1980—Atascadero State Hospital, install cogeneration system—preliminary plans, working drawings, and construction.

(3) Item 544(b)(1), Budget Act of 1980—Metropolitan State Hospital, fire and life safety and environmental, units 401, 403, 405, 407, 409, 411, 413, and 415—working drawings and construction.

(4) Item 544(b)(2), Budget Act of 1980—Metropolitan State Hospital, environmental, air condition patient occupied building (CTE) with conservation equipment—construction.

(5) Item 472(d), Budget Act of 1979, Metropolitan State Hospital, air condition patient occupied buildings—preliminary plans and working drawings.

(6) Item 444-301-036(b)(1), Budget Act of 1981, Metropolitan State Hospital, comfort condition patient occupied building, units 402, 404, 406, 408, 410, 412, 414, and 416—preliminary plans and working drawings.

(7) Item 444-301-036(b)(3), Budget Act of 1981, Metropolitan State Hospital, install cogeneration system with boiler facility—construction.

5100-001-001—For support of Employment Development Department 53,623,000

Schedule:

(a)	10-Employment and Employment Related Services	40,246,000
(b)	20-Tax Collections and Benefit Payments	14,482,000
(c)	30.01-General Administration	28,432,000
(d)	30.02-Distributed General Administration	−28,432,000
(f)	Reimbursements	−800,000
(g)	97.20-Unallocated reduction	−305,000

Provisions:

1. The State Controller shall transfer funds appropriated by this item only at such times as federal funds are deposited in the Unemployment Administration Fund and no transfer so made shall exceed 12.5 percent of the amount of federal funds so deposited; and provided further, that the amount available for transfer shall be reduced by the amount in cash or in-kind available from other sources as the State's share of the Work Incentive Program (WIN), as determined by the Employment Development Department and certified to the State Controller.
2. The amount of unexpended funds from the Public Works Employment Act of 1976 available during 1982–83 shall be transferred as a revenue to the General Fund.
3. In the event that contractors request maximum reimbursement for all placements but place less than 100 participants, any savings in funds appropriated for implementation of the California Welfare Employment Skill Training Act shall revert to the General Fund.
4. State funds shall not be used to fund any youth employment and training program which is eligible for federal funds unless all the federal funds have been obligated. Any unused portion of the state appropriation shall revert to the General Fund on June 30, 1983.
5. $454,000 of the funds appropriated in this item which are available for business labor council "seed money" shall not be encumbered sooner than 30 days after submittal of a detailed expenditure proposal to the Joint Legislative Budget Committee.
6. Of the amount appropriated by this item, $180,000 is for transfer to Item 0660-001-001 for community service representatives.

5100-001-185—For Support of Employment Development Department, payable from the Employment Development Contingent Fund 11,755,000

Schedule:

(aa) 10-Employment and Employment Related Services	1,000,000
(a) 20-Tax Collections and Benefit Payments	8,823,000
(b) 30.01-General Administration.....	1,932,000

Provisions:

1. The department shall use up to $1,000,000 from the Employment Development Department Contingent Fund to support the Displaced Workers Program
2. The department shall not use the Employment Development Department Contingent Fund for any capital outlay purposes in 1982–83.

5100-001-588—For support of Employment Development Department, Tax Collections and Benefit Payments, Program 20, payable from the Unemployment Compensation Disability Fund 49,901,000

5100-001-870—For support of Employment Development Department, payable from the Unemployment Administration Fund 411,048,000

Schedule:

(a) 10-Employment and Employment Related Services 215,564,000
(b) 20-Tax Collections and Benefit Payments 222,784,000
(1) Support ..... (175,948,000)
(2) Redwood Employee Protection Program ..... (46,836,000)
(c) 30.01-General Administration 53,000
(d) Reimbursements ..... —27,353,000

Provisions:

1. The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees within 30 days after notification from the federal government, but no later than November 1, 1982, in the event that federal funds for employment programs or unemployment insurance administration are reduced by 5 percent or more below the amount appropriated in this act. Notification shall include an estimate of (a) the amount of federal funds available or anticipated, (b) state fiscal year 1982–83 expenditures for each program affected by the reduction, and (c) the effect of reduced funding on service levels authorized by this act.

5100-001-871—For support of Employment Development Department, Tax Collections and Benefit Payments, Program 20, payable from the Unemployment Fund—Federal, not subject to the provisions of Section 28 1,662,500,000

5100-001-890—For support of Employment Development Department, Tax Collections and Benefit Payments, Program 20, payable from the Federal Trust Fund, not subject to the provisions of Section 28 182,055,000

5100-011-890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer ..... (2,073,548,000)

Schedule:

(a) For transfer to the Unemployment Federal Fund (871) 1,662,500,000

(b) For transfer to the Unemployment Administration Fund 411,048,000

5160-001-001—For support of Department of Rehabilitation 58,268,000

Schedule:

(a) 10-Vocational Rehabilitation Services 18,489,000

(b) 20-Habilitation Services Program 40,360,000

(c) 30-Support of community facilities 4,091,000

(d) 40.01-Administration 10,843,000

(e) 40.02-Distributed Administration.. —10,843,000

(f) Reimbursements ..... —4,166,000

(g) Amount payable from Chapter 1183, Statutes of 1980 ..... —506,000

Provisions:

1. The amount appropriated in this item for support of independent living centers shall not be awarded to any center which does not provide a 10 percent cash match from nonstate sources, except for those centers which have been in operation two years or less.
2. Of the amount appropriated in this item, $95,000 shall be made available for services to the elderly blind through contracts with community organizations which are able to match state funds on a dollar-for-dollar basis.
3. Notwithstanding the provisions of Section 19356 of the Welfare and Institutions Code, the funds appropriated for price and provider rate increases shall not be used to grant an average rate increase for any facility providing services for the Work Activity Program greater than the percentage rate granted for price and provider increases.

4. On or before January 1, 1983, the Department of Rehabilitation shall submit a report to the Legislature which shall include the following descriptions and data concerning the administration of the vocational rehabilitation program for the 1981–82 fiscal year and define in clear and complete language program administration and enumerate the costs that are appropriately charged thereto.
   (a) The definition shall include:
      (1) Development and maintenance of adequate accounting and budgeting.
      (2) Financial management.
      (3) Statistical systems.
      (4) Data processing.
      (5) Program planning.
      (6) Development, evaluation and controls.
      (7) Research interpretation of the program to the public.
      (8) Personnel administration.
      (9) Use of advisory committees.
      (10) The removal of architectural barriers in state agency offices and facilities.
      (11) Training and staff development of state agency personnel.
      (12) Any other activities which are not related to direct services to applicants and clients.
   (b) The definition and enumeration shall include charges of personnel and activities in the department's field offices when the personnel and activities are wholly or in part involved with administration of the program. The department shall maintain a written record to explain the basis for proration.
5. On or before January 1, 1983, the Department of Rehabilitation shall submit a report to the Legislature to include the following performance data for the 1981–82 fiscal year:
   (a) The number of persons who applied for service.
   (b) The number of persons accepted for service.
   (c) The number of persons for whom plans for service were approved.
   (d) The number of cases closed after acceptance for service:
      (1) Without planned service.

(2) Unemployed after planned service
(3) Employed for at least 60 days after planned service.

(e) The number of persons served whose cases have been closed and who are employed by classification of employment objective.

(f) The number of persons served whose cases have been closed and who are employed by classification of employment objective in the rehabilitation plan.

(g) The costs of service by percentile intervals and total cost for persons whose cases have been closed and who are unemployed after planned services.

(h) The costs of service by percentile interval and total cost for persons whose cases have been closed and who are employed after planned services.

(i) The classification of employment objectives in rehabilitation plans.

(j) The classification of employment objectives of persons placed in employment.

(k) The number of persons whose vocational objective in their rehabilitation plan was the same as that in which they became employed.

(*l*) The number employed in a different type of occupation than the objective in their rehabilitation plan.

(m) The method by which each person found employment, including:
(1) Through placement by the rehabilitation counselor or other department staff.
(2) By finding his or her own job.
(3) Through placement by the Employment Development Department.
(4) Through placement by a training agency.
(5) Employment by a training agency in on-the-job training.
(6) Other.

(n) The average cost and percentile cost distribution of purchased case services of all persons whose cases have been closed and who are employed.

(o) The average cost and percentile cost distribution of all persons still employed one year after case closure. This information may be

collected on the basis of sample data.

(p) The average cost of service of cases closed where a person is employed based on department's total vocational rehabilitation expenditures. This cost shall be derived from total cost divided by total number of employed persons.

(q) The average cost of service based on department's total vocational rehabilitation expenditures for all persons still employed one year after case closure. This information may be collected on the basis of sample data.

5160-001-890—For support of Department of Rehabilitation, payable from the Federal Trust Fund 76,906,000

Schedule:

(a) 10-Vocational Rehabilitative Services 75,461,000

(b) 30-Support of Community Facilities 1,445,000

Provisions:

1. The Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees within 30 days after notification from the federal government but no later than November 1, 1982, in the event that (1) federal funds for vocational rehabilitation programs are reduced by 5 percent or more below the amount included in this act or (2) the Department of Rehabilitation estimates that expenditures for vocational rehabilitation programs will be 5 percent or more below the amounts appropriated in this act. This notification shall include an estimate of (a) the amount of federal funds available or anticipated, (b) federal expenditures during the 1982–83 state fiscal year, and (c) the effect of the reduced funding or expenditures on service levels authorized by this act.

5160-490—Reappropriation, Department of Rehabilitation. Notwithstanding any other provisions of law, the unencumbered balance, on the effective date of this act, of the appropriation provided in the following citation is reappropriated for the purpose of providing one year additional funding for the independent living centers, and shall be available for expenditure until June 30, 1983:

001—General Fund

(1) Chapter 1183, Statutes of 1980, Comprehensive Service Centers, not to exceed $506,000.

5180-001-001—For support of Department of Social Services 43,897,632

Schedule:

(a) 10-Welfare Program Operations ..	16,250,274
(b) 20-Social Services Programs	11,504,296
(c) 30-Community Care Licensing	15,479,262
(d) 40-Disability Evaluation Program	5,848,600
(e) 50-Services to Other Agencies	3,772,509
(f) 60.01-Management and Administration	47,098,482
(g) 60.02-Management and Administration—Distributed	−47,098,482
(h) For transfer to the Health Care Deposit Fund	3,220,000
(i) Amount payable from the Health Care Deposit Fund	−7,623,000
(j) Reimbursements	−1,715,309
(k) Amount payable from 5180-011-001	−543,000
(*l*) Unallocated reduction	−2,296,000

Provisions.

1. The Director of Finance may authorize the transfer of General Fund moneys from Item 5180-001-001 to Item 5180-161-001, Program 30, Community Care Licensing, in order to allow counties to perform the facilities evaluation function.
2. No funds appropriated to Item 5180-001-001 for legal services in excess of $382,272, and no funds appropriated to Item 5180-001-866 for legal services in excess of $303,527, shall be expended for any purpose sooner than 30 days after written notification by the Director of the Department of Finance, to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or sooner than a lesser time as the chairperson of the committee, or his or her designee, may determine, of the necessity for the expenditure and the manner in which the Department of Finance will reconcile the discrepancy between the amount budgeted for the Department of Social Services for legal services and the amount the Department of Justice is budgeted to receive for these legal services.
3. Of the funds appropriated by this item, $18,000 are for tort payments (attorney fees).

4. Of the amounts transferred to this item from Item 5180-011-001, $120,000 shall be expended only for reimbursement to the Health and Welfare Data Center for continuing to provide services to Placer and Nevada counties.
5. At least $81,000 of the amounts transferred to this item from Item 5180-011-001 shall be expended for existing contracts to maintain data processing services to Placer and Nevada counties.

5180-001-866—For support of Department of Social Services, payable from the the Social Welfare Federal Fund after transfer from the Federal Trust Fund 94,135,574

Schedule:

(a) 10-Welfare Program Operations ..	17,557,390
(b) 20-Social Services Programs	4,860,922
(c) 40-Disability Evaluation Program	72,244,262
(d) 50-Services to Other Agencies.....	16,000
(e) Amount payable from Item 5180-011-866	−543,000

Provisions:

1. Provision 2 of Item 5180-001-001 is also applicable to this item.
2. If federal funds are reduced or eliminated for the new positions (276.3 positions) authorized by this act for the Disability Evaluation Division, including related administrative support in other divisions or the Refugee Services Program (10 positions), then these new positions shall be commensurately reduced or eliminated.
3. Of the amounts transferred to this item from Item 5180-011-866, $120,000 shall be expended only for reimbursement to the Health and Welfare Data Center for continuing to provide services to Placer and Nevada counties.
4. At least $81,000 of the amounts transferred to this item from Item 5180-011-866 shall be expended for existing contracts to maintain data processing services to Placer and Nevada counties.

5180-011-001—For support of Department of Social Services, Program 10, Statewide Public Assistance Network (SPAN) 666,200

Provisions:

1. Funds appropriated in this item may only be transferred to Item 5180-001-001 and from Item 5180-011-866 to Item 5180-001-866 for support of the SPAN as described in provisions 2 to 4, inclusive, of this item.

2. Funds appropriated by this item related to development of the Statewide Public Assistance Network (SPAN) system shall be expended toward fulfillment of the objectives enumerated in this item, subject to the conditions also enumerated.
   a. Objectives:
      (1) A fully operational SPAN, developed and operated in such a manner as to meet federal Department of Health and Human Services and Department of Agriculture requirements for maximum federal financial participation, and result in the most cost-effective expenditure of county, state and federal funds.
      (2) The revision, by April 15, 1983, of the January 1, 1981, SPAN Feasibility Study Report.
      (3) The development by Los Angeles County of the Welfare Information Management System designated WCMIS/IBPS, to be operational November 1, 1982.
      (4) The provision by Los Angeles County of an automated central welfare index capability to Orange County.
      (5) Development and review activities during 1982–83 shall be funded to the maximum extent possible with federal financial participation allowed to the Department of Social Services as the single state agency for administering public assistance programs. The department shall claim expenses incurred in accordance with this item as part of the department's claims for administration of public assistance programs, and shall provide any necessary justification for federal reimbursement as may be required.
      (6) It is the intent of the Legislature that persons employed as of June 30, 1982, by state agencies to work on the SPAN project shall be exempt from any executive or legislative action prohibiting transfer to other departments.
   b. Conditions:
      (1) The department shall, not later than August 15, 1982, enter into an interagency

agreement with the Auditor General to provide for the Auditor General to contract for a project manager and a special SPAN project team to revise the January 31, 1981, SPAN Feasibility Study Report and perform other functions as specified herein. The amount of this contract shall not exceed $500,000. Failure on the part of the department to enter into the interagency agreement with the Auditor General in accordance with this item by August 15, 1982, shall result in an unallocated reduction of $2,000,000 in the department's spending authority for departmental operations, and the Department of Finance shall effect the unallocated reduction if such failure occurs.

(2) The project team shall be obtained from the private sector by the Auditor General on a competitive bid basis, through a request for proposal. The group shall have not worked directly or under contract with the Department of Social Services.

(3) The Auditor General, in consultation with the Health and Welfare Agency Electronic Data Processing Policy Advisory Committee, shall develop the specifications for the request for proposal.

(4) The request for proposal shall be provided to the fiscal committee in each house and the Joint Legislative Budget Committee prior to its release to potential bidders.

(5) The project team shall have had experience in the management of large systems design and development projects.

(6) The request for proposal and contract for the revised feasibility report shall be contingent upon the availability of federal matching funds.

(7) The project team shall be responsible for the following:

A. Reporting to the Legislature by January 30, 1983, on the status of WCMIS/IBPS, including an assessment of how well the project is meeting its stated

objectives.

B. Revising the January 31, 1981, SPAN Feasibility Study Report in accordance, as applicable, with the findings and recommendations contained in the March 1981 report to the Health and Welfare Agency Data Center and the Department of Social Services entitled "Comprehensive Review of the Statewide Public Assistance Network (SPAN) Project Status as of February 19, 1982," including assessments of:

(i) The feasibility of either of the existing systems, WCMIS/IBPS or CDS, serving as a baseline system of the statewide SPAN and the practicality of converting systems employed by Los Angeles County or Case Data System counties to a system which relies on a different computer manufacturer's system architecture than that currently used by each county.

(ii) The extent to which changes to Chapter 282 of the Statutes of 1979 should be considered in order to provide for the most cost-effective delivery of benefits.

(iii) The ability of the Department of Social Services to complete the development of a SPAN successfully and in a cost-effective manner, as compared to alternative methods of implementation.

(iv) The feasibility of a SPAN based on upgrading and linking both WCMIS/IBPS and the Case Data System.

(v) The feasibility of a SPAN based on the WCMIS central index and a Case Data System benefit payments system.

(8) The Auditor General shall forward to the fiscal committee in each house and the Joint Legislative Budget Committee, on a quarterly basis beginning November 1, 1982, a progress report prepared by the SPAN project team. This progress report shall identify the team's major tasks, es-

timated completion dates, deliverable products, outstanding problems and progress toward their resolution, and any significant task or schedule revision.

(9) The revised feasibility study report shall be submitted by the Auditor General to the fiscal committee in each house and the Joint Legislative Budget Committee not later than April 15, 1983.

(10) The department shall monitor and support, to the extent possible, the efforts of Los Angeles County to implement on schedule the Welfare Information Management System designated WCMIS/IBPS.

(11) The Health and Welfare Agency Data Center shall continue to provide Placer and Nevada counties computing services support for the automated central index and case data system in effect on June 30, 1982. In addition, the department shall provide necessary maintenance services to Placer and Nevada counties for these systems.

3. Los Angeles and Orange counties shall, as soon as possible but no later than 90 days after the enactment of this act, enter into a contract under which Los Angeles County would provide Orange County with services of the automated central index known as WCMIS, at no cost to Orange County. The contract shall contain appropriate provisions to insure that the level of services and support of WCMIS provided to Orange County is comparable to the level of services provided by the system to Los Angeles County. The contract shall also require the department to monitor and, to the extent feasible, support the provision of these services to Orange County. The department shall have 10 days after the receipt of the contract to review and transmit it to the Departments of Finance and General Services for approval. The Departments of Finance and General Services shall each have up to five days to review and approve the contract.

It is the intent of the Legislature that any contract between Los Angeles and Orange Counties for data-processing services pursuant to this item contain provisions which (a) hold either

county harmless from errors committed by the other, (b) ensure that Los Angeles County charges no more than the amount contained in the contract for implementation and operation of a central index in Orange County (any additional work not specified in the contract shall be charged to Orange County at the existing sharing ratios), and (c) provide for an equitable charge for services provided by Los Angeles County relative to transaction workload processing. If Los Angeles County provides Orange County with the WCMIS index within the provisions of the contract as specified by this item, Los Angeles County shall receive an incentive payment of 20 percent of the cost of providing these services to Orange County.

4. Of the amounts appropriated by this item up to $123,200 may be transferred to Item 5180-141-001, and of the amounts appropriated by Item 5180-001-866, up to $88,000 may be transferred to Item 5180-141-866 for the provision of a central index to Orange County.

5180-011-866—For support of Department of Social Services, Program 10, Statewide Public Assistance Network (SPAN), payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 631,000

Provisions:

1. The provisions of Item 5180-011-001 are applicable to this item.
2. Of the amounts appropriated in this item, up to $88,000 may be transferred to Item 5180-141-866 to provide a central index to Orange County.

5180-101-001—For Local Assistance, Department of Social Services, Payments for Children, Program 10.04 1,254,371,000

Schedule:

(a) 10.04.005-In Lieu—Aid to Families with Dependent Children..... 1,237,767,000
(b) 10.04.010-In Lieu—Child Support Incentives 11,341,000
(c) 10.04.015-In Lieu—Aid for Adoption of Children 5,263,000

Provisions:

1. Of the funds appropriated by this item the following are for transfer for direct disbursement by the Department of Social Services:
   a. Program 10.04.010 from 001 General Fund to 919 Interstate Col-

lection Incentive Fund 626,000
b. Program 10.04.010 from 001 General Fund to 957 Support Enforcement Incentive Fund 10,715,000

2. No funds appropriated by this Item shall be encumbered unless every rule or regulation adopted and every all-county letter issued by the Department of Social Services which adds to the cost of any welfare program is approved by the Department of Finance as to the availability of funds before it becomes effective. In making the determination as to availability of funds to meet the expenditures of a rule, regulation, or all-county letter which would increase the costs of a welfare program, the Director of Finance shall consider the amount of the proposed increase on an annualized basis, the effect such change would have on the expenditure limitations for such program set forth in this act, the extent to which the rule, regulation, or all-county letter constitutes a deviation from the premises under which the expenditure limitations were prepared, or any additional factors relating to the fiscal integrity of such program or the state's fiscal situation.

Notwithstanding the provisions of Sections 28 and 28.4, the availability of funds contained in this Item for welfare rules, regulations, or all-county letters which add to program costs funded from the General Fund in excess of $500,000 on an annual basis, and are not (a) specifically required as a result of the enactment of a federal or state law, or (b) included in the appropriation made by this act, shall not be approved by the Director of Finance sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

Notwithstanding the provisions of Sections 28 and 28.4, that welfare rules, regulations or all-county letters which add to program costs in this Item funded from the General Fund in excess of $500,000 on an annual basis and are the result of a federal regulation shall be approved by the Director of Finance not sooner than 30 days af-

ter notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

Funds appropriated in this Item are for welfare programs as they exist on July 1, 1982, consisting of state and federal statutory law, regulations, and court decisions which are final on the merits, if funds necessary to carry out such decisions are specifically appropriated in this act. However, no funds are appropriated or available in this Item and no funds appropriated in prior years are available for welfare rules, regulations, or all-county letters for court orders, for which funds are not specifically appropriated in this act, until a final court decision on the merits is issued.

For purposes of this provision "welfare" shall mean those program elements under "Welfare Program Operations," as found in the Governor's Budget and consistent with definitions used in the California Fiscal Information System (CFIS).

3. Notwithstanding the provisions of any appropriation of state funds made in the Welfare and Institutions Code, the amounts contained in this Item for program 10.04 are in lieu of the amounts which would otherwise be appropriated 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 (pursuant to Section 15200 of the Welfare and Institutions Code) including in lieu foster care payments pursuant to Welfare and Institutions Code Section 16120.
4. The Department of Social Services shall administer the public assistance programs so that the counties will bear no more than the amount of welfare costs that they would be obligated to bear under the applicable provisions of the Welfare and Institutions Code, without the expenditure limitations set forth herein, and so that the amount authorized to be expended in program 10.04, Aid to Families with Dependent Children Program shall fully cover the State share of aid

payments and for services under such programs for the 1982–83 fiscal year.

5. There is hereby established for the next two quality control review periods, a dollar error rate standard of 4 percent, pursuant to Section 15200.4 of the Welfare and Institutions Code.

Counties with error rates, as estimated by the low point of a confidence interval based on a statistical sample, in excess of the 4 percent performance standard shall be sanctioned by the Department of Social Services.

Amounts realized from the counties as the result of a state fiscal sanction shall first be applied as an offset to the state's share of Program 10.04, Payments for Children. To the extent that this application results in a surplus to the General Fund appropriation for that program, such surplus shall revert to the General Fund.

6. The Director of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or payments, or any rule or regulation adopted and any all-county letter issued in Program 10.04, Payments for Children, as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a final court decision on the merits, during the 1982–83 fiscal year which are within or in excess of amounts appropriated in this act for that year.

If the Director of Finance determines that the estimate of expenditures will exceed the expenditures authorized for program 10.04, Payments for Children, the director shall so report to the Legislature. At such time as the report is made, the amount of the limitation shall be increased by the amount of such excess unless and until otherwise provided by law.

7. Notwithstanding Chapter 1 of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $85,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share of costs for the Aid to Families with Dependent Children Program when the federal share has not been received by this state prior to the usual time for transmitting such federal share to the counties of this state. Such loan from the General Fund shall be repaid when the federal share becomes available.

8. The Director of Finance may authorize the transfer of funds from Item 5180-101-001 and 5180-101-866 to Items 5180-001-001, 5180-001-866, 5180-141-001, and 5180-141-866 in such amounts as are necessary for the implementation and operation of the Emergency Assistance Program, not sooner than 30 days after written notification of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.
9. The Director of Finance may authorize the transfer of funds from Items 5180-101-001 and 5180-101-866 to Items 5180-106-001 and 5180-106-866 in amounts necessary to pay for court-ordered retroactive payments.
10. The Department of Social Services shall enter into an agreement with the Employment Development Department, effective July 1, 1982, to provide for funds to be paid to the Employment Development Department in the full amount of the welfare grants for the participants in subsidized employment programs operated by the Employment Development Department pursuant to Chapters 1077 and 1080 of the Statutes of 1981 and the Employment Preparation Program.
11. $1,011,000 of $1,348,000 in General Fund and $2,044,000 of $2,672,000 in federal funds appropriated by this act in support of the executive division of the Department of Social Services shall not be expended sooner than 30 days after the submission to the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the committee in each house which considers appropriations, of a letter which includes: (1) the status of federal approval of the state's plan for an emergency assistance program authorized under Section 406(e) of the federal Social Security Act, and (2) a discussion of all efforts of the Department of Social Services toward obtaining federal funding for this program. This letter shall be submitted by the Department of Social Services by September 1, 1982.

It is the intent of the Legislature that: (1) the

Department of Social Services exert the maximum possible effort toward obtaining federal funding through Section 406(e) of the federal Social Security Act and (2) in the event such funding does not appear forthcoming as of August 1, 1982, the Department of Social Services shall consider litigation against the federal government.

5180-101-866—For local assistance, Department of Social Services, Payments for Children, Program 10.04, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 1,481,386,000

Schedule:

(a) 10.04.005-Aid to Families with Dependent Children 1,458,117,000

(b) 10.04.010-Child Support Incentives..... 23,269,000

Provisions:

1. Of the funds appropriated by this Item the following are for transfer for direct disbursement by the Department of Social Services:

(a) Program 10.04.010 from 866 Social Welfare Federal Fund to 919 Interstate Collection Incentive Fund 1,252,000

(b) Program 10.04.010 from 866 Social Welfare Federal Fund to 957 Support Enforcement Incentive Fund 21,430,000

2. The federal share of the Payments for Children program costs, Program 10.04, $1,492,630,000 are federal funds per Section 8.7.

3. Provisions 2 through 11, inclusive, of Item 5180-101-001 are also applicable to this Item.

5180-106-001—For local assistance, Department of Social Services, court-ordered retroactive payments, Program 10.04..... 11,108,000

5180-106-866—For local assistance, Department of Social Services, court-ordered retroactive payments, Program 10.04, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 11,244,000

5180-111-001—For local assistance, Department of Social Services, SSI/SSP, Program 10.08 1,077,235,000

Provisions:

1. Provision 2 of Item 5180-101-001 is also applicable to this Item.

2. Funds appropriated in this item are in lieu of the amount which would otherwise be appropriated pursuant to Section 15201 of the Welfare and Institutions Code for the State Supplementary Payment Program for the 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.

5180-121-001—For local assistance, Department of Social Services, Special Adult Programs, Program 10.12 2,168,850

Provisions:

1. Provision 2 of Item 5180-101-001 is also applicable to this item.

5180-121-866—For local assistance, Department of Social Services, Special Adult Programs, Program 10.12, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 89,000

Provisions:

1. Provision 2 of Item 5180-101-001 is also applicable to this item.

5180-131-866—For local assistance, Department of Social Services, Refugee Programs, Program 10.24, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 179,639,000

5180-141-001—For local assistance, Department of Social Services, County Administration, Program 10.20 102,724,000

Provisions:

1. The Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-141-001 and 5180-141-866, to Items 5180-001-001 and 5180-001-866 for this purpose.
2. During the 1982–83 fiscal year, pursuant to Sections 15204.5 and 18906 of the Welfare and Institutions Code, the Department of Social Services shall continue the implementation of a plan whereby costs for county administration for AFDC and Food Stamp Programs will be effectively controlled within the total state funds appropriated for Program 10.20, County Administration.

Notwithstanding any provisions of the Welfare and Institutions Code to the contrary, the total amount of state funds available to the counties for administration of the programs specified in Program 10.20, County Administration, shall be limited to the amount appropriated for that program.

3. Notwithstanding any provision of the Welfare and Institutions Code to the contrary, the Department of Social Services shall not allocate General Fund money to any county for County Administration for the purpose of fiscal year 1982–83 cost-of-living adjustments in excess of that provided for by this act.
4. Notwithstanding any other provisions of law, the Department of Social Services may withhold state financial support of a county's automated welfare operations if the county does not provide a fiscal accounting of such operations in the form and manner as may be requested by the department. Provided further, that the Department of Social Services may enter into an agreement with a county wherein state financial support for the development or modification of county-automated welfare operations is conditioned upon the realization of savings projected by the county. EDP development or modification activities in a county shall be allowed only if the county can demonstrate a need which must be met before the centralized delivery system is scheduled to become operational.
5. The Director of Finance may authorize the transfer of up to $88,000 from Item 5180-011-001 to this item and $88,000 from Item 5180-011-866 to Item 5180-141-866 for provision of a central index to Orange County through the county administration program, notwithstanding any other provision of state law. The state will pay all nonfederal cost of this activity within the amounts transferred.

   The Department of Finance may authorize a transfer of $35,200 to Los Angeles County upon notification by Orange County that Los Angeles County has provided a central index in compliance with the provisions of the contract.
6. Provision 2 of Item 5180-101-001 is also applicable to this item.
7. Provision 1 of Item 5180-181-001 is also applicable to this item.

8. Allocations provided to counties for the General Fund share of the cost of administration of AFDC and Food Stamps programs shall not include more than one dollar for overhead and support costs for every dollar allocated for the salaries and benefits of eligibility workers. This provision shall not apply to allocations to counties which receive annual allocation of State and Federal funds for this purpose which total $100,000 or less.

5180-141-866—For local assistance, Department of Social Services, County Administration, Program 10.20, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 330,704,000

Provisions:

1. Provisions 1 through 5 of Item 5180-141-001 and provision 2 of Item 5180-101-001 are also applicable to this item.

5180-151-001—For local assistance, Department of Social Services, Social Services Programs, Program 20 182,527,896

Schedule:

(a) 20.30-Other County Social Services		1,841,000
(b) 20.35-Specialized Adult Services		160,018,896
(1) 20.35.220 In-Home Supportive Services	156,092,097	
(2) 20.35.240 Maternity Care	2,103,799	
(3) 20.35.250 Access Assistance for the Deaf	1,823,000	
(c) 20.40-Specialized Family and Children's Services		355,000
(d) 20.42-Adoptions		18,102,000
(e) 20.44-Demonstration Projects		2,211,000

Provisions:

1. The amounts contained in this schedule for Social Services Program, 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

8. The Department of Social Services shall not award grants or approve contracts that contain provisions for the funding of conferences or meetings of providers of social services that are not mandated by statute, if such funding includes a state general fund appropriation, unless such conferences or meetings are an integral part of the department's programs or are necessary for the administration or implementation of the department's programs as mandated by statute.

5180-151-866—For local assistance, Department of Social Services, Social Services Programs, Program 20, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 311,842,366

Schedule:

(a) 20.30-Other County Social Services	151,355,785
(b) 20.35-Specialized Adult Services ..	121,413,168
(c) 20.40-Specialized Family and Children Services	14,679,955
(c.1) 20.42-Adoptions	610,000
(d) 20.44-Demonstration programs	432,458
(e) 20.45-Refugee Assistance Services	23,351,000

Provisions:

1. Provisions 1 and 4 of Item 5180-151-001 are also applicable to this Item.
2. The Department of Social Services shall allow counties to claim reimbursement under the Title XX or IV-B programs for respite care for specialized foster care home providers.
3. The total allocation to county welfare departments for federal fiscal year 1983 for the delivery to refugees of social services included in California's Title XX Block Grant Program, including in-home supportive services, and funded under the Refugee Resettlement Program, shall not exceed 35 percent of the total federal allocation provided to the state for federal fiscal year 1983 for the provision of refugee support services.

   Counties which wish to provide other services should be required to seek funding through a competitive Request for Proposal (RFP) process. The allocation for a county welfare department shall be determined by the Department of Social Services and shall be based on the county's percentage of refugees in the state receiving cash assistance funded through the Refugee Resettlement Program. In the event that a county

welfare department does not expend its entire allocation, the Department of Social Services may reallocate unexpended funds to other county welfare departments.

The top priority for the use of federal fiscal year 1982 and 1983 funds which remain after the allocation to county welfare departments shall be to provide: (1) English as a second language, including short-term, intensive, survival, and employment-oriented instruction; and (2) employment services, including World-of-Work orientation assessment, job counseling, job development, placement, follow-up, short-term counseling and information and referral. The next priority shall be health assessing services including information and referral, assistance in scheduling appointments and obtaining services, and translation and interpreter services.

Other services may be provided at the provider's option to the extent funds exist. The goal of employment, training, and English-as-a-Second-Language and other services is to help as many refugees as possible to achieve economic self-sufficiency in the shortest period of time.

First priority for employment services, training, and English-as-a-Second-Language shall be given to employable adult refugees who continue or are likely to receive cash assistance. Within this priority group, preference shall be given to refugees who have the highest potential for becoming self-supporting or those in greatest need. Special consideration shall be given first to refugees who have been in the country for less than 36 months but who are no longer eligible to receive Refugee Cash Assistance as a result of the 18-month time limitation, second to refugees who are time-expired, and third to refugees who are closest to becoming time-expired. Time-expired shall be defined as refugees for whom federal reimbursement is not available under the Refugee Resettlement Program.

The Office of Refugee Services shall request the Board of Supervisors in the impacted counties to develop a county plan delineating the mix and prioritization of services and an identification of the percentage of funds that should be allocated for each service (not including Title XX). At the board's discretion, the development of the plan may be delegated to the county wel-

fare department, the forum, or another organization. The boards shall be requested to consult with the local forum, national voluntary resettlement agencies (VCIAGs), current service providers, refugee mutual assistance associations, and other organizations involved in refugee resettlement in the development of the plan. The boards shall be required to describe the consultation process they used and requested to submit letters from local organizations verifying this process. The Office of Refugee Services shall review each county plan for technical compliance. A RFP shall be issued by Office of Refugee Services (ORS) with the requirement that every proposal must comply with the county plan. ORS shall fund the most competitive proposals (with preference given to those who have demonstrated the ability to provide accessible and cost-effective services) for a 12-month contract or longer, if possible. Boards of supervisors, county welfare departments, and other public agencies at the state or local levels shall not be prohibited from submitting proposals to ORS in response to the RFP for each region.

No funds appropriated for refugee social services shall be expended for contracts with the Employment Development Department.

No funds appropriated for social services may be expended for planning purposes.

Twenty-five percent of the workload of the program consultants in the Office of Refugee Services shall be utilized to provide technical assistance to the counties for assistance in county plan development.

The allocation of funds among geographic regions for the provision of refugee support services, other than Title XX-type social services, shall be based on the percentage of refugees in the state receiving cash assistance funded through the Refugee Resettlement Program who live in each of the regions.

The Department of Social Services shall collect appropriate data in order to revise their allocation formula for the 1983–84 budget with the goal of providing an incentive-based formula for future distribution of social services funds. This data shall include information on primary vs. secondary refugees among those receiving cash assistance funded through the

Refugee Resettlement Program. The Department of Social Services shall contract with the United Way Agency in Orange County for the provision of social services utilizing the county's allocation, excepting those funds allocated to the county welfare department. This block grant shall provide for local determination of services and target population priorities, except as precluded by federal law. The Department of Social Services shall monitor and evaluate this block grant and support the provision of local determination of services within Orange County.

5180-161-001—For local assistance, Department of Social Services, Community Care Licensing, Program 30 8,383,189

Provisions:

1. The Director of Finance may authorize the transfer of amounts from this Item to Item 5180-001-001, Program 30, Community Care Licensing, in order to allow the state to perform the facilities evaluation function in the event the counties fail to perform such function.
2. Provision 2 of Item 5180-181-001 is also applicable to this item.

5180-181-001—For local assistance, Department of Social Services, Cost of Living Increases, to be transferred to and in augmentation of programs, upon approval of the Department of Finance, effective July 1, 1982, in accordance with the following schedule 95,306,000

Schedule:

(a) AFDC (for transfer to Item 5180-101-001)	0
(b) SSI/SSP (for transfer to Item 5180-111-001)	95,306,000
(c) County Administration (for transfer to Item 5180-141-001)	0
(d) Social Services (for transfer to Item 5180-151-001)	0
(e) Community Care Licensing (for transfer to Item 5180-161-001)	0

Provisions:

1. Notwithstanding any provisions of law to the contrary, no General Fund money appropriated by Items 5180-141-001, or 5180-181-001 for Program 10.20, County Administration, shall be used to provide a cost-of-living increase to any county welfare department for personal, and nonpersonal services, which exceeds the per-

centage increase authorized by the Legislature for all counties in this act for the 1982–83 fiscal year. However, a county may use General Fund money from its allocation for operating expenses for salary and benefit increases in excess of the percentage increase authorized by the Legislature for salary and benefit increases.

The 1982–83 county administrative cost control plan for Program 10.20, County Administration, shall contain a provision which specifies that any county cost-of-living increase for personal, and nonpersonal services, which exceeds the percentage increase authorized by the Legislature shall be the sole fiscal responsibility of the county unless the excess costs are funded by permanent productivity increases.

The department shall not allocate, re-allocate, or transfer unused portions of county cost-of-living funds between counties to fund cost-of-living adjustments in excess of the percentage increase authorized by the Legislature in this act.

2. Notwithstanding any provision of the Welfare Code or the Health and Safety Code to the contrary, none of the funds appropriated by Items 5180-151-001, 5180-161-001, or 5180-181-001 (d) and (e) for Programs 20 and 30 shall be used to provide cost-of-living increases to counties for social services and community care licensing programs in excess of the amount specifically authorized for such purposes by the Legislature unless such excess is offset by permanent productivity increases.

5180-495—Reversion, Department of Social Services. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

(1) Section 98, Chapter 282, Statutes of 1979, for the implementation of the Statewide Public Assistance Network.

(2) Chapter 848, Statutes of 1979, for the Individual and Family Grant Program.

(3) Chapter 994, Statutes of 1980, for the Individual and Family Grant Program, except $100,000 shall not revert.

(4) Chapter 1071, Statutes of 1979, for paramedical services in the In-Home Supportive Services Program.

(5) Chapter 1059, Statutes of 1979, for reimbursement of parents who provide In-Home Supportive Services for their children under specified circumstances.
(6) Chapter 1063, Statutes of 1979, for family day care home licensing.

5190-001-142—For support of California Health Facilities Commission, in accordance with the provisions of Part 1.7 (commencing with Section 440) of Division 1 of the Health and Safety Code, payable from the California Health Facilities Commission Fund 3,263,000
Schedule:
(a) 100000-Personal Services 2,145,000
(b) 300000-Operating Expenses and Equipment 1,150,000
(c) Reimbursements ..... −32,000
Provisions:
1. The California Health Facilities Commission shall improve their quality control of health facility disclosure reports in accordance with the report of the Auditor General issued in May, 1982, and designated P-087. The improvements shall include, but need not be limited to, improving the quality control process by increased monitoring of the disclosure reports filed by health facilities; conducting limited tests at health facilities to observe the methods used to prepare disclosure reports; development of a formal system to routinely review and amend or clarify reporting requirements; and development of a proposal for training programs for health facilities staff.
2. The California Health Facilities Commission shall enforce the requirement that health facilities file annual financial disclosure reports within four months after the end of the facility's fiscal year, and shall limit the granting of extensions to those cases where there is clearly good cause for an extension.
3. The California Health Facilities Commission shall adequately plan to adjust computer programs and make other processing improvements to avoid delays in processing data.

YOUTH AND ADULT CORRECTIONAL AGENCY

5240-001-001—For support of Department of Corrections..... 485,406,000
Schedule:
(a) 21-Institution Program 438,451,000

Provisions:

1. The amount of $39,910,000 is appropriated from the Correctional Industries Revolving Fund for support of the Correctional Industries program, Program 21.30.030.010, 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. Additional expenditures may be made for the purposes of this item if revenue is available and in accordance with Section 28.
2. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Correctional Industries Revolving Fund.

5240-001-890—For support of Department of Corrections, for Program 21, Institution Program, payable from Federal Trust Fund 153,000

5240-001-917—For support of Department of Corrections, for the Institution Program 21, payable from Inmate Welfare Fund..... 9,559,000

Provisions:

1. Additional expenditures may be made from the Inmate Welfare Fund for purposes of this item if revenue is available and in accordance with Section 28.
2. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Inmate Welfare Fund.

5240-101-001—For local assistance, Department of Corrections..... 6,888,000

Schedule:

(a) 21-Institution Program	3,923,000
(b) 31-Community Correctional Program	2,965,000

Provisions:

1. The amount of $215,000 is appropriated from the General Fund for transportation of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of Division 3 (commencing with Section 3000) of the Welfare and Institutions Code and the Western Interstate Corrections compact (commencing with Section 11190 of the Penal Code), in accordance with the provisions of Section 26749 of the Government Code. Provided, that claims made against this item of appropriation shall be filed

by the local jurisdictions within six months after the end of the month in which such transportation costs were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.

Provided further, that claims filed by the counties directly with the State Controller may be paid by the Controller.

2. The amount of $2,965,000 is appropriated from the General Fund for reimbursement to counties for the cost of detaining state parolees pursuant to Section 4016.5 of the Penal Code, Department of Corrections provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
3. The amount of $1,437,000 is appropriated from the General Fund for expenses of returning fugitives from justice from outside the state, in accordance with the provisions of Sections 1389, 1549 and 1557 of the Penal Code provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller, and any restitution received by the state for such expenses be credited to the appropriation of the year in which the State Controller's receipt is issued.

Provided further, that claims filed by the counties directly with the State Controller may be paid by the Controller.

4. The amount of $2,271,000 is appropriated from the General Fund for court costs and county charges, payable under Sections 4700 and 4700.5 of the Penal Code, in connection with coroners' services and trials of inmates charges with commission of a crime or crimes while incarcerated in a state institution or prison under the Department of Corrections provided, that claims filed payable under Section 6005 of the Penal Code may be paid by the Department of Corrections from funds appropriated by this item. Provided further, that claims made against this item of appropriation shall be filed by the local jurisdictions within six months after the end of the month in which such court costs and county charges were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant

is issued by the State Controller.

5240-301-036—For capital outlay, Department of Corrections, payable from Special Account for Capital Outlay 10,921,000

Schedule:

Correctional Training Facility:

(1) 61.05.002-Visiting room—North facility—working drawings and construction 524,000

(2) 61.05.006-Convert warehouse to vocational/maintenance complex —Central facility—construction .. 311,000

(3) 61.05.008-Replace food service building—South facility—preliminary plans and working drawings 90,000

(4) 61.05.010-Replace perimeter lighting—Central and North facilities —construction 511,000

Deuel Vocational Institution:

(5) 61.06.002-Milk processing facility —working drawings 24,000

(6) 61.06.004-Remodel locking devices —construction 5,450,000

California State Prison at Folsom:

(7) 61.07.002-Install 6 generators for emergency lighting—preliminary plans, working drawings and construction 270,000

California Institution for Men:

(9) 61.08.004-Milk processing facility —preliminary plans, working drawings, and construction 939,000

(11) 61.08.008-Renovate locking devices—East—preliminary plans and working drawings 26,000

California Medical Facility:

(12) 61.09.002-Hospital licensing modifications—preliminary plans, working drawings, and construction 661,000

California Men's Colony:

(14) 61.10.002-Install emergency generator—East—preliminary plans and working drawings 60,000

San Quentin State Prison:

(15) 61.12.002-Modify hospital to meet fire marshal requirements—working drawings and construction 269,000

(17) 61.12.006-Install dumbwaiters in lockup units—preliminary plans, working drawings, and construction 515,000

(18) 61.12.008-West block security modifications—preliminary plans, working drawings, and construction 300,000

California Institution for Women:

(19) 61.13.002-Upgrade primary electrical system to meet code requirements—preliminary plans and working drawings 75,000

Statewide:

(20) 61.14-Minor capital outlay 896,000

Provisions

1. Funds appropriated pursuant to category (4) of Item 5240-301-036 shall be available for transfer to Item 5240-001-001 to be expended as a special repairs project.
2. The funds appropriated in Item 5240-301-036 projects (5) and (9) are a loan to Correctional Industries Revolving Fund. Payments on the loan shall be on an annual basis over a 20-year period with interest at the current rate earned on money deposited in the Pooled Money Investment Account.
3. Prior to expenditure of any funds appropriated in Category (14), the department shall submit to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees a report which identifies the feasibility and associated benefits and cost of utilizing a cogeneration system to meet emergency electrical generation requirements at the California Men's Colony. The department may utilize the funds appropriated in Category (14) to develop plans for a cogeneration facility in lieu of an emergency generator.

5240-301-189—For capital outlay, Department of Corrections, payable from the Energy Account, Energy and Resources Fund 30,000

Schedule:

(2) 61.05.012-Replace steam and condensate piping—preliminary plans and working drawings..... 30,000

5240-301-723—For capital outlay, Department of Corrections, payable from the New Prison Construction Fund..... 122,960,000

Schedule:

Unidentified Southern California site:	
(1) 61.02.002-Maximum security units and minimum security support service complex—preliminary plans and working drawings.....	3,600,000
California State Prison at Folsom:	
(2) 61.07.004-Maximum security units and minimum security support service complex—preliminary plans and working drawings.....	4,000,000
(2.1) 61.07.005-Construct site development and utilities	8,500,000
California State Prison at San Diego:	
(3) 61.11.002-Medium security units and minimum security support service complex—preliminary plans and working drawings.....	2,000,000
Southern Maximum Security Complex —Tehachapi:	
(4) 61.04.002-Unit IVA and IVB—working drawings (redesign) and construction	62,050,000
(4.1) 61.04.003-Support services facilities—construction	7,050,000
Temporary Housing:	
(5) 61.01.002-Various—acquisition and construction of temporary housing	2,000,000
California Men's Colony, West:	
(6) 61.10.006-Phase II—construction and renovation.....	2,700,000
Contract management:	
(8) 61.01.006-Technical and professional services.....	800,000
Medium facility #1:	
(9) 61.01.008-Land acquisition, EIR, initial studies, planning, master planning and schematics	6,600,000
Medium facility #2:	
(10) 61.01.010-Land acquisition, EIR, initial studies, planning, master planning and schematics	6,600,000
California Medical Facility:	
(11) 61.09.006-Relocatable prison—EIR, initial studies, preliminary plans and working drawings for site adaptation at prototype design	300,000

Deuel Vocational Institution:
(12) 61.06.008-Relocatable prison—EIR, initial studies, preliminary plans and working drawings for site adaptation of prototype design 300,000
Unidentified site:
(13) 61.01.012-Relocatable prison — Land acquisition, EIR, initial studies, preliminary plans and working drawings for site adaptation of prototype design 6,300,000
(13.1) 61.01.013-Relocatable prisons—programming, preliminary plans and working drawings for prototype design 860,000
New Camps:
(14) 61.01.014-Land acquisition, EIR, initial studies, schematics, preliminary plans, working drawings and construction 7,750,000
California Institution for Women:
(15) 61.13.004-Special housing unit—EIR, initial studies, preliminary plans, working drawings and construction 1,550,000
Provisions:
1. The moneys appropriated by this item from the New Prison Construction Fund are to provide for the construction, renovation or replacement of correctional facilities. These funds represent a "bond" appropriation contingent upon (a) voter approval of the bond measure and (b) available revenues derived from the sale of such bonds.
3. If the Legislature creates a committee responsible for oversight of the new prison construction program, any reports to be submitted to the Legislature pursuant to any provision of this item shall also be submitted for appropriate review or approval, or both, by the oversight committee.

4. Prior to allocation of construction funds for project (4), the Southern Maximum Security Complex at Tehachapi shall be redesigned: (a) to provide a minimum of 62 cells per housing unit in Units IVA and IVE, (b) to allow, within units IVA and IVB, an overall inmate to staff ratio of no less than 2.8:1, excluding perimeter security, and (c) to allow space to enable 60 percent of the inmate population to be employed by Correctional Industries or to participate in vocational training. The Department of Corrections shall submit the proposed redesign to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal and appropriate policy committee of each house at least 30 days prior to State Public Works Board allocation of construction funds.
5. The redesigned maximum security units for the Southern Maximum Security Complex at Tehachapi shall be used as the prototype design for the new maximum security units specified in project 1 and at Folsom (project 2).
6. At least 30 days prior to State Public Works Board allocation of funds appropriated for project (4.1), the department shall submit the preliminary plan for this project to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal and appropriate policy committee of each house.
7. No funds appropriated in this item for projects (1), (2), (3), (6), (11), (12), (13), (13.1), (14), and (15) shall be expended for working drawings unless and until the appropriate subcommittee of the committee in each house which considers appropriations and the appropriate policy committee in each house re-

view and approve, as deemed appropriate by the respective subcommittees and policy committees, preliminary plans for the project.

8. The appropriation for temporary housing for project (5) shall provide housing for a minimum of 700 inmates.
9. None of the funds appropriated for projects (9), (10), and (13) for site acquisition may be allocated by the State Public Works Board sooner than 30 days after the department has submitted a report identifying the specific site to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal and appropriate policy committee of each house.
10. 30 days prior to the expenditure of preliminary planning funds for relocatable prisons for projects (11), (12), (13), or (13.1) the Department of Corrections shall submit a final facilities requirement plan for the respective prison location, to the chairperson of the fiscal committee of each house, the chairperson of the appropriate policy committee of each house, and the Chairperson of the Joint Legislative Budget Committee.

    The facilities requirement plan shall at a minimum include a detailed discussion of (a) the staffing requirements, (b) cost to operate the facility, (c) anticipated length of time the facilities will be occupied, (d) the programs to be provided at the facility, (e) the adequacy of support facilities (medical maintenance, food service, etc.) at an existing prison site to service the new facility. Funds for projects (11), (12), (13), or (13.1) for working drawings for the relocatable prisons shall not be allocated sooner than 30 days after the Department of Corrections has

submitted completed preliminary plans to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee.

11. The funds for project (14) shall provide for a minimum of three new camps with a housing capacity of no less than 100 each. The camps shall be constructed using modular-building facilities comparable to the department's satellite facilities. Vehicle storage/service and general storage may be prefabricated metal buildings. The department shall, to the maximum extent possible, use inmate labor to construct the vehicle storage/service and general storage facilities. Funds for project (14) for working drawings for each camp shall not be allocated sooner than 30 days after the Department of Corrections has submitted completed preliminary plans to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee.
12. The design of the medium security units at San Diego funded for project (3) shall be used as the prototype design for all new medium security units taking into account the alterations for adaptation to meet site topographic and soil conditions. Support facilities shall be included in the prototype design, but shall be deleted where existing institutions can adequately provide support services.
13. All or any portion of the funds appropriated in category (14) may be expended by the Department of Corrections for the acquisition and installation of modular buildings on property made available by any local governmental entity.

At least 30 days prior to requesting Public Works Board allocation of funds for this purpose, the department shall submit a report which identifies the specific terms and conditions of the proposed acquisition to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees and appropriate policy committees.

5240-301-942—For minor capital outlay, Department of Corrections, Program 61.14, payable from the Special Deposit Fund, Department of Energy Consent Order Proceeds Account 515,000

5240-311-723—For capital outlay, Department of Corrections, payable from the New Prison Construction Fund 26,316,000

Schedule:

Southern Maximum Security Complex —Tehachapi:

(1) 61.04.002-Unit IV A—construction (partial) 13,639,000

California State Prison at San Diego:

(2) 61.11.004-Medium security units and minimum security support service complex—Site study and environmental study and site acquisition 4,664,000

California State Prison at Folsom:

(3) 61.07.008-Maximum security units and minimum security support service complex—Architectural programming, master planning, and schematics 1,086,000

Temporary Housing:

(4) 61.01.002-Various—Acquisition and construction of temporary housing units 899,000

Correctional Training Facility:

(5) 61.05.006-Convert warehouse to vocational/maintenance complex —central facility—construction 643,000

Site acquisition—statewide:

(6) 61.10.016-Site acquisition in accordance with the provisions of Chapter 1135, Statutes of 1979 4,099,000

Unidentified Southern California site:

(7) Maximum security units and minimum security support service complex—Architectural programming, master planning and schematics 1,286,000

Provisions:

(1) The expenditure of funds appropriated in categories (1) and (2) shall meet the requirements of Section 17 of Chapter 540 of the Statutes of 1981.

5240-490—Reappropriation, Department of Corrections. 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 any additional purposes provided in this section, and shall be available for expenditure until June 30, 1983:

189—Energy Account, Energy and Resources Fund

1. Item 524-301-189(c), Budget Act of 1981,—California Correctional Center—construct direct heat geothermal system—preliminary plans, working drawings, and construction.

5240-495—Reversion, Department of Corrections. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

(1) Chapter 950, Statutes of 1980, Narcotic Addict Evaluation Authority
(2) Chapter 740, Statutes of 1978, Remodel sewage plant at California Correctional Center
(3) Chapter 1135, Statutes of 1979
(4) Item 524-301-001, Budget Act of 1981
  (a) Southern Maximum Security Complex—Tehachapi.
    (1) Construct site development and utilities
    (2) Unit IVA—construction (partial)
  (b) San Diego County—Medium security units and minimum security service units —site study and environmental study and site acquisition.
  (c) Folsom—Maximum security units and minimum security service units—Architectural programming, master planning, and

schematics.
(d) Various—Acquisition and construction of temporary housing units.

036—Special Account for Capital Outlay Fund
1. Item 524-301-036, Budget Act of 1981
Schedule:
Deuel Vocational Institution:
(d) Construct milk processing facility —preliminary plans and working drawings and construction.
Correctional Training Facility:
(f) Construct visiting room—North Facility—preliminary plans, working drawings and construction.
San Quentin State Prison:
(n) Hospital licensing standards—preliminary plans, working drawings and construction.
(p) Construct family visiting unit—preliminary plans, working drawings and construction.
California Institution for Men:
(w) Construct milk processing facility —preliminary plans and working drawings.

189—Energy Account, Energy and Resources Fund, Item 524-301-189, Budget Act of 1981
Schedule:
(b) Deuel Vocational Institution—replace fuel burners—preliminary plans and working drawings.
(c) Correctional Training Facility—cogeneration system—preliminary plans and working drawings.
(g) California Men's Colony—install boiler heat recovery system—preliminary plans, working drawings and construction.
(i) California Institution for Men—cogeneration system—preliminary plans and working drawings.

5430-001-001—For support of Board of Corrections, Program 10 264,000

5430-101-170—For local assistance, Board of Corrections, payable from Corrections Training Fund 3,969,000
Schedule:
(a) 10-Board of Corrections 850,000
(b) 20-Special Item of Expense 3,119,000

Provisions:

1. The amount appropriated in this item is for allocation to cities, counties, and cities, counties, and cities and counties, pursuant to Sections 6035–6043 of the Penal Code, but may also be transferred to Item 5430-001-001 for costs related to administration of the project.

5430-101-933—For local assistance, Board of Corrections, payable from the County Jail Capital Expenditure Fund 100,000,000

Schedule:

(a) 10-Board of Corrections 385,000
(b) 20-Special Item of Expense 99,615,000

Provisions:

1. The funds appropriated in this item are to provide financial assistance to county jails for the construction or remodeling of facilities pursuant to rules and regulations adopted by the Board in accordance with the provisions of Section 6029.1 of the Penal Code. These funds represent a "bond" appropriation contingent upon (1) the passage of SB 910, authorizing the issuance of general obligation bonds, and (2) available revenues derived from the sale of the bonds. Proceeds from the sale of bonds are to be deposited in the County Jail Capital Expenditure Fund.
2. Up to $385,000 in this item may be transferred to Item 5430-001-001 for costs related to administration of the County Jail Expenditure Program.

5430-490—Reappropriation, Board of Corrections. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in the appropriations and any additional purposes provided in this section, and shall be available for expenditure until June 30, 1983:

001—General Fund

1. Item 543-101-001, Budget Act 1981.

5440-001-001—For support of the Board of Prison Terms, Program 10 5,745,000

Provisions:

1. Notwithstanding the provisions of Sections 15.00 and 27.10, any reductions in the amounts budgeted for travel may be effected through reductions in other items of operating expenses or personal services.

5450-001-001—For support of the Youthful Offender Parole Board, Program 10 2,672,000

5460-001-001—For support of Department of the Youth Authority 175,077,000
Schedule:
(a) 10-Prevention and Community Corrections 2,852,000
(b) 20-Institutions and Camps..... 156,772,800
(c) 30-Parole Services 24,661,200
(d) 40-Planning, Research, Evaluation and Development 2,240,000
(e) 50.01-Administration 10,495,000
(f) 50.02-Distributed Administration .. —10,495,000
(g) Reimbursements ..... —10,249,000
(h) 97.20-Unallocated reductions..... —1,200,000
Provisions:
1. The amount appropriated by this item shall be reduced by the Director of Finance by an amount equal to the amount by which federal funds made available by the State Department of Education for the School Breakfast/Lunch or Special Milk programs exceeds $625,000.

5460-001-890—For support of Department of the Youth Authority for Institutions and Camps, Program 20, payable from the Federal Trust Fund..... 360,000

5460-101-001—For local assistance, Department of the Youth Authority 64,576,000
Schedule:
10-Prevention and Community Corrections..... (64,312,000)
(a) 10.20 010-Delinquency Prevention 1,500,000
(b) 10.20.020-County Justice Subvention Program 62,812,000
20-Institutions and Camps, Transportation of Wards 50,000
30-Parole Services—Assistance to Counties for Detention of Youth Authority Parolees..... 214,000
Provisions:
1. $1,500,000 is appropriated in Program 10.20.010 for contracting with public or private agencies engaged in prevention of delinquency, as authorized by Article 5.5 (commencing with Section 1790) of Chapter 1 of Division 2.5 of the Welfare and Institutions Code, Department of the Youth Authority.
2. The funds appropriated in category (a) of this item for delinquency prevention programs shall be expended in accordance with the following schedule:
(a) Sugar Ray Youth Foundation .. 466,000
(b) John Rossi Youth Foundation .. 134,000

(c) Youth Service Bureaus funded by the state in 1980–81 697,600
(d) Projects selected by department 202,400

Provided, that the Department of the Youth Authority may use any part of the $202,400 specified in subdivision (d) for restitution projects.

3. $63,370,000 is appropriated for assistance to counties in the operation of programs pursuant to the County Justice System Subvention Program in accordance with Article 7 (commencing with Section 1805) of Chapter 1 of Division 2.5 of the Welfare and Institutions Code, Department of the Youth Authority.
4. $50,000 is appropriated in Program 20 for transportation of persons committed to Department of the Youth Authority to or between its facilities, including the return of parole violators; provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
5. $214,000 is appropriated in Program 30 for reimbursement to counties for the cost of the detention of Youth Authority parolees, who are detained on alleged parole violations, pursuant to Section 1776 of the Welfare and Institutions Code.
6. Notwithstanding any other provision of law, any county receiving funds from the County Justice System Subvention Program shall use those funds in the 1982–83 fiscal year in the same proportion of the total for each purpose specified in Section 1806 of the Welfare and Institutions Code as the county used in the 1981–82 fiscal year, including any amendments or modification of 1981–82 applications submitted on or before June 30, 1982, and shall so certify to the Department of the Youth Authority.

These funds may, however, be transferred within a category for augmentation of community-based organizations. Any person or group who disputes a county's proportional use may file an appeal with the Board of Control. This appeal shall be limited solely to the issue of proportional use among the seven purposes specified in subdivision (a) of Section 1806 of the Welfare and Institutions Code and may not challenge a Board of Supervisor's decision to fund specific programs to achieve each of those seven pur-

poses. The Director of the Department of the Youth Authority shall adopt emergency regulations pursuant to Section 11346.1 of the Government Code to implement the amendments made to the County Justice System Subvention program as part of the 1982–83 budget process. These regulations shall be deemed to meet the standards set forth in Section 11349.1 of the Government Code.

5460-301-036—For capital outlay, Department of the Youth Authority, payable from the Special Account for Capital Outlay 1,851,000
Schedule:
(b) 60.62-Ventura School—install emergency lighting 200,000
(g) 60.68-Oak Glen Conservation Camp—construction 1,206,000
(h) 60.80-Minor Capital Outlay—various statewide 445,000

5460-301-942—For minor capital outlay, Department of the Youth Authority, Program 60.90, payable from the Special Deposit Fund, Department of Energy Consent Order Proceeds Account 83,000

5460-495—Reversion, Department of the Youth Authority. As of June 30, 1982, 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:

036—Special Account for Capital Outlay Fund
1. Item 546-301-036, Budget Act 1981
Schedule:
(i) DeWitt Nelson School—relocatable classroom building.

EDUCATION

6100-001-001—For support of Department of Education 29,164,000
Schedule:
(a) 10-Instruction 15,326,000
(b) 20-Instructional Support 4,939,000
(c) 30-Special Programs 6,760,000
(d) 40-Department Management and Services 7,518,000
(e) Reimbursements ..... −3,879,000
(f) 97.20-Unallocated reduction ..... −1,500,000

6. Funds included in this item shall be utilized to perform licensing activities pursuant to Health and Safety Code Section 1511 for specified community day care facilities which are under contract with the Department of Education. Such licensing functions shall be authorized and defined through interagency agreement with the Department of Social Services.

40—Department Management and Special Services:

7. $66,250 of the funds included in this item shall be utilized for California's participation in the Education Commission of the States.

6100-001-140—For support of the Department of Education 0

(a) 20.10.040-Special Curriculum Programs (Environmental Education) 101,000

(b) Amount payable from Item 6100-181-140 ..... −101,000

6100-001-178—For support of the Department of Education Program 20 Instructional Support, for the purpose of conducting school bus driver instructor training as provided in Section 1204 of the California Administrative Code, payable from the Driver Training Penalty Assessment Fund 259,000

6100-001-305—For support of Department of Education, Postsecondary Education 30.30, payable from the Private Postsecondary Education Administration Fund 982,000

Provisions:

1. Funds provided by this item are for support of the Office of Private Postsecondary Education and the Private Postsecondary Education Council pursuant to Chapter 791, Statutes of 1981.

6100-001-344—For support of the Department of Education Program 20 Instructional Support, payable from the State School Building Lease Purchase Fund 487,000

6100-001-680—For support of the Department of Education, for the California State Agency for Surplus Property, 30.50, payable from the Surplus Property Revolving Fund 25,346,000

6100-001-955—For support of the Department of Education instructional materials warehousing and shipping costs, payable from Item 6100-186-001 through the State Instructional Materials Fund 0

(a) Warehousing and shipping 237,000

(b) Payable from Item 6100-186-001 .. −237,000

6100-001-890—For support, Department of Education, payable from the Federal Trust Fund 32,124,000
Schedule:
(a) 10-Instruction 16,485,000
(b) 20-Instructional Support 1,503,000
(c) 30-Special Programs 6,018,000
(d) 40-Department Management and Special Services 1,553,000
(e) 70-Federal block grant 6,565,000
Provisions:
1. Not less than $365,000 of the funds appropriated in category (e) shall be used by the Department of Education to contract with institutions of higher education, qualifying nonprofit agencies, and local education agencies for the purpose of implementing Chapter 2 of the Federal Education Consolidation and Improvement Act.
2. The Department of Education shall not enter into any new contracts or amend any existing contracts for the evaluation of migrant education prior to notification of the Joint Legislative Budget Committee under the provisions of Section 28.00.

6100-003-001—For support of Department of Education 0
(a) 10.60.020—Clearinghouse Depository for Handicapped Children.... 850,000
(b) Amount payable from Item 6100-106-001 ..... −850,000
Provisions:
1. Funds made available to the Clearinghouse Depository for Handicapped Children shall be expended only for purchase of equipment for visually handicapped children.

6100-006-001—For support of the Department of Education as allocated by the Department of Education to the State Special Schools in accordance with the following schedule 29,806,000
(a) California School for the Blind
(1) 10-Instruction 4,403,000
(2) Reimbursements ..... −945,000
(b) Diagnostic School for the Neurologically Handicapped Children, Northern California
(1) 10-Instruction 2,284,000
(2) Reimbursements ..... −186,000
(c) Diagnostic School for the Neurologically Handicapped Children, Central California
(1) 10-Instruction 2,346,000
(2) Reimbursements ..... −218,000

(d) Diagnostic School for the Neurologically Handicapped Children, Southern California
(1) 10-Instruction 2,446,000
(2) Reimbursements ..... −230,000
(e) California School for the Deaf, Fremont
(1) 10-Instruction 11,500,000
(2) Reimbursements ..... −1,634,000
(f) California School for the Deaf, Riverside
(1) 10-Instruction 11,823,000
(2) Reimbursements ..... −1,783,000

Provisions:

1. The funds appropriated for the six State Special Schools may be transferred by the State Controller between any one or more of the schools upon the request of the Department of Education and approval of the Department of Finance.
2. Funds for student transportation allowances are provided in lieu of funds which would otherwise be transferred in accordance with provisions of Sections 14007 and 41301.5 of the Education Code. The funds shall be allocated pursuant of Sections 59030.5, 59124.5 and 59223 of the Education Code.
3. On or before January 15 of each year the Superintendent of each State Special School shall report to each district the estimated payment for the fiscal year pursuant to Education Code Section 59300. The State Controller shall withhold from the State School Fund in the first principal apportionment of that fiscal year the amount due from each school district as reported the controller by the Superintendent of Public Instruction. The amount withheld shall be transferred from the State School Fund to Item 6100-006-001 which supports the State Special Schools. The Superintendent of Public Instruction is authorized to adjust the estimated payments required after the close of the fiscal year by reporting to the State Controller the information needed to make the adjustment.

6100-011-001—For support of the Department of Education, California State Library, Division of Libraries, and California Library Services Board 6,601,000
(a) 50-Library Services 6,614,000
(b) Reimbursement Services ..... −13,000

6100-011-036—For support, Department of Education, California State Library, payable from the Special Account for Capital Outlay 805,000
(a) 50.20.021—Sutro Library—Move and reerect modular building on new site 650,000
(b) 50.20.022—Moving expenses and equipment 155,000
6100-011-890—For support, Department of Education, California State Library (50), payable from the Federal Trust Fund 1,028,000
6100-101-001—For local assistance, Department of Education, for transfer to Section A of the State School Fund 5,340,925,000
(a) 10.10-School Apportionment 5,410,487,000
(b) 10.80.010-Gifted and Talented 16,838,000
(c) Payable from Item 6100-226-001 ..—86,400,000
Provisions:
1. Funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1982–83 fiscal year pursuant to Sections 14002, 14004, and 41301 of the Education Code, an amount as needed, in addition to sums accruing to Section A of the State School Fund from other sources for the purposes specified herein, for apportionment pursuant to subdivision (b) of Section 2550, Section 42238, Section 42238.5, Section 42239, Section 42240, Section 42240.1, Section 41841.5, and Section 42243.7, Chapter 8 (commencing with Section 52200) of Part 28, Article 1 (commencing with Section 52300) of Chapter 9 of Part 28, and Section 54061 of the Education Code.
2. The Superintendent of Public Instruction shall apportion funds appropriated in this item according to the following schedule:

Schedule:
a. Program 10.10 School Apportionments, for the purposes of Section 42238 of the Education Code 5,250,940,000
b. Program 10.10 School Apportionments, for the purposes of Section 41841.5 of the Education Code 1,199,000

c. Program 10.80.010 Gifted and Talented Program, for the purposes of Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code 16,838,000

d. Program 10.10 Small School District Aid, for the purposes of Section 42240 and Section 42240.1 of the Education Code 17,518,000

e. Program 10 Regional Occupational Centers and Programs, for the purposes specified in Provision 4 of this item 140,830,000

4. For the 1982–83 fiscal year, the Superintendent of Public Instruction shall allocate the funds appropriated in schedule (e) of Provision 2 of this item in the following manner:

(a) The Superintendent of Public Instruction shall direct each county superintendent of schools to establish for each Regional Occupational Center or Regional Occupational Program (ROC/P) within the county, a revenue limit per unit of average daily attendance (ADA) equal to the sum of the revenues received by the ROC/P for its 1981–82 fiscal year annual ROC/P ADA, pursuant to Sections 2558, 42238, 52321, and 52616 of the Education Code, including adult ADA, divided by the annual ROC/P ADA which generated that revenue. This shall be known as the 1981–82 base revenue limit per unit of ADA for the ROC/P.

(b) The 1981–82 base revenue limit per unit of ADA shall be increased by the average percentage cost-of-living increase provided by this act in the 1982–83 fiscal year for unified school districts with more than 1,500 units of average daily attendance, except that no increase shall be provided on the base revenue limit per unit of ADA for adults in county-operated ROC/Ps.

(c) The Superintendent of Public Instruction shall certify for apportionment to each ROC/P in the 1982–83 fiscal year an amount calculated as follows:

(1) For annual ADA in the 1982–83 fiscal year that is equal to or less than the annual ADA in the 1981–82 fiscal year, the Superintendent of Public Instruction shall certify an

amount equal to the sum of the amounts in subdivisions (a) and (b) of this provision, times the 1982–83 fiscal year annual ADA. For the purposes of this computation, the 1981–82 fiscal year base revenue limit per unit of ADA for adults in county-operated ROC/Ps as determined in subdivision (a) shall be multiplied by the 1982–83 fiscal year annual adult ADA in county-operated ROC/Ps, not to exceed the 1981–82 fiscal year level of annual adult ADA in county-operated ROC/Ps.

(2) Except as provided in subdivision (h) of this provision, for annual ADA in the 1982–83 fiscal year that is greater than the annual ADA in the 1981–82 fiscal year, the Superintendent of Public Instruction shall add to the amount certified pursuant to paragraph (1) of this subdivision an amount equal to the statewide weighted average revenue limit of adult and concurrently enrolled high school ADA in ROC/Ps authorized to be claimed by school districts in the 1981–82 fiscal year increased by the average percentage cost-of-living increase provided by this act in the 1982–83 fiscal year, for revenue limits of unified school districts with more than 1,500 units of ADA, times the difference in annual ADA between the 1981–82 and 1982–83 fiscal years.

(d) If the amount claimed for apportionment to ROC/Ps is greater than the amount appropriated for such claims, any deficit applied shall be applied only to claims made pursuant to paragraph (2) of subdivision (c) of this provision, and no deficit shall be applied to amounts claimed pursuant to paragraph (1) of subdivision (c) or subdivision (h) of this provision.

(e) The funds appropriated pursuant to this item shall be allocated by the Superintendent of Public Instruction to the school districts or county offices of education operating the ROC/P based on the school districts' or county offices of education's 1981–82 prorata share of the funds being allocated.

(f) A school district which is part of a joint powers ROC/P may claim ADA in 1982–83 be-

cause of participation of pupils in an ROC/P only in accordance with this provision. For the purposes of Section 42239 of the Education Code, such districts shall exclude the 1981–82 ADA of pupils in ROC/Ps from their 1981–82 ADA. For the purposes of Section 42238 of the Education Code, the revenues received for ROC/P pupils in 1981–82 shall not be included in the calculation of a minimum revenue guarantee for 1982–83 pursuant to that section.

(g) The amount provided for the purposes of ROC/P claims shall be the sum of: (1) the amount computed in paragraph (1) of subdivision (c) of this provision; (2) 0.05 times the amount of adult ADA in 1981–82 identified in subdivision (a), times the statewide average revenue limit per unit of ADA specified in paragraph (2) of subdivision (c); and (3) 0.10 times the amount of concurrently enrolled high school ADA in 1981–82 identified in subdivision (a), times the statewide average revenue limit per unit of ADA specified in paragraph (2) of subdivision (c)

(h) For ROC/Ps which have below average participation rates, as measured by the ratio of the ROC/P ADA to the ADA in grades 9–12 in the participating districts, the Superintendent of Public Instruction shall allocate the amount per ADA calculated in paragraph (2) of subdivision (c) of this provision, times an authorized increase in the number of ADA approved by the Superintendent of Public Instruction, provided that the Superintendent of Public Instruction shall consider need in allocating ADA to these ROC/Ps and shall certify $1,500,000 of the amount calculated pursuant to subdivisions (g) (2) and (g) (3) of this provision. This subdivision shall not be interpreted to limit the amount of ADA growth in low-participation ROC/Ps to only the amount authorized in this subdivision.

(i) The funds allocated pursuant to this provision from category (e) of Provision 2 of this item shall be the only funds allocated for the purpose of funding ADA in ROC/Ps.

(j) If the amount appropriated for ROC/Ps by

this item, as specified in category (e) of Provision 2 of this item, is different from the amount calculated above, the Superintendent of Public Instruction, with the approval of the Department of Finance, shall transfer funds, as appropriate, (1) between categories (a) and (e) of Provision 2 of this item; (2) among category (a) of Item 6100-101-001, Item 6100-106-001, and Item 6100-156-001; and (3) between categories (a) and (h) of Item 6100-226-001.

5. (a) Notwithstanding any other provision of law, the Superintendent of Public Instruction shall make the computations prescribed by this provision.

(b) The superintendent shall compute the amount to be apportioned to each school district, and the amount to be allocated to each county office of education, for the second principal apportionment according to law.

(c) The superintendent shall reduce each apportionment and allocation computed pursuant to subdivision (b) by the amount for each school district and county office of education which is not paid for nonfederally funded positions for that district or office to the Public Employees' Retirement System during 1982–83 as a result of the Public Employees' Retirement Board's decision to reduce employer contributions. The apportionments and allocations shall be made as reduced pursuant to this subdivision.

(d) The superintendent shall compute the sum of the reductions made pursuant to subdivision (c) and shall certify that sum to the Controller.

6. Notwithstanding any other provision of law or of this item, the revenue limit increase authorized by subdivision (f) of Section 42238 of the Education Code for the 1982–83 fiscal year shall not be made, and the minimum revenue limit guarantee for each district pursuant to subdivision (k) of Section 42238 of the Education Code shall be the sum of the amount determined in paragraphs (1) and (2) of subdivision (j) of Section 42238 of the Education Code. The implementation of the minimum revenue limit guarantee shall not allow any district to receive an amount

per unit of average daily attendance which (1) exceeds twice the statewide average revenue limit per unit of average daily attendance for that type of district if the district qualified for the minimum revenue guarantee in 1981–82, or (2) exceeds three times the statewide average revenue limit per unit of average daily attendance for that type of district if the district did not qualify for the minimum revenue guarantee in 1981–82.

6100-106-001—For local assistance, Department of Education for transer to Section A of the State School Fund, for the purposes of Section 2558 of the Education Code, School Apportionments (10.10) 60,860,000

Provision:

1. Notwithstanding any provision of law to the contrary, the funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1982–83 fiscal year pursuant to Article 3 (commencing with Section 2550) of Chapter 12 of Part 2, Sections 14002 and 14004 of the Education Code an amount as needed for apportionment pursuant to Section 2558 of the Education Code.
2. The Superintendent of Public Instruction shall compute the 1982–83 revenue limit for county superintendents of schools pursuant to Section 2558 of the Education Code by reducing the amount included pursuant to subdivision (a) of Section 2551 of the Education Code and the corresponding inflation adjustment provided in Section 2557 of the Education Code by 5.17 percent.
3. $850,000 of the amount appropriated by this item shall be transferred to Item 6100-003-001.
4. Notwithstanding Section 2558.5 of the Education Code, revenues received pursuant to Section 2558 of the Education Code, and any ending balance from the prior fiscal year from state or local revenues, shall be subject to the provisions of Sections 52321 and 52501.5 of the Education Code. The Superintendent of Public Instruction shall reduce each county office's apportionment by any net ending balance in excess of 15 percent of the amount expended in the prior year,

as specified in Sections 52321 and 52501.5 of the Education Code.

6100-111-001—For local assistance, Department of Education, for transfer to Section A of the State School Fund, for the purposes of Article 10 (commencing with Section 41850) of the Education Code, School Apportionments (10.10) 156,024,000

Provisions:

1. Notwithstanding the provisions of Section 41856 of the Education Code, for the 1982–83 fiscal year, from the amount appropriated in this item, the Superintendent of Public Instruction shall apportion to each qualifying school district the amount of its approved home-to-school transportation costs for the previous fiscal year, but not to exceed 1.05 times the amount it received for home-to-school transportation costs in the 1981–82 fiscal year pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code and shall apportion to each qualifying regional occupational center and program or county-operated regional occupational center and program, the amount of its approved regional occupational center or program transportation costs for 1981–82 pursuant to subdivision (d) of Section 41852 of the Education Code. This provision shall be operative only if funds are available under Item 6100-226-001 pursuant to Provision 1 thereof.
2. Notwithstanding the provisions of Section 41856 of the Education Code, for the 1982–83 fiscal year, from the amount appropriated in this item, the Superintendent of Public Instruction shall apportion to each qualifying school district the amount of its approved home-to-school transportation costs for the previous fiscal year, but not to exceed the amount it received for home-to-school transportation costs in the 1981–82 fiscal year pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code and shall apportion to each qualifying regional occupational center and program or county-operated regional occupational center and program, the amount of its approved regional occupational center or program transportation costs for 1981–82 pursuant to subdivision (d) of Section 41852 of the Education Code. This provision shall not be operative if funds are available under Item 6100-226-001 pursuant to

Provision 1 thereof.

6100-114-001—For local assistance, Department of Education, for transfer to the State Controller, for reimbursement of claims received pursuant to Section 42243.6 of the Education Code, School Apportionments (10.10) 128,726,000

Provision:

1. Funds appropriated by this item are for reimbursement of amounts necessary to pay costs mandated by the courts, as defined in Section 2205 of the Revenue and Taxation Code pursuant to any final court order issued after January 1, 1978, and 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.
2. The State Controller shall allocate funds appropriated in this item in accordance with the provisions of Section 42243.6. Pursuant to the provisions of Section 42243.8 of the Education Code the State Controller shall reimburse claims, including claims for prior years costs, received pursuant to Section 42243.6 of the Education Code only from funds appropriated specifically for that purpose by the Legislature. Any amount of claims in excess of the appropriation may be referred to the State Board of Control for review and possible inclusion in a subsequent claims bill.
3. The State Controller shall forward to the Board of Control any claims received pursuant to Section 42243.6 of the Education Code for reimbursement of the costs of mandated activities not previously funded through a Budget Act appropriation or Board of Control claims bill. The Board of Control, upon receipt of such claims shall review all such claims to determine whether (1) a court, Federal, or initiative-enacted mandate exists, and (2) the costs are reasonable and necessary to satisfy the mandate. Based on its review the Board shall include in an omnibus claims bill an amount for reimbursement of reasonable and necessary costs.

6100-116-001—For local assistance, Department of Education, School Improvement Program (10.20.020) 162,695,000

Provisions:

1. Funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund for direct disbursement by the Department of Education in lieu of the appropriations made for the 1982–83 fiscal year pursuant to subdivisions (a) and (b) of Section 75 of Chapter 894 of the Statutes of 1977, for the purpose of making allowances for the School Improvement Program and notwithstanding the third paragraph of Section 87 of Chapter 894 of the Statutes of 1977, and pursuant to Article 4 (commencing with Section 52046) of Chapter 6 of Part 28 of the Education Code according to the following schedule:

(a) 10.20.020.010-For the purpose of making allowances for kindergarten and grades 1 to 6, inclusive.... 136,797,000

(b) 10.20.020.020-For the purpose of making allowances for grades 7 to 12 inclusive 25,898,000

2. The Department of Education shall allocate the funds scheduled above to each district eligible to receive an allowance on the basis of the per unit of average daily attendance amounts specified in subdivision (b) of Section 52046 of the Education Code, adjusted on a pro rata basis to conform to the amounts scheduled above.

3. The Department of Education may make adjustments in the above schedule so long as the total adjustments do not exceed 5 percent of the total amount appropriated. Such adjustments shall be reported to the Department of Finance and the Joint Legislative Budget Committee.

6100-121-001—For local assistance, Department of Education, Economic Impact Aid (10.20.030) 171,737,000

Provisions:

1. Funds appropriated by this item for the Economic Impact Aid Program are for transfer by the State Controller to Section A of the State School Fund for direct disbursement by the Department of Education, in lieu of the appropriations made for the 1982–83 year pursuant to Section 54053, Section 54054, and 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 Econom-

ic Impact Aid Program, pursuant to Chapter 1 (commencing with Section 54000) of Part 29 of the Education Code. $15,637,120 of the funds in excess of $156,099,631 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. No district receiving funds from the Economic Impact Aid Program shall be allocated less than $5,000, adjusted annually and cumulatively from 1980–81 by the same percentage adjustment for cost-of-living as the Economic Impact Aid program received.

2. From funds appropriated by this item, the Department of Education shall pay to the United States Department of Education the sum of $2,500,000, in settlement of the final audit determination identified as ACN 00002-09, Education Appeal Board Case No. 2-(57)-80. The Department of Education shall reduce the local assistance amount otherwise to be provided pursuant to this item to the school districts identified in the audit by multiplying $2,500,000 by the ratio that the amount of the final audit determination relating to each district bears to the total amount of the final audit determination. The amount of the $2,500,000 repaid to the state under the provisions of Section 456 of the General Education Provisions Act (20 U.S.C. 1234e) shall be apportioned to those districts in the same ratio and shall be expended by the districts in accordance with the settlement agreement entered into between the State Department of Education and the United States Department of Education in Education Appeal Board Case No. 2-(57)-80.

6100-126-001—For local assistance, Department of Education, Miller-Unruh Reading Program (10.20.040) 16,182,000

Provisions:

1. Funds appropriated by this item are for the Special Elementary School Reading Instruction program pursuant to Chapter 2 (commencing with Section 54100) of Part 29 of the Education Code.

6100-131-001—For local assistance, Department of Education, Native-American Indian Education (10.20.050) 318,000

6100-136-890—For local assistance, Department of Education, payable from the Federal Trust Fund, ESEA Title I (10.20.060) 252,776,000

6100-141-890—For local assistance, Department of Education, payable from the Federal Trust Fund, Migrant Education ESEA Title I (10.30.010) 63,442,000

Provisions:

1. All school districts, county offices of education, and community college districts shall, upon request, make facilities available, at cost (including, but not limited to, the pro rata cost of janitorial services and other maintenance activities, utilities, and security services, as well as the cost of making any special repairs directly attributable to the migrant summer school programs), and, if available, facilities suitable for the summer climate for the operation of migrant summer school programs. The Superintendent may allow neighboring districts jointly to offer facilities if he determines that the use of one district's facilities for an area will adequately meet the needs of the migrant summer school program for the entire area. If the Superintendent of Public Instruction determines that requests from legitimate prospective users of such facilities were denied without due cause, the superintendent shall assess a penalty of one thousand dollars ($1,000). The penalty amount shall be returned to Section A of the State School Fund.

6100-146-001—For local assistance, Department of Education, Demonstration Programs in Reading and Math (10.30.040) 3,558,000

Provisions:

1. Funds appropriated by this item in this item are for demonstration programs in reading and mathematics pursuant to Chapter 4 (commencing with Section 58600) of Part 31 of the Education Code.

6100-151-001—For local assistance, Department of Education, American Indian Education Centers (10.30.050) 750,000

Provisions:

1. Funds appropriated by this item for Indian Education Centers are limited to carrying out the provisions of Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code.

6100-161-890—For local assistance, Department of Education, payable from the Federal Trust Fund, Special Education Programs for Exceptional Children (10.60) 78,624,000

Provisions:

1. At least $67,800,000 of the amount appropriated in this item shall be allocated for local entitlements.
2. If the funds appropriated in this item which are received by the state exceed $78,600,000, all funds received in excess of $78,600,000 shall be allocated for local entitlements.

6100-166-887—For local assistance, Department of Education payable from the Vocational Education Federal Fund Vocational Education (10.70) 67,466,000

6100-166-890—For local assistance, Department of Education, payable from the Federal Trust Fund, for transfer to the Vocational Education Federal Fund (887), Vocational Education (10.70) ..... (67,466,000)

Provisions:

1. Funds appropriated by this item for the Vocational Education Programs shall be transferred for direct disbursement from 6100-166-887, the Vocational Education Federal Fund.

6100-171-044—For local assistance, Department of Education, payable from the Motor Vehicle Account, State Transportation Fund, for transfer to Section A of the State School Fund, Driver Training (10.80.020) 17,844,000

Provisions:

1. Notwithstanding the provisions of Sections 41304, 41306, and Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code, funding for driver training programs during 1982–83 shall be made exclusively from funds appropriated in this item. These funds shall be transferred by the State Controller to Section A of the State School Fund in amounts as needed by the Department of Education.
2. The Department of Education shall allocate these funds among all participating school districts, county offices of education, and the California Youth Authority in accordance with the provisions of Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code, as last amended by Chapter 100, Statutes of 1981.

6100-176-890—For local assistance, Department of Education, payable from the Federal Trust Fund; for the Transition Program for Refugee Children (10.40.030) 48,000

6100-181-001—For local assistance, Department of Education, Curriculum Services, Educational Technology (20.10) 870,000

1. Funds appropriated by this item for educational technology shall be allocated only in accordance with the provisions of Chapter 94 of the Statutes of 1982.

6100-181-140—For local assistance, Department of Education, Curriculum Services, (20.10) payable from the California Environmental License Plate Fund 500,000

Schedule:

(a) For transfer to Item 6100-001-140 for support 101,000

(b) For local assistance 399,000

Provisions:

1. Of the funds appropriated by this item $29,000 shall be allocated by the Superintendent of Public Instruction as a grant to a private, not for profit educational organization which will serve approximately 2,200 elementary and secondary students in Los Angeles County and the immediately surrounding area, and which will provide such students with an experimentally based environmental education program.

6100-186-001—For local assistance, Department of Education, Instructional Materials Management and Distribution (20.20.020) 40,915,000

Schedule:

(a) Subventions 40,678,000

(b) Warehousing and Shipping 237,000

Provisions:

1. Funds appropriated by this item are 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 during the 1982–83 fiscal year, pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code. Such funds shall be transferred to the State Instructional Materials Fund by the State Controller in amounts claimed by the Department of Education, and the remaining balance, if any, shall be transferred to the State Instructional Materials Fund on June 30, 1983

2. Funds appropriated by this item for the Instructional Materials Management and Distribution Program shall be transferred for direct disbursement by the Department of Education from the State Instructional Materials Fund
3. Notwithstanding the provisions of Part 33, commencing with Chapter 1, and Article 1 of the Education Code, and pursuant to the August 27, 1981 decision of the California Supreme Court in California Teachers' Association vs. Riles, no part of the funds appropriated herein shall be used to provide instructional materials for nonpublic schools or students.

6100-191-001—For local assistance, Department of Education, Staff Development (20.50) 12,736,000

Provisions:

1. Funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund for direct disbursement by the Department of Education, in lieu of the amount which would otherwise be appropriated for staff development and resource centers pursuant to subdivisions (a) and (b) of Section 74 of Chapter 894, Statutes of 1977, for the purpose of making allowances pursuant to Article 1 (commencing with Section 44670), Article 2 (commencing with Section 44680) of Chapter 3.1 of Part 25, and Article 10 (commencing with Section 44630) of Chapter 3 of Part 25 and Article 4 (commencing with Section 52180) of Chapter 7 of Part 28 of the Education Code according to the following schedule:

(a) School Personnel Staff Development (20.50.010)	8,848,000
(b) Teacher Education/Computer Centers (20.50.020)	6,403,000
(c) Bilingual Teacher Training Centers (20.50.020)	735,000
(d) Instruction Development and Exemplary Programs (20.50.030)	3,100,000
(e) Unallocated reduction	−6,350,000

2. The $4 reimbursement rate specified in Section 2, Chapter 966, Statutes of 1977, shall be increased to four dollars and sixty-two cents ($4.62) for the purpose of allocating funds scheduled in Category (a).

3. Funds appropriated in this item for staff development activities shall aid teachers and site administrators across the curriculum, including support for science, mathematics, computer education, reading, writing, the humanities, and the arts. Funding proposals developed by Teacher Education Centers and local school site councils shall specify what variety of curriculum areas, teachers, and site administrators will be assisted.

   Curriculum-wide staff development other than mathematics and science skills shall be supported in each of 19 regions by funds appropriated in this item through (a) $600,000 of the funds allocated for expanding and extending Teacher Education Centers, and (b) $2,900,000 of the funds allocated for expanding local school site staff development.
4. From funds appropriated in this item for exemplary programs, $1,250,000 shall be allocated for replication of the Demonstration Mathematics and Reading Program pursuant to Chapter 4 (commencing with Section 58600) of Part 31 of the Education Code, provided that the funds shall be allocated to local education agencies on an in-kind or otherwise matching basis.
5. Of the funds appropriated in this item for exemplary programs, $880,000 shall be allocated as follows for the purpose of Mathematics, Engineering Science Achievement Program, provided that $440,000 in matching funds are obtained for this program.

(a) Secondary School Programs	220,000
(b) University of California	300,000
(c) California State University.....	360,000

   If less than $440,000 in matching funds are obtained, then the amount allocated for this program shall be reduced to the amount of matching funds provided. The reduction shall be applied pro rata. Upon certification by the program of available matching funds, the Superintendent of Public Instruction shall transfer the amount specified for secondary school programs to the Mathematics, Engineering Science Achievement Program and shall transfer the amounts specified for the University of California and California State University to the respective institutions for expenditure in the Mathematics, Engineering Science Achieve-

ment Program.

6. Notwithstanding any other provision of this item, the Superintendent of Public Instruction shall adjust the amounts specified in schedules (a) through (d), inclusive, of Provision 1, and the amounts specified in Provisions 2 through 5, inclusive, to reflect the unallocated reduction specified in schedule (e) of Provision 1. The adjustment shall be approved by the Director of Finance and reported to the Chairperson of the Joint Legislative Budget Committee and to the chairpersons and vice-chairpersons of the fiscal committees not more than 90 days following enactment of this act.

6100-196-001—For local assistance, Department of Education, Child Development (30.10) 248,546,000

Schedule:

(a) 30.10.010 Preschool 30,341,000
(b) 30.10.020 Child Care Services 218,205,000

Provisions:

1. Funds appropriated by this item, in category (a), are for apportionment to school districts and other eligible agencies maintaining preschool programs pursuant to Article 7, Chapter 2 (commencing with Section 8235) of Part 6 of the Education Code. Cost-of-living increases provided for in category (m) of Item 6100-226-001 for preschool programs shall be distributed pro rata except as otherwise provided in that item.
2. Funds appropriated by this item in category (b) and $1,957,000 appropriated from the Federal Trust Fund, Item 6100-196-890, are for child development programs, for allocation to school districts and other eligible agencies maintaining children's centers and child care programs pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code according to the following schedule:

(a) General child development programs 180,228,000
(b) Campus children's centers 5,224,000
(c) High-school-age parenting and infant development 4,171,000
(d) Migrant day care 7,613,000
(e) Special allowances for rent 366,000
(f) Special allowances for handicapped 614,000
(g) Alternative payment program 13,647,000
(h) Resource and referral 4,822,000

(i) Transfer from the Federal Trust Fund ..... −1,957,000
(j) Campus child care tax bailout 3,477,000

Funds scheduled in category (a) of this provision for county child care services shall be allocated subject to the requirements of Section 19.07 of this act.

4. Funds appropriated in category (a) of this provision include funds to continue support for child care programs supported in Fiscal Year 1980–81 with Federal Title XX funds.

Funds appropriated in Item 6100-226-001, category (m) for cost-of-living increases for child development programs shall be distributed on a pro rata basis among categories (a) through (h) inclusive, and category (j) of this provision, except as otherwise provided in Item 6100-226-001.

3. Community college districts which levied child development permissive override taxes pursuant to Sections 8329 and 8330 of the Education Code in the 1977–78 fiscal year and received fiscal relief through Chapter 282 of the Statutes of 1979 shall not receive reimbursement for child care services from the superintendent in excess of 75 percent of the average daily enrollment funding standards for campus child care programs. Campus child care programs operated by the University of California, California State University and Colleges, and community colleges that did not levy a permissive override tax in the 1977–78 fiscal year shall receive reimbursement from the superintendent which equals 100 percent of the average daily enrollment funding standards for campus child care programs.
4. The $3,477,000 appropriated by this item for Campus child care tax bailout shall be allocated by the Department of Education on order of the Chancellor of the California Community Colleges. The Chancellor shall order the allocation of these funds to community college districts which levied child care permissive override taxes in 1977–78 pursuant to Sections 8329 and 8330 of the Education Code in an amount equal to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased by any cost-of-living increases

granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child development programs.

5. Child care program funds scheduled for migrant day care services shall, in part, be allocated to agencies for the provision of services within State-funded migrant housing centers, and further for the priority provision of services to the resident children.
6. Notwithstanding any other provision of law, agencies maintaining child care and child development programs in migrant housing centers shall be responsible to the local housing agency contracting with the state, for use of facilities within the migrant housing center.

6100-196-890—For local assistance, Department of Education, Child Development, (30.10) payable from the Federal Trust Fund 1,957,000

6100-201-001—For local assistance, Department of Education, Child Nutrition (30.20) 26,057,000

Provisions:

1. Funds appropriated by this item shall be transferred by the Department of Education for direct disbursement from the State Child Nutrition Fund.
2. Funds appropriated by this item are for transfer to the State Child Nutrition Fund pursuant to Section 41312 of the Education Code for child nutrition programs pursuant to the provisions of Section 41311 and clause (3) of subdivision (a) of Section 41312 of the Education Code; and that claims for reimbursement of meals pursuant to this appropriation shall be submitted by school districts not later than September 30, 1982, to be eligible for reimbursement.
3. Notwithstanding any other provisions of law, funds appropriated by this item shall be available for allocation in accordance with provisions of Section 49536 of the Education Code, except that such allocation shall not be made on the basis of all meals served but shall be made on the basis of the number of meals that are served and which qualify as free or reduced priced meals in accordance with provisions of Sections 49501, 49550, and 49552 of the Education Code.

4. Notwithstanding provisions of Sections 42238(g)(3) and 49536 of the Education Code, the adjustment in 1982–83 to the 1981–82 reimbursement rate for meals for needy pupils shall be limited to the amount provided in this act in lieu of the cost adjustment factor based on the "Food Away from Home Index".

6100-201-890—For local assistance, Department of Education, Child Nutrition, (30.20) payable from the Federal Trust Fund. 296,709,000

6100-206-001—For local assistance, Department of Education, Urban Impact Aid (30.40) 67,103,000

(a) Urban Impact Aid 58,003,000
(b) Urban Impact Aid—Meade Aid .. 9,100,000

6100-211-001—For local assistance, Department of Education, California State Library-Statewide Library Support and Development (50.20) 5,520,000

Provisions:

1. Funds appropriated by this item are for allocation by the California Library Services Board to eligible libraries and library systems pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code according to the following schedule:

(a) System Reference 1,404,000
(b) Transactions 2,596,000
(c) Consolidations and Affiliations..... 50,000
(d) Statewide Data Base 487,000
(e) Systems Advisory Boards..... 35,000
(f) Systems Communications and Delivery 948,000

6100-211-890—For local assistance, Department of Education, California State Library 50, Statewide Library Support and Development, payable from the Federal Trust Fund 5,216,000

6100-216-001—For local assistance, for Department of Education, Program 60—Legislative Mandates, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, State Controller 13,668,000

Schedule:

(a) 60.15-Jury Duty for Teachers—Chapter 593/75..... 1,452,000
(b) 60.20-Collective Bargaining—Chapter 961/75 8,794,000
(c) 60.25.010-Dismissal Evaluations—Chapter 1216/75..... 1,000
(d) 60.25.020-Administrators Transferred to Teaching—Chapter 973/77..... 1,000

(e) 60.30.010-Pupil Disciplinary Procedures—Chapter 1253/75 1,000
(f) 60.30.020-Pupil Disciplinary Procedures—Chapter 965/77 244,000
(g) 60.45.010-Pupil Basic Skills—Chapter 894/77..... 746,000
(h) 60.45.020-Pupil Basic Skills—Chapter 1333/80..... 1,000,000
(i) 60.50-Immunization Records—Chapter 1176/77..... 943,000
(j) 60.60-Scoliosis Screening—Chapter 1347/80 486,000

Provisions:

1. Allocations shall be made by the State Controller in accordance with the provisions of each statute which mandates the reimbursement of such costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 2231 of the Revenue and Taxation Code.

6100-221-890—For local assistance, Department of Education, pursuant to Chapter 2 of the Education Consolidation and Improvement Act (ECIA), for allocation in accordance with the final report of the Governor's ECIA Chapter 2 Advisory Committee, as approved on April 16, 1982, federal education block grant (70), payable from the Federal Trust Fund 35,435,000

Provisions:

1. $200,000 of the funds appropriated by this item shall be allocated as a grant by the Superintendent of Public Instruction to a private, nonprofit foundation for the purpose of conducting a program on youth and the administration of justice in at least 15 school districts. These funds shall be allocated in four equal installments during the 1982–83 fiscal year on September 1, December 1, February 1, and May 1.

6100-226-001—For local assistance, Department of Education, for transfer to Item 6100-101-001, for the purposes of subdivision (K) of Section 42238 of the Education Code 86,400,000

Provisions:

1. Notwithstanding any other provision of law or of this act, there shall be no cost-of-living increase or inflation adjustment provided during the 1982–83 fiscal year for K–12 education programs.

6100-301-680—For Capital Outlay, Department of Education, Office of Surplus Property, payable from the Surplus Property Revolving Fund..... 42,000
Schedule:
(a) Minor Capital Outlay, Test Kitchen, Office of Surplus Property..... 42,000

6100-490—Reappropriation, Department of Education. Notwithstanding any other provision of law, on the effective date of this act, the specified balances of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations and any additional purposes provided in this section, and shall be available for expenditure until June 30, 1983:

001—General Fund

(1) Section 70, Chapter 894, Statutes of 1977, the undisbursed balance for the independent evaluation of the School Improvement Program, the undisbursed balance.

(2) Section 23.4, Chapter 798, Statutes of 1980, the unallocated or unexpended balances, for the purposes specified in Sections 8277.1 to 8277.7, inclusive, of the Education Code, relating to the renovation and repair of child care facilities to insure compliance with state and local health and safety standards, and acquisition and lease of relocatable facilities.

(3) Item 610-101-001 (c) (1) Budget Act of 1981, the undisbursed balance, for the performance of evaluations of Demonstration Programs in Reading and Mathematics.

(4) Item 610-001-001 (b) Budget Act of 1981, $85,000 for the purposes specified in Section 52164.1 of the Education Code, relating to bilingual census procedures.

(5) Item 352 (c) Budget Act of 1980, the undisbursed balance, for the independent evaluation of the Gifted and Talented Program.

6100-495—Reversion, Department of Education. Notwithstanding any provisions of law, as of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

(1) Chapter 510, Statutes of 1980, Item 332, Compensatory Programs—Demonstration Programs and Staff Development.

(2) Chapter 798, Statutes of 1980, Section 23, Child Care and Development Services, provided that the amount reverted shall be $338,000.
(3) Chapter 282, Statutes of 1979, Section 1B, Vocational Education.
(4) Chapter 99, Statutes of 1981, Item 310-490(6), Special Education Independent Evaluations, Originally reappropriated from Chapter 797, Statutes of 1980.
(5) Of the amount reappropriated pursuant to Provision 2 of Item 6100-490, $500,000 is hereby appropriated to the Controller for transfer to the unappropriated balance of the General Fund.

6300-101-001—For transfer to the State Teachers' Retirement Fund for the State Teachers' Retirement System, in lieu of the appropriations provided for in Sections 23401 and 23402 of the Education Code, and in lieu of the reimbursement to local entities, in accordance with Subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the state-mandated costs pursuant to Chapter 89, Statutes of 1954, Chapter 1036, Statutes of 1979, and Chapter 1286, Statutes of 1980 235,491,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, funds appropriated by this item shall first apply to the payment of claims for the employer costs of unused sick leave credits pursuant to the provisions of Chapter 89, Statutes of 1974.
2. Notwithstanding any other provisions of law to the contrary, the State Teachers' Retirement System shall not bill school districts for increased employer costs as a result of Chapter 89, Statutes of 1974.

6320-001-001—For support of the California Advisory Council on Vocational Education and Technical Training 25,000

Schedule:

(a) 100000-Personal Services	173,000
(b) 300000-Operating Expenses and Equipment	60,000
(c) Amounts payable from the Vocational Education Federal Fund (Item 6320-001-887)	−208,000

6320-001-887—For support of the California Advisory Council on Vocational Education and Technical Training, to be transferred to Item 6320-001-001, payable from the Vocational Education Federal Fund 208,000

Provisions:

1. The funds appropriated from the Vocational Education Federal Fund are available for support after transfer from the Federal Trust Fund.

6330-001-890—For support of the California Occupational Information Coordinating Committee payable from the Federal Trust Fund 43,000

(a) 100000-Personal Services 53,000
(b) 300000-Operating Expenses and Equipment 40,000
(c) Reimbursements ..... −50,000

6350-495—Reversion, School Facilities Aid Program. Notwithstanding any other provisions of law, as of July 1, 1982, 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:

001—General Fund

(1) Section 11(a)(1) of Chapter 207 of the Statutes of 1982, for transfer to the State School Building Lease-Purchase Fund.

6360-001-407—For support of Commission for Teacher Preparation and Licensing, payable from the Teacher Credentials Fund 4,028,000

Schedule:

(a) 100000-Personal Services 2,821,000
(b) 300000-Operating Expenses and Equipment 1,207,000

Provisions:

1. The provisions applicable to Item 9840-001-494 shall not apply to the authorization of a deficiency for the purpose of funding professional standards review for the Commission for Teacher Preparation and Licensing, and the Director of Finance may authorize a deficiency expenditure for that purpose pursuant to Section 11006 of the Government Code, except that any authorizations for additional expenditures shall be subject to Section 28 of this act.

6420-001-001—For support of California Postsecondary Education Commission 2,532,000

Schedule:

(a) 100000-Personal Services 1,886,000
(b) 300000-Operating Expenses and Equipment 655,000

(c) Reimbursements ..... −6,000
(d) Amount payable from the Federal Trust Fund (Item 6420-001-890) .. −3,000

6420-001-890—For support of California Postsecondary Education Commission, to be transferred to Item 6420-001-001, payable from the Federal Trust Fund 3,000

6420-495—Reversion. California Postsecondary Education Commission, as of June 30, 1982, 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.

758—Contingent Fund of the Board of Medical Quality Assurance

(1) Section 3(a), Chapter 1212, Statutes of 1980.

6440-001-001—For support of University of California 1,144,609,000
Schedule:
(a) Support 1,136,086,000
(e) Undergraduate Teaching Excellence 1,782,000
(f) Planning of a Medical Education Program in the Fresno-San Joaquin Valley Region 106,000
(g) Medical Education Program—Berkeley 1,131,000
(h) Biomedical Education Program—Riverside 1,026,000
(i) Charles Drew Medical Program .. 3,738,000
(j) Podiatry Program 740,000

Provisions:

1. The appropriations from these funds are exempt from Section 31 of this act.
2. None of the funds appropriated may be expended to initiate major capital outlay projects, either by contract or lease-purchase agreement, without prior legislative approval, except for cogeneration and energy conservation projects. Exempted projects shall be reported under the provisions of Section 28 of this act.
3. The funds appropriated by schedule (i) are for support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew Postgraduate Medical School, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973.

4. The University of California shall ensure by adequate controls that funds appropriated by schedule (i) are expended solely for the support of such programs.
5. The funds appropriated by schedule (j) are for support of a program of basic and clinical health science education and primary health care delivery research in the field of podiatry, University of California, to be conducted in conjunction with the California College of Podiatric medicine as provided for in Sections 1 and 4, inclusive, of Chapter 1497, Statutes of 1974.
6. Of the amount in schedule (a), $2,570,514 shall be available for expenditure only for support of the Northern and Southern Occupational Health Centers as established by a contract entered into with the Department of Industrial Relations pursuant to Section 50.8 of the Labor Code.
7. Of the amount in Schedule (a), $1,000,000 shall be available for expenditure only to promote research and education in the areas of engineering, computer sciences and related basic sciences.
8. $2,000,000 of the amount in Schedule (a) shall be available only for microelectronics research, and shall be expended subject to the oversight and policy direction of a committee, to be appointed by the president of the university and to consist of equal numbers of state government, university, and electronics or semiconductor, or both, industry representatives, for the purposes of advancing appropriate research and graduate education in microelectronics research, including innovative research in microelectronics technology, its applications in computer and information sciences, and its necessary antecedents in other physical science disciplines.

   The expenditure of the $2,000,000 available for microelectronic research shall also be subject to the following conditions:

   (1) The university may utilize no more than $100,000 of the $2,000,000 for administrative and related costs.
   (2) The university may utilize no more than $200,000 of the $2,000,000 as support for graduate student education and related professional teaching support.
   (3) To the extent possible, expenditures subject

to the limits in paragraphs (1) and (2) shall be reimbursed through the joint research projects specified in paragraph (4).

(4) The balance of the appropriation shall be used to fund industry/academic joint research projects for the policy purposes noted above, on a project-by-project basis, with a one-to-one match in total from the $2,000,000 and an industry contribution respectively.

9. It is the intent of the Legislature that the Regents reduce General Fund support for the General Counsel of the Regents from 75 percent to 50 percent.
10. It is the intent of the Legislature that the Regents reduce General Fund support for the Secretary of the Regents from 75 percent to 50 percent.
11. It is the intent of the Legislature that the Regents eliminate all General Fund support for patent administration and that the Regents support that operation from the Patent Fund.
12. It is the intent of the Legislature that the Regents eliminate all General Fund support for gifts and endowments administration and that the Regents support that operation from the Endowment Fund and other private funds.
13. It is the intent of the Legislature that the Regents eliminate all General Fund support for contract and grant administration and that the Regents support that operation from federal overhead funds.
14. It is the intent of the Legislature that the Regents eliminate all General Fund support for development and alumni relations and that the Regents support those operations from other funds under the control of the Regents or private funds.
15. It is the intent of the Legislature that the Regents reduce the Systemwide Personnel Office from 13.5 full-time employees to 8.5 full-time employees to bring the office more in line with the number of systemwide employees.
16. It is the intent of the Legislature that the Regents reduce campus executive management positions (chancellors, vice chancellors, and community relations only) by 10 percent.

17. It is the intent of the Legislature that the Regency eliminate library workload funding increases for reference and circulation staff associated with enrollment increases and that the Regents direct the library staff to absorb the workload increase.
18. It is the intent of the Legislature that the Regents increase application fees from $25 to $30.

6440-001-046—For support of University of California, Institute of Transportation Studies, payable from the Transportation Planning and Development Account, State Transportation Fund 873,000

6440-001-140—For support of University of California, Agroecology Program, payable from the California Environmental License Plate Fund 211,000

6440-001-144—For support of University of California, Research in Mosquito Control, payable from the California Water Fund 100,000

6440-001-146—For support of University of California, payable from the Capital Outlay Fund for Public Higher Education 16,729,000

Schedule:

(a) Replacement of Instructional Equipment	11,647,000
(b) Deferred Maintenance and Special Repair Projects	5,082,000

Provisions:

The funds appropriated by schedule (b), notwithstanding the provisions of Section 2 of this act, shall be available for expenditure until June 30, 1984.

6440-001-189—For support of University of California, payable from the Energy Account, Energy and Resources Fund 694,000

Schedule:

(a) Energy Institute	165,000
(b) Utilities Conservation	283,000
(c) Institute of Appropriate Technology	246,000

Provisions:

1. Of the funds appropriated by schedule (a), no expenditure may be made unless the University contributes $100,000 to the program from funds not appropriated by this act.

6440-301-140—For capital outlay, University of California, payable from the California Environmental License Plate Fund 106,000

Schedule:
Santa Cruz Campus:
(1) Minor capital outlay Agroecology Program 106,000

6440-301-146—For capital outlay, University of California, payable from the Capital Outlay Fund for Public Higher Education 14,628,000
Schedule:
Universitywide:
(2) Minor capital outlay 1,709,000
Davis Health Sciences:
(4) Annual payment toward the purchase of Sacramento Medical Center 200,000
Irvine Campus:
(7) Construct social ecology building 4,037,000
Santa Cruz Campus:
(8) Equip animal quarters addition.... 70,000
Davis Campus:
(9) Preliminary plans and working drawings for food and agricultural sciences building 2,307,000
Berkeley Campus:
(12) Partial preliminary plans for life sciences building addition..... 550,000
Santa Barbara Campus:
(13) Preliminary plans for engineering unit 2..... 426,000
Santa Cruz Campus:
(14) Working drawings and construct Thimann laboratories building alterations..... 340,000
Santa Cruz Campus:
(15) Working drawings and construct completion of remaining areas of applied sciences building basement 401,000
Berkeley Campus:
(22) Working drawings California Administrative Code deficiencies, high-rise fire and life safety 38,000
San Francisco Health Sciences:
(24) Working drawings for California Administrative Code deficiencies —elevators (fire, seismic and handicapped) 85,000
Los Angeles Health Sciences:
(28) Construct Drew/UCLA program, medical education center .. 4,465,000

Provisions:

2. Provided, that withdrawals shall be as required to meet current obligations as certified by the University of California for projects scheduled in this item.
3. Provided, that notwithstanding the provisions of Section 2 of this act, the appropriations made in this item for equipment items shall be available for expenditure only during the 1982–83 and 1983–84 fiscal years.
4. The funds appropriated for the Davis Campus, Food and Agricultural Sciences Building, in this item shall be allocated by the State Public Works Board and the Department of Finance in accordance with the schedule and expenditure plan developed by the university using the "Early Delivery System" design and construction technique. The proposed procedures shall provide adequate information at the completion of the preliminary planning to justify future funding requirements for this project. Any future funding request for this project shall be based on the costs and schedules developed through the Early Delivery System procedures without regard to the base construction cost index established for projects budgeted in the 1983–84 Governor's Budget. The Early Delivery System implementation phase shall be developed with sufficient cost control procedures so that any funds appropriated for this project shall not require augmentation by administrative action pursuant to Section 16352 of the Government Code. The University shall submit a report on a quarterly basis to the Department of Finance and the Joint Legislative Budget Committee on the progress of the Early Delivery System. The report shall include the most recent information on the anticipated project cost and implementation schedule.

6440-301-189—For capital outlay, University of California, payable from the Energy Account, Energy and Resources Fund 354,000

Schedule.

Berkeley Campus:

(5) Working drawings and construct campus energy conservation, air recirculation 269,000

(6) Preliminary plans and working drawings for campus energy conservation, variable-speed fans, step 1 85,000

Provisions:

1. Upon completion of working drawings for the projects funded in this item, the University of California shall submit to the Department of Finance and the Joint Legislative Budget Committee a certification by the design engineer that the projects as designed will provide appropriate air quality in building spaces affected by these projects in accordance with all applicable codes and standards.

6440-301-718—For capital outlay, University of California, payable from the Health Sciences Facilities Construction Program Fund 506,000

Schedule:

Irvine Health Sciences:

(1) Equip UC Irvine Medical Center library module 79,000

Davis Health Sciences:

(2) Equip veterinary medicine expansion: San Joaquin Valley clinical facility 427,000

3. Funds appropriated in this item shall be released only for those programs as contemplated by the Health Sciences Facilities Construction Program Bond Act of 1971.

6440-301-942—For capital outlay, University of California, payable from the Special Deposit Fund, Department of Energy Consent Order Proceeds Account 1,059,000

Schedule:

Davis Campus:

(1) Construct natural gas service, electrical cogeneration facility..... 455,000

San Francisco Health Sciences:

(2) Working drawings and construct campus cogeneration project..... 604,000

6440-495—Reversion, University of California As of June 30, 1982, 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:

146—Capital Outlay Fund for Public Higher Education

(.5) Item 644-301-146 (1), Budget Act of 1981. Project programming and preliminary plans —Universitywide.

(1) Item 644-301-146 (5), Budget Act of 1981. Preliminary plans and working drawings for southern regional library compact shelving facility—Universitywide.
(2) Item 644-301-146 (9), Budget Act of 1981. Construct social ecology building—Irvine.
(5) Item 644-301-146 (12), Budget Act of 1981. Construct Cory Hall, utilities systems and handicapped improvements—Berkeley.
(6) Item 644-301-146 (14), Budget Act of 1981. Preliminary plans for Food and Agriculture Sciences Building I—Davis.
(7) Item 644-301-146 (16), Budget Act of 1981. Working drawings, construct and equip nematode isolation and quarantine facility—Riverside.
(8) Item 644-301-146 (18), Budget Act of 1981. Working drawings and construct organic chemistry laboratory conversion—Irvine.
(9) Item 644-301-146 (19), Budget Act of 1981. Construct California Administrative Code deficiencies (handicapped), step 2—Berkeley.
(10) Item 644-301-146 (20), Budget Act of 1981. Construct California Administrative deficiencies (handicapped), step 1—San Diego.
(11) Item 644-301-146 (21), Budget Act of 1981. Working drawings and construct California Administrative Code deficiencies (handicapped), step 2—Davis.
(12) Item 644-301-146 (22), Budget Act of 1981. Working drawings and construct handicapped access alterations, step 1—Riverside.
(13) Item 644-301-146 (23), Budget Act of 1981. Working drawings and construct California Administrative Code deficiencies (handicapped), step 2—Santa Cruz.
(14) Item 644-301-146 (24), Budget Act of 1981. Working drawings and construct California Administrative Code deficiencies, elevators, step 2—Berkeley.
(15) Item 644-301-146 (29), Budget Act of 1981. Working drawings and construct natural gas service, electrical cogeneration facility—Davis.
(16) Item 644-301-146 (31), Budget Act of 1981. Working drawings and construct SIO seawall extension, step 2—San Diego.

(17) Item 644-301-146 (32), Budget Act of 1981. Construct Drew/UCLA undergraduate medical education program facilities, completion of (psychiatric and clinical science) building, Martin Luther King, Jr., County General Hospital—Los Angeles.

(18) Item 644-301-146 (33), Budget Act of 1981. Construct Medical Education Center.

189—Energy Account, Energy and Resources Fund.

(1) Item 644-301-189 (1), Budget Act of 1981. Preliminary plans for gas turbine generator—Berkeley.

(2) Item 644-301-189 (2), Budget Act of 1981. Preliminary plans for combustion turbine cogeneration system—San Diego.

(3) Item 644-301-189 (4), Budget Act of 1981. Preliminary plans for energy cogeneration facility—Los Angeles.

6600-001-001—For support of Hastings College of Law 7,175,000

Schedule:

(a) 100000-Personal Services	7,491,000
(b) 300000-Operating Expenses and Equipment	2,942,000
(c) Reimbursements	−2,456,000
(d) Amount payable from the Federal Trust Fund (Item 6600-001-890)	−802,000

6600-001-890—For support of Hastings College of Law, to be transferred to Item 6600-001-001, amount payable from the Federal Trust Fund 802,000

6610-001-001—For support of Trustees of the California State University and the California State University 956,783,453

Schedule:

(a) 01-Instruction	655,959,426
(b) 03-Public Service	770,000
(c) 04-Academic Support	121,507,850
(d) 05-Student Service	86,981,966
(e) 06-Institutional Support	261,590,363
(f) 07-Independent Operations	48,957,000
(h) Reimbursements	−218,153,812
(i) 97.20-Unidentified Reductions	−1,116,340
(j) 97.10-Unallocated	287,000

Provisions:

1. The funds appropriated in this item may be reallocated upon order of the Trustees of the California State University subject to being reported to the Department of Finance; provided that no instructional faculty positions authorized for the 1982–83 fiscal year shall be used for administra-

tion, administrative assistance, department chairmanships, or noninstructional research.

2. No portion of the funds appropriated in this item for instructionally related activities may be expended for intercollegiate athletics.
3. Reimbursements in excess of the amount budgeted for nonresident tuition in this item, program 01, Instruction, 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; and, that expenditures from such reimbursement shall not be authorized sooner than 30 days after notification of such approval in writing has been delivered to the chairman of the legislative fiscal committees, or such lesser time as the chairmen of such committees, or their designee, may in each instance determine.
4. The funds appropriated in category (j) shall be available for the new chancellor to allocate as she or he deems appropriate.
5. Reductions to campus administrative positions may not disproportionately affect affirmative action positions and the proportional representation in those positions during the 1981–82 fiscal year shall not be reduced.
6. Of the amount in Schedule (a), $2,250,000 shall be available only for expenditures to promote education in engineering, computer science, and related fields.

6610-001-146—For support of Trustees of the California State University and the California State University payable from the Capital Outlay Fund for Public Higher Education 9,820,000

Schedule:

(a) 01-Instruction (replacement of instructional equipment) 4,368,000
(b) 06-Institutional Support (deferred maintenance and special repair projects) 5,452,000

Provisions:

1. Notwithstanding the provisions of Section 2.00 of this act, the funds appropriated by Category (b) shall be available for expenditure until June 30, 1984.

6610-001-890—For support of Trustees of the California State University and the California State University for Student Service Program 05, payable from the Federal Trust Fund 46,960,000

6610-011-001—For support of Trustees of the California State University and the California State University, in addition to and in augmentation of Item 6610-001-001, to provide financial aid to California State University students..... 3,400,000

Provisions:

1. The funds appropriated in this item shall be used to provide financial aid to needy students according to the nationally accepted needs analysis methodology.

6610-301-146—For capital outlay, Trustees of the California State University and the California State University, payable from the Capital Outlay Fund for Public Higher Education 14,736,000

Schedule:

Systemwide—Trustees of the California State University:

(1)	06.48.312—Architectural and engineering planning and studies.....	150,000
(2)	06.48.313—Preliminary planning, 1983–84 projects	50,000
(3)	06.48.315—Minor Capital Outlay ..	1,581,000
	State University, Fullerton:	
(6)	06.62.064-Construct modifications to Letters and Science Bldg. to meet Fire Marshal requirements	189,000
	Humboldt State University:	
(7)	06.67.062-Working drawings and construct remodeling to Engineering Bldg. (Van Matre Hall) ..	660,000
	Humboldt State University:	
(8)	06.67.063-Preliminary planning and working drawings to stabilize Founders Hall slope	28,000
	State University, Long Beach:	
(9)	06.71.079-Construct modifications to existing elevators to meet safety codes.....	225,000
	San Diego State University:	
(11)	06.80.093—Working drawings for Old Library rehabilitation.....	114,000

(12) 06.80 092-Equipment Library/ Media Center and classrooms—Calexico	149,000
San Francisco State University:	
(13) 06.84 057-Working drawings for modification of nine academic bldgs. to meet fire code requirements	48,000
San Jose State University:	
(14) 06.86 073-Construct modifications to bookstore for computer center	609,000
State Polytechnic University–Pomona:	
(15) 06.98.080-Construct faculty office building	3,570,000
Moss Landing Marine Laboratories:	
(16) 06.86.074-Construct addition and remodel marine laboratory	2,568,000
State University, Hayward:	
(26) 06.64.060-Working drawings for modifications to the fine arts laboratory ventilation system	10,000
State University, Long Beach:	
(27) 06.71.080-Working drawings for modifications to existing elevators to meet safety code requirements	10,000
San Jose State University:	
(29) 06.86.076-Preliminary plans and working drawings for site preparation for data processing center	18,000
State University, Northridge:	
(30) 06.82.055-Construct faculty office addition	2,628,000
State University, Sacramento:	
(33) 06.76.074-Working drawings and construct remodel Fish and Game Building for nursing	57,000

Fresno State University:
(34) 06.56.000-Construction for dairy relocation 1,784,000

Polytechnic State University, San Luis Obispo:
(35) 06.96.000-Working drawings for Engineering South Building 288,000

Provisions:
1. With the exception of Schedules (1), (2), (3) and (12), these projects are subject to the prior approval of the State Public Works Board.
2. A maximum of $25,000 of the funds appropriated in Schedule (1) shall be available for expenditure for the development of technical studies and engineering studies of energy conservation projects for possible inclusion in subsequent budgets. The funds appropriated in Schedule (2) 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 1983–84 Governor's Budget, except that a maximum of $30,000 shall be available for expenditure on July 1, 1982, for utility and site development of major capital outlay projects.
3. Notwithstanding the provisions of Section 2.00 of this act, the appropriations made for equipment items shall be available for expenditure only during the 1982–83 and 1983–84 fiscal years.
4. Withdrawals shall be as required to meet current obligations as certified by the Trustees of the California State University.

6610-301-189—For capital outlay, Trustees of California State University and the California State University, payable from the Energy Account, Energy and Resources Fund 1,865,000

Schedule:
(2) 06.48.318-Preliminary planning for feasibility studies of cogeneration, energy management, and other energy projects 25,000
(5) 06.62.065—State University, Fullerton:
Preliminary plans for energy management system 15,000
(7) 06.64.061-State University, Hayward:
Preliminary plans for energy management system 33,000

(9) 06.98.082-State Polytechnic University, Pomona:
Preliminary planning and working drawings energy management system 22,000
(11) 06.96.082-Polytechnic State University, San Luis Obispo:
Preliminary planning and working drawings for energy management system 14,000
(12) 06.80.094-San Diego State University:
Construct cogeneration plant, Phase III 1,756,000

6610-301-942—For capital outlay, Trustees of California State University and the California State University, payable from the Special Deposit Fund, D.O.E. Consent Order Proceeds Account 2,202,000
Schedule:
(3) 06.48.320-Systemwide-Preliminary planning, working drawings, construction, and equipment 1,000,000
(4) 06.48.321-Systemwide-Preliminary planning, working drawings, construction, and equipment 1,202,000
Provisions:
1. Notwithstanding the provisions of Section 2 of this act, the appropriations made for equipment items shall be available for expenditure only during the 1982–83 and 1983–84 fiscal years.

6610-495—Reversion, California State University. Notwithstanding any other provisions of law, as of June 30, 1982, the unencumbered balance or specific amounts of the appropriations provided in the following citations, shall revert to the unappropriated surplus of the fund from which the appropriation was made.
146—Capital Outlay Fund for Public Higher Education
Chapter 99, Statutes of 1981, Item 661.301.146—
State University, Chico:
(4) Working drawings and construct removal of architectural barriers to the physically handicapped
State University, Hayward:
(5) Working drawings for removal of architectural barriers to the physically handicapped

Humboldt State University:
(6) Working drawings and construct removal of architectural barriers to the physically handicapped
San Jose State University:
(7) Working drawings and partial construction for removal of architectural barriers to the physically handicapped
Polytechnic State University, San Luis Obispo:
(8) Working drawings and construct removal of architectural barriers to the physically handicapped
State University, Los Angeles:
(8.1) Working drawings and construct modifications to existing elevators to remove architectural barriers to the physically handicapped
State University, Hayward:
(9) Working drawings for modifications to the fine arts laboratory ventilation system
State University, Long Beach:
(14) Working drawings for modifications to existing elevators to meet safety code requirements
State University, Fullerton:
(15) Working drawings for modifications to the letters and science building to meet Fire Marshal requirements
San Jose State University:
(22.1) Preliminary plans and working drawings for site preparation for data processing center
State University, Northridge:
(23) Construct faculty office addition
Systemwide—Trustees of the California State University:
(25) Preliminary plans, working drawings and construct energy conservation retrofits
San Diego State University:
(26) Working drawings and construct cogeneration plant, phase 2, provided that $1,587,000 shall be reverted for this project

State University, Sacramento:
(29.1) Working drawings and construct remodel Fish and Game Building for nursing

6860-001-001—For support of California Maritime Academy 3,451,140
Schedule:
(a) 100000-Personal Services 3,712,000
(b) 300000-Operating Expenses and Equipment 2,669,000
(c) Reimbursements ..... −2,079,860
(d) Amount payable from the Federal Trust Fund (Item 6860-001-890) .. −673,000
(e) Amount payable from the Capital Outlay Fund for Public Higher Education (Item 6860-001-146) .... −177,000
Provisions:
1. The Department of Finance shall reduce the funds appropriated in this item by the amount of federal funds received in 1982–83 for the purchase of fuel oil.

6860-001-146—For support of California Maritime Academy, to be transferred to Item 6860-001-001, payable from the Capital Outlay Fund for Public Higher Education 177,000

6860-001-890—For support of California Maritime Academy, to be transferred to Item 6860-001-001, payable from the Federal Trust Fund..... 673,000
Provisions:
1. The Department of Finance shall increase the funds appropriated in this item by the amount of federal funds received in 1982–83 for the purchase of fuel oil.

6860-301-146—For capital outlay, California Maritime Academy, payable from the Capital Outlay Fund for Public Higher Education 10,000
Schedule:
(2) Preliminary plans, working drawings and construct energy conservation projects 10,000

6860-495—Reversion, California Maritime Academy. Notwithstanding any other provisions of law, as of June 30, 1982, 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:

146—Capital Outlay Fund for Public Higher Education

(1) Chapter 99, Statutes of 1981, Item 686-301-146(2), Budget Act of 1981—Preliminary plans, working drawings and construct Arcade for Marine Engineering Training Facility

6870-001-001—For support of Board of Governors of the California Community Colleges 3,550,000

Schedule:

(a) 100000-Personal Services 4,804,000
(b) 300000-Operating Expenses and Equipment 1,662,000
(c) Reimbursements ..... −2,026,000
(d) Amount payable from Community College Fund for Instructional Improvement ..... −5,000
(e) Amount payable from the Community College Credentials Fund, Item 6870-001-165 ..... −711,000
(f) Amount payable from Federal Trust Fund, Item 6870-001-890 ..... −74,000
(g) 97.20-Unallocated reduction ..... −100,000

Provisions:

1. Of the appropriation in this item, a total of $40,000 shall be transferred to the Community College Fund for Instructional Improvement for the purpose of State operations.

6870-001-165—For support of Board of Governors of the California Community Colleges, to be transferred to Item 6870-001-001, payable from the Community College Credentials Fund 711,000

Provisions:

1. Subject to the conditions of Article 4 (commencing with Section 87271) of Chapter 2 of Part 51 of the Education Code, and based on increases in credential applications, Item 6870-001-165 may be increased subject to the approval of the Department of Finance and notification of the Joint Legislative Budget Committee in accordance with the provisions of Section 28 of this act.

6870-001-890—For support of Board of Governors of the California Community Colleges for transfer to Item 6870-001-001, schedule (f), payable from the Federal Trust Fund 74,000

6870-101-001—For local assistance, Board of Governors of the California Community Colleges 1,064,326,000

Schedule:

(a) 10-Apportionments 1,039,032,000

(b) 20.10.010-Community College Extended Opportunity Programs and Services	24,466,000
(c) 20.20.020-Partial Financing of the Academic Senate for the Community Colleges	68,000
(d) 20.30.020-Instructional Improvement, for Transfer to the Community College fund for Instructional Improvement	760,000
(e) 20.30.030-Vocational Education Special Projects	4,000,000
(f) 20.40.020-Deferred Maintenance	6,000,000
(g) Amount payable from the Capital Outlay Fund for Public Higher Education, Item 6870-101-146	−6,000,000
(h) Reimbursements	−4,000,000

Provisions:

1. The funds appropriated in Schedule (b) are for transfer by the State Controller during the 1982–83 fiscal year to Section B of the State School Fund for activities conducted under the provisions of Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code; that the Board of Governors shall designate funds on a priority basis and to local programs on the basis of need for student services and financial aid; and that the 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, not to exceed 75 percent of such appropriated funds prior to February 1, 1983. In addition, the funds appropriated in schedule (b) for purposes of planning and special projects shall be allocated by the Chancellor pursuant to rules and regulations adopted by the Board of Governors.
2. The funds appropriated in Schedule (d) shall be expended only for grants.
3. Of the funds appropriated in Schedule (a):
   a. $1,020,636,000 is scheduled for transfer by the State Controller during the 1982–83 fiscal year to Section B of the State School Fund, in lieu of the amount which otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund for the 1982–83 fiscal year

pursuant to Section 14020 of the Education Code, as needed, in addition to the sums accruing to Section B of the State School Fund from other sources for the purposes specified in this item for apportionment pursuant to Chapter 4.5 of Part 50 of the Education Code.

b. $18,396,000 is for transfer by the State Controller during the 1982–83 fiscal year to Section B of the State School Fund, in lieu of the amount which otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund for the 1982–83 fiscal year pursuant to Section 14020 of the Education Code, for funding the excess direct instructional cost of providing special facilities, special education materials, educational assistance, mobility assistance, transportation, program accountability, and program developmental services for handicapped students enrolled at community colleges.

4. Any amount of state general apportionment aid computed which is credited to a community college district as a result of that district providing instruction to residents residing at state hospitals and which exceeds the actual cost of providing that instruction shall not be apportioned to that district for general aid, but shall be added by the Chancellor to any other appropriations made by this Act to fund the excess direct costs of facilitating the education of handicapped students enrolled at community colleges pursuant to Chapter 275 of Statutes of 1976, as amended. Actual cost shall be determined by the Chancellor of the Community Colleges, after consultation with the Department of Developmental Services and the Department of Finance.

5. Of the amount appropriated in Schedule (a), up to $9,947,000 shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college related and supplemental instruction pursuant to Section 3074 of the Labor Code as provided in Section 8153 of the Education Code.

7. For the 1982–83 fiscal year, in determining community college district general equity factors in accordance with provisions of Section 84608 of the Education Code, subsection (C) (1) (A) shall be inoperative.

8. For the purpose of apportioning funds from Section B of the State School Fund for the 1982–83 fiscal year, all references to the 1981–82 average daily attendance contained in Article 2 (commencing with Section 84605) through Article 4 (commencing with Section 84630), inclusive, of Chapter 4.5, Part 50 of the Education Code, shall be considered to be only that average daily attendance which was funded from Section B of the State School Fund for the 1981–82 fiscal year.
9. Notwithstanding the provisions of Section 84605 of the Education Code, the Chancellor of the California Community Colleges shall establish a schedule for the monthly allocation of funds appropriated by category (a) of this item such that the total of such allocations to be made between July 1, 1982, and February 1, 1983, shall not exceed 60 percent of the level of district annual eligibility as determined through provisions of Section 84620 of the Education Code. Warrants shall be drawn on the State Treasury by the State Controller in favor of the treasurer of each county for the allocations certified by the Chancellor of the California Community Colleges for the period of July through January in accordance with the following schedule: 8 percent of district eligibility shall be allocated in July, 8 percent shall be allocated in August, 12 percent shall be allocated in September, 10 percent shall be allocated in October, 9 percent shall be allocated in November, 5 percent shall be allocated in December, and 8 percent shall be allocated in January. However, upon the demonstrated need of any community college district for increased levels of allocations of state funds based on district expenditure patterns and cash flow needs, the allocation can be increased such that the total of the allocations to be made between July 1, 1982, and February 1, 1983, shall not exceed 70 percent rather than 60 percent. However, before making any allocations excess of 60 percent, the chancellor's office shall obtain the approval of the Department of Finance. The department shall review and approve or deny such requests for additional allocations expeditiously.

10. Upon the enactment of Assembly Bill 2438 of 1982, there shall be transferred by the State Controller from category (a) of Item 6100-101-001 to category (a) of Item 6870-101-001, an amount equal to the amount calculated pursuant to Section 3 of AB 2438 adjusted by the rate provided for cost-of-living adjustments for community college average daily attendance pursuant to provisions of this act.
11. The Board of Governors of the California Community Colleges shall develop policies and guidelines from the options identified below to reduce state apportionments to community college districts by at least $30,000,000 in 1982–83:
    a. Identify those noncredit courses ineligible for state apportionments under Sections 84640.5 and 84641 of the Education Code.
    b. Identify those avocational, recreational, and personal development courses, whether offered for credit or noncredit, that are offered more appropriately as community service classes and should not receive state apportionments.
    c. Identify those adult and community education courses, whether offered for credit or noncredit, which will receive state apportionments at a lower rate of subsidy per ADA.

    On the basis of these policies and guidelines, the chancellor's office shall, for computational purposes, estimate the number of 1981–82 credit and noncredit ADA affected. For the purposes of Section 84620 of the Education Code, the chancellor's office shall subtract this amount of ADA and base revenues associated with that ADA, before performing the computations specified in Sections 84605 to 84609, inclusive, of the Education Code. These reductions shall total at least $30,000,000 in state apportionments and shall not, under any circumstances, be based on a proportionate reduction of apportionments to all community college districts.

    The chancellor shall consult with CPEC during the development and prior to the implementation of the provisions of this item. The chancellor shall report to the Legislature by August 15, 1982, on implementation of this

item.

In addition, CPEC shall submit a report to the Legislature on the implementation of this item by no later than September 15, 1982.

12. Within 90 days of the enactment of this act, the Chancellor of the California Community Colleges shall report to the Department of Finance and the Joint Legislative Budget Committee on the allocation of funds provided in this item for the Investment in People program.

13. Up to $13,380,000, representing 1 percent of the apportionment of each district, may be expended only if the chancellor's office submits 1982–83 statewide data on faculty salaries to the California Postsecondary Education Commission by March 15, 1983. The commission shall notify the Department of Finance by April 1, 1983, if the data data submitted are suitable for the commission's purposes. If the data are not not suitable for the commissions's purposes, the Department of Finance shall certify to the State Controller that this item should be reduced by not later than April 15, 1983. The chancellor's office shall allocate these reductions to any districts which failed to provide the faculty salary data requested by the chancellor's office. The allocation will be made at the rate of 1 percent of the 1982–83 apportionment of the noncomplying districts.

6870-101-146—For local assistance, Board of Governors of the California Community Colleges, to be transferred to Item 6870-101-001, Schedule (f), payable from the Capital Outlay Fund for Public Higher Education 6,000,000

6870-301-146—For capital outlay, Board of Governors of the California Community Colleges, to be allocated, by the Board of Governors of the California Community Colleges to community college districts for expenditure by such districts, as set forth in the schedule below, payable from the Capital Outlay Fund for Public Higher Education..... 9,033,000

Schedule:

Mendocino-Lake Community College District, Mendocino College:	
(1) Working drawings and construct off-site development	1,423,000

	Mendocino College:	
(2)	Working drawings and construct on-site development	1,971,000
	Kern Community College District, Cerro Coso College:	
(3)	Construct occupational laboratory building	3,529,000
	Peralta Community College District, College of Alameda:	
(4)	Working drawings and construct energy conservation conversion	53,000
	Merritt College:	
(5)	Working drawings and construct energy conservation conversion	103,000
	Palomar Community College District, Palomar College:	
(6)	Construct Mission Road improvements	219,000
	Mendocino-Lake Community College District, Mendocino College:	
(7)	Working drawings for library and alternate learning center	66,000
	Los Rios Community College District, American River College:	
(8)	Working drawings, construct and equip electronics laboratory remodel	135,000
	Yosemite Community College District, Modesto Junior College:	
(9)	Construct and equip poultry facility	448,000
	Santa Monica Community College District, Santa Monica College:	
(10)	Equip and remodel vocational building	29,000
	Santa Monica Community College District, Santa Monica College:	
(11)	Equip and remodel old library student activities and science basement	186,000

Long Beach Community College District, Long Beach City College:	
(12) Equip library addition (Liberal Arts Campus)	122,000
Los Rios Community College District, American River College:	
(13) Working drawings and construct removal of architectural barriers to the physically handicapped	50,000
Los Angeles Community College District, Los Angeles City College:	
(14) Construct removal of architectural barriers to the physically handicapped, Phase II	55,000
Los Angeles Community College District, Los Angeles Trade-Technical College:	
(15) Construct removal of architectural barriers to the physically handicapped, Phase II	61,000
Los Angeles Community College District, East Los Angeles College:	
(16) Construct removal of architectural barriers to the physically handicapped, Phase II	29,000
San Bernardino Community College District, Crafton Hills College:	
(17) Working drawings and construct removal of architectural barriers to the physically handicapped	34,000
Ventura Community College District, Oxnard College:	
(18) Working drawings for Occupational Education building	123,000
Chaffey Community College District, Chaffey College:	
(19) Working drawings and construct removal of architectural barriers to the physically handicapped	104,000

Monterey Peninsula Community College District, Monterey Peninsula College:	
(20) Working drawings and construct removal of architectural barriers to the physically handicapped, Phase II	142,000
Cerritos Community College District, Cerritos College:	
(21) Working drawings and construct removal of architectural barriers to the physically handicapped	12,000
Napa Community College District, Napa College:	
(22) Working drawings and construct removal of architectural barriers to the physically handicapped	29,000
Ventura Community College District, Ventura College:	
(23) Working drawings and construct removal of architectural barriers to the physically handicapped	78,000
Systemwide:	
(24) Project planning and preliminary plans	32,000

Provisions:

1. Notwithstanding the provisions of Section 2 of this Act, the appropriations made in this Item for the equipment items shall be available for expenditure only during the 1982–83 and 1983–84 fiscal years.
2. The funds appropriated by category (24) 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 1983–84 Governor's Budget. Provided further, that the funds released shall not exceed the state's matching share requirement as determined by either: (a) Section 81838 of the Education Code, for those districts which are able to fund their matching share requirement as determined by Section 81838 or (b) the Office of the Chancellor of the California Community Colleges, for those districts which are unable to fund their matching share require-

ment as determined by Section 81838 of the Education Code. The State's matching share requirements shall be determined by the district's ability to fund the major capital outlay project as determined by the Office of the Chancellor of the California Community Colleges. Provided further, that, with the exception of category (24), these items shall be subject to the prior approval of the State Public Works Board.

COMMUNITY COLLEGE CONSTRUCTION BOND ACT PROGRAM

6870-301-736—For capital outlay, Board of Governors of the California Community Colleges, to be allocated, by the Board of Governors of the California Community Colleges to Community College districts as set forth in the schedule below, payable from the State Construction Program Fund 494,000

Schedule:

Sierra Joint Community College District, Sierra College:

(1) Working drawings and construct energy conservation measure 179,000

San Mateo Community College District, College of San Mateo:

(2) Working drawings and construct energy conservation 183,000

Butte Community College District, Butte College:

(3) Working drawings and construct removal of architectural barriers to the physically handicapped, Phase II 42,000

Southwestern Community College District, Southwestern College:

(4) Working drawings and construct removal of architectural barriers to the physically handicapped 2,000

Grossmont Community College District, Cuyamaca College:

(5) Working drawings and construct removal of architectural barriers to the physically handicapped 14,000

Antelope Valley Community College District, Antelope Valley College:

(6) Working drawings and construct removal of architectural barriers to the physically handicapped, Phase IV 16,000

Santa Barbara Community College District, Santa Barbara College:

(7) Working drawings and construct removal of architectural barriers to the physically handicapped, Phase II 58,000

Provisions:

1. These funds or so much thereof as may be necessary, are hereby appropriated for expenditures only for programs which have been approved pursuant to the provisions of the Community College Construction Act of 1980 (Chapter 4 (commencing with Section 81800) of Part 49 of the Education Code) as contemplated by the Community College Construction Program Bond Act of 1972 (Sections 1 to 10, inclusive, of Chapter 937 of the Statutes of 1971). All such appropriations shall be paid out of the State Construction Program Fund.

6870-495—Reversion, Board of Governors of the California Community Colleges. As of June 30, 1982, 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:

146—Capital Outlay Fund for Public Higher Education

(1) Item 687-301-146(1) Budget Act of 1981. Palomar Community College District, Palomar College: Construct Mission Road improvements.

(2) Item 687-301-146(3) Budget Act of 1981. Butte Community College District, Butte College: Working drawings and construct sanitary sewer oxidation pond.

(3) Item 687-301-146(16) Budget Act of 1981. Los Angeles Community College District, East Los Angeles College: Construct removal of architectural bariers to the physically handicapped —Phase II.

(4) Item 687-301-146(17) Budget Act of 1981. Los Angeles Community College District, Los Angeles City College: Construct removal of architectural barriers to the physically handicapped—Phase II.

(5) Item 687-301-146(19) Budget Act of 1981. Los Angeles Community College District, Los Angeles Trade Technical College: Construct removal of architectural barriers to the physically handicapped—Phase II.

(6) Item 687-301-146(23) Budget Act of 1981. Peralta Community College District, Merritt College: Construct removal of architectural barriers to the physically handicapped—Phase II.

(6A) Item 687-301-146(30) Budget Act of 1981. Santa Monica Community College District, Santa Monica College: Equip, remodel vocational building.

(6B) Item 687-301-146(33) Budget Act of 1981. Santa Monica Community College District, Santa Monica College: Equip, remodel old library, student activities, and science basement.

(6C) Item 687-301-146(34) Budget Act of 1981. Long Beach Community College District, Long Beach College: Equip library addition (Liberal Arts Campus).

(6D) Item 687-301-146(35) Budget Act of 1981. Los Angeles Community College District, East Los Angeles College: Equip, remodel existing library.

(7) Item 687-301-146(36) Budget Act of 1981. Peralta Community College District, Merritt College: Working drawings and construct energy-conservation conversion.

(8) Item 687-301-146(37) Budget Act of 1981. College of Alameda: Working drawings and construct energy-conservation conversion.

(9) Item 687-301-146(38) Budget Act of 1981. Mendocino Community College District, Mendocino College: Working drawings and construct off-site development.

(10) Item 687-301-146(39) Budget Act of 1981. Mendocino College: Working drawings and construct on-site development.

(11) Item 687-301-146(40) Budget Act of 1981. Mendocino College: Working drawings for library and alternate learning center.

(12) Item 687-301-146(42) Budget Act of 1981. Kern Community College District, Cerro Coso College: Construct occupational laboratory building.

(13) Item 687-301-146(48) Budget Act of 1981. Community College Systemwide: Project planning and preliminary planning.

7980-001-001—For support of the Student Aid Commission 82,369,000

Schedule:

(a) 100000-Personal Services	3,600,000
(b) 300000-Operating Expenses and Equipment	9,664,000
(c) Scholarships (Cal Grant (a))	57,050,000
(d) College Opportunity Grants (Cal Grant (b))	24,831,000
(e) Occupational Education and Training Grants (Cal Grant (c))	2,655,000
(f) Fellowships for Graduate Study....	2,548,000
(g) Dependents of Deceased or Disabled Peace Officers Grants.....	14,000
(h) Bilingual Teacher Grants	2,497,000
(i) Amount payable from the Federal Trust Fund (Item 7980-001-890) ..	—11,800,000
(j) Amount payable from the State Guaranteed Loan Reserve Fund (Item 7980-001-951).....	—8,690,000

Provisions:

1. Funds appropriated in categories (c) through (e) are for awards in the Cal Grant Program under provisions of Article 3 (commencing with Section 69530), of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, Student Aid Commission.
2. The funds appropriated in categories (f) through (h) are for grant awards and graduate fellowship awards under provisions of Article 2 (commencing with Section 52150) of Chapter 7 of Part 28 of the Education Code and under provisions of Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, and for scholarship awards under provisions of Section 4709 of the Labor Code, Student Aid Commission.

3. Upon order of the Director of Finance, the State Controller shall transfer funds as necessary between categories (c) through (h) to accommodate program changes, not sooner than 30 days after written notification by the Director of Finance of the necessity therefor to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.
4. If federal trust funds for the 1982–83 fiscal year exceed budgeted levels, the funds appropriated shall, to the extent allowable by law, be reduced on a dollar-per-dollar basis.

7980-001-890—For support of the Student Aid Commission, to be transferred to Item 7980-001-001, payable from the Federal Trust Fund 11,800,000

7980-001-951—For support of the Student Aid Commission, to be transferred to Item 7980-001-001, payable from the State Guaranteed Loan Reserve Fund 8,690,000

Provisions:

1. The funds appropriated in this item are for the following:
   a. Guaranteed Student Loan Program 62,000
   b. State Guaranteed Student Loan Program, for purposes of Chapter 1201, Statutes of 1977..... 8,628,000
2. Notwithstanding the provisions of Item 9840-001-988, the Director of Finance may authorize deficiencies pursuant to Section 11006 of the Government Code from funds appropriated from the State Guaranteed Loan Reserve Fund pursuant to Section 69766 of the Education Code.

8100-001-001—For support of the Office of Criminal Justice Planning..... 2,399,000

Schedule:

(a) 100000-Personal Services	1,723,000
(b) 300000-Operating Expenses and Equipment	1,611,000
(c) Amount payable from the Indemnity Fund (Item 8100-001-214)	−414,000
(d) Amount payable from the Federal Trust Fund (Item 8100-001-890) ..	−521,000

Provisions:

1. The amount of $33,000 for support costs of the California Community Crime Resistance Program shall be available for expenditure if, and only if, the Legislature enacts a statute which reappropriates this amount and amends or repeals Section 3 of Chapter 578 of the Statutes of 1978 to extend the operative date of Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code to June 30, 1983, or beyond.
2. $21,000 of the amount appropriated in category (a) and $37,000 of the amount appropriated in category (b) for the California Commission on Crime Control and Violence Prevention shall be available for expenditure only upon the enactment of legislation which modifies or repeals the provisions of Section 14101 of the Penal Code which provide for the expiration of the commission on January 1, 1983.

8100-001-214—For support of the Office of Criminal Justice Planning, to be transferred to Item 8100-001-001 payable from the Indemnity Fund 414,000

Provisions:

1. The funds appropriated in this item are for administrative costs incurred pursuant to subdivision (d) of Section 13967 of the Government Code and Sections 13836–13837 of the Penal Code.

8100-001-890—For support of the Office of Criminal Justice Planning, state agencies grant, to be transferred to Item 8100-001-001 payable from the Federal Trust Fund 521,000

Provisions:

1. The funds appropriated in this item are for support, Office of Criminal Justice Planning (state agencies grant), payable from federal funds.

Provisions:

1. The amount of $33,000 for support costs of the California Community Crime Resistance Program shall be available for expenditure if, and only if, the Legislature enacts a statute which reappropriates this amount and amends or repeals Section 3 of Chapter 578 of the Statutes of 1978 to extend the operative date of Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code to June 30, 1983, or beyond.

8100-011-890—For support of the Office of Criminal Justice Planning, allocation of federal grants, amount payable from Federal Trust Fund 3,844,000

8100-101-001—For local assistance, Office of Criminal Justice Planning 7,612,000

(a) 50.50—California Community Crime Resistance Program, to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code 1,250,000

(b) 50.20—California Career Criminal Apprehension Program 2,500,000

(c) 50.10—California Career Criminal Prosecution Program to be allocated pursuant to Chapter 2.3 (commencing with Section 999b) of Title 6 of Part 2 of the Penal Code 3,862,000

Provisions:

1. $625,000 of the amount appropriated in Schedule (a) for the California Community Crime Resistance Program shall be available for expenditure only upon reappropriation in legislation which modifies or repeals Section 3 of Chapter 578 of the Statutes of 1978.
2. $1,250,000 of the amount appropriated in Schedule (b) for the California Career Criminal Apprehension Program shall be available for expenditure only upon reappropriation in legislation which modifies or repeals Section 3 of Chapter 1167 of the Statutes of 1978.
3. The funds approriated in schedules (a) and (b) shall be available for expenditure for a reasonable phase-out period of time beyond the sunset dates of these two programs provided the funds were obligated prior to the sunset date and the programs are not reauthorized.
4. The amount appropriated in schedule (c) shall only be awarded to local governmental entities which provide a minimum 10 percent local cash match for the State General Fund amount allocated.
5. Notwithstanding Section 2 of this act, the amounts appropriated in this Item shall be available for expenditure until June 30, 1985.

8100-101-214—For local assistance, Office of Criminal Justice Planning, Victim/Witness Centers Program, payable from the Indemnity Fund 6,320,000

(a) 50.30—Victim/Witness Centers Program, to be allocated pursuant to Section 13967 of the Government Code 5,200,000

(b) 50.40.010—Rape victim counseling centers 870,000
(c) 50.40.020—Child Sexual Exploitation Counseling Center Program 250,000

Provisions:

1. The amount payable from the Indemnity Fund shall be pursuant to Section 13967 of the Government Code.
2. The local Victims/Witness Assistance Programs including those previously funded with LEAA or other federal, state, or local funds, may not receive Indemnity Funds unless they comply with State Statutory and, administrative requirements.
3. The amounts of $2,200,000 of the funds appropriated in schedule (a) and $250,000 of the funds appropriated in schedules (b) and (c) shall be available for expenditure only upon certification by the Director of Finance that sufficient funds are available in the Indemnity Fund to finance such expenditures. Provided further, that none of the funds shall be expended 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 that such lesser time as the Chairperson of the Committee or his/her designee may in each instance determine.
4. Notwithstanding Section 2 of this act, the amounts appropriated in this item shall be available for expenditure until June 30, 1985.

8100-101-890—For local assistance, Office of Criminal Justice Planning, payable from the Federal Trust Fund 10,758,000

8100-495—Reversion, Office of Criminal Justice Planning. Notwithstanding any other provisions of law, as of June 30, 1982, $325,000 of the unencumbered balances of the appropriations provided in Item 360 of the Budget Act of 1977, Item 408 of the Budget Act of 1979, and Item 458 of the Budget Act of 1980 shall revert to the unappropriated surplus of the General Fund.

8120-001-268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund..... 4,162,000

Schedule:

(a) 10-Standards 2,217,000
(b) 20-Training 1,945,000
(c) 30.01-Administration 2,121,000

(d) 30.02-Distributed Administration —2,121,000

8120-101-268—For local assistance, Commission on Peace Officer Standards and Training, Program 40, 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, payable from the Peace Officers' Training Fund 15,412,000

Provisions:

1. An amount not to exceed $933,000 of the funds appropriated in this item may be transferred to Item 8120-001-268 by the Director of Finance for payment of employee compensation increases, subject to the provisions of Item 9800-001-494, for augmentation for price increases, subject to the provisions of Item 9820-001-494, and for emergencies or contingencies, subject to the provisions of Item 9840-001-494.

8140-001-001—For support of Office of the State Public Defender, Program 10 7,677,000

8160-101-001—For local assistance, Assistance to Counties for Defense of Indigents, Program 10, for payment by the Office of Local Assistance, Department of General Services 775,000

Provisions:

1. The funds appropriated in this item are for contributions to counties for providing legal assistance to indigents in accordance with Section 987.6 of the Penal Code.

8160-111-001—For local assistance, Assistance to Counties for Defense of Indigents, State Controller 1,000,000

Provisions:

1. The funds appropriated in this item are 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, and 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.

8170-101-001—For local assistance, Subvention for Guardianship/Conservatorship Proceedings, State Controller 3,250,000

Provisions:

1. The funds appropriated are 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, and 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.

8180-101-001—For local assistance, Payment to Counties for Costs of Homicide Trials for payment by the State Controller 238,000

Provisions:

1. This item is for payment to counties for cost of homicide trials pursuant to Sections 15201 to 15203, inclusive, of the Government Code, Department of Finance provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.

8180-490—Reappropriation, Payments to Counties for Costs of Homicide Trials. 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, 1983:

001—General Fund

(1) Item 818-101-001, Budget Act 1981.

8190-001-001—For the payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions supported from the General Fund, for expenditure by the Department of Justice, subject to approval of the Department of Finance in its discretion 600,000

Provisions:

1. There is hereby appropriated from each fund, other than the General Fund, an amount sufficient for payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state

agencies, departments, boards, bureaus or commissions, arising from activities supported from such fund; provided, that no expenditure from any such appropriation from a fund other than the General Fund for payment of tort liability claims, settlements, compromises and judgments shall be made unless approved by the Department of Finance in its discretion; 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.

8190-495—Reversion, Administration and Payment of Tort Liability Claims. As of June 30, 1981, the unencumbered balance of the appropriation provided by Chapter 1225, Statutes of 1980, shall revert to the unappropriated surplus of the Motor Vehicle Account, State Transportation Fund.

8200-001-001—For support of Commission for Economic Development 336,000

Schedule:

(a) 100000-Personal Services	199,000
(b) 300000-Operating Expenses and Equipment	142,000
(c) Reimbursements	−5,000

Provisions:

1. The commission shall work with the Department of Economic and Business Development and the advisory council to the department to avoid duplication of effort.

8220-001-942—For support of the Motion Picture Council, payable from Motion Picture Council Account, Special Deposit Fund 208,000

Schedule:

(a) 100000-Personal Services	115,000
(b) 300000-Operating Expenses and Equipment	93,000

Provisions

1. The Motion Picture Council shall not expend more than the amount of fee revenue collected.

8260-001-001—For support of the California Arts Council 9,301,000

Schedule:

(a) 10-Cultural Participation Programs	1,966,000
(b) 20-Organizational Grants	6,208,000
(c) 30-Direct Support and Training for Artists	114,000
(d) 40-Statewide Projects	1,029,000

(e) 50.01-Administration 1,815,000
(f) 50.02-Distributed Administration .. −1,815,000
(g) Reimbursements ..... −16,000
Provisions:
1. Funds appropriated in category (b) for the local organization development, expanding public participation, and support to prominent organizations program elements shall not be expended unless the grant recipient provides a dollar for dollar cash match; provided, that for grants to individual artists no matching funds shall be required.

8260-001-890—For support of the California Arts Council payable from the Federal Trust Fund 845,000
Schedule:
(a) 10-Cultural Participation Programs 160,000
(b) 20-Organizational Grants 622,000
(c) 30-Direct Support and Training for Artists 2,000
(d) 40-Statewide Projects 61,000
Provisions:
1. Any organization applying for a grant under the support to prominent organizations element of the organizational grants program may not receive a grant under either the local organization development element or the expanding public participation element of the organizational grants program.
2. Any organization applying for a grant under either the local organization development element or the expanding public participation element of the organizational grants program may not receive a grant under the support to prominent organizations element of the organizational grants program.
3. Funds appropriated in category (b) for the local organization development, expanding public participation, and support to prominent organizations program elements shall not be expended unless the grant recipient provides a dollar for dollar cash match; provided, that for grants to individual artists no matching funds shall be required.

8260-101-001—For local assistance State/Local Partnership grants, Program 40—Statewide Projects, California Arts Council 863,000

8280-001-001—For support of Native American Heritage Commission 182,000

Schedule:
(a) 100000-Personal Services 114,000
(b) 300000-Operating Expenses and Equipment 68,000
Provisions:
1. The Native American Heritage Commission is phased out over the period of fiscal years 1981–82 through 1984–85.

8290-001-001—For transfer by the State Controller from the General Fund to the California Public Broadcasting Fund for support of the California Public Broadcasting Commission 2,066,000
Provisions:
1. Of the funds appropriated by this item, $368,984 shall be for a grant to California Public Radio for public and government affairs coverage.
2. Of the funds appropriated by this item, $340,000 shall be for grants for the Local Programming Fund, to be distributed as follows:
   a. $30,000 shall be earmarked for minority-controlled public radio stations.
   b. $213,000 shall be earmarked for the 12 public television stations.
   c. $97,000 shall be earmarked for all of the 25 public radio stations.
3. Of the funds appropriated by this item, $90,000 shall be for the Staff Development Fellowship Program specified in Program 40.
4. Of the funds appropriated by this item, $16,000 shall be for a one-time grant to KPOO in San Francisco for rehabilitation of its new headquarters building.
5. Of the funds appropriated by this item for administrative services, $24,000 shall be used for a report on the uses of cable television by consumers and community service groups.

8290-001-140—For support of the California Public Broadcasting Commission, to be transferred to Item 8290-001-907, payable from the California Environmental License Plate Fund 350,000

8290-001-907—For support of the California Public Broadcasting Commission, payable from the California Public Broadcasting Fund 2,066,000
Schedule:
(a) 100000-Personal Services 336,000
(b) 300000-Operating Expenses and Equipment 287,000
(c) Special Items of Expense 103,000
(d) Grants to Public Broadcasting Stations 1,666,000

(dx) Special Item of Expense, Report on Consumer and Community Service Uses of Cable, Public Education, and Government 24,000
(e) Amount payable from California Environmental License Plate Fund (Item 8290-001-140) ..... −350,000

Provisions:

1. Notwithstanding the provisions of Section 8836 of the Government Code, funds made available under schedule (d) are to be allocated by the California Public Broadcasting Commission without a required reserve for local community broadcast operations.
2. Of the amount appropriated by schedule (d), $204,929 shall not be expended on the construction of ground to satellite transmitters unless and until federal funds and/or private funds are received to provide the remaining costs to fully support the construction.

8300-001-001—For support of Agricultural Labor Relations Board 9,205,000

Schedule:

(a) 10-Board Administration 3,682,000
(b) 20-General Counsel Administration 5,523,000
(c) 30.01-Administrative Services 688,000
(d) 30.02-Distributed Administrative Services ..... −688,000

8320-001-001—For support of Public Employment Relations Board 4,773,000

Schedule:

(a) 100000-Personal Services 3,773,000
(b) 300000-Operating Expenses and Equipment 925,000
(c) Factfinding (EERA) 75,000

8320-490—Reappropriation, Public Employment Relations Board. 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, 1983:

General Fund

(1) Item 375, Budget Act of 1979, for support, provided that on the effective date of this act, the unencumbered balance shall be available for transfer to Item 832-001-001 of this act.

Provisions:

1. None of the funds reappropriated by category (1) for transfer to Item 8320-001-001 shall be transferred to Item 8320-001-001 unless and until authorized in writing by the Department of Finance.

8350-001-001—For support of Department of Industrial Relations 73,306,000

Schedule:

(a) 10-Regulation of Workers' Compensation Self-Insurance Plans.....	1,104,000
(b) 20-Conciliation of Employer-Employee Disputes	1,503,000
(c) 30-Preventing, Settling, Adjudicating and Administrating Disputes under Workers' Compensation Laws	34,629,000
(d) 40-The Prevention of Industrial Injuries and Deaths of California Workers	16,311,000
(e) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication	18,118,000
(f) 60-Promotion, Development and Administration of Apprenticeship and other on-the-job training.....	6,039,000
(g) 70-Labor Force Research and Data Dissemination.....	2,070,000
(h) 94.01-Administration.....	8,671,000
(i) 94.02-Distributed Administration ..	−8,651,000
(j) Reimbursements.....	−2,816,000
(k) 97.20-Unallocated reduction	−3,672,000

Provisions:

1. The amount appropriated by Item 8350-001-001 for the Cal-OSHA program shall be reduced by the Director of Finance by the amount of any additional federal funds made available for the purpose of this item.
2. The fees collected by the department to register and regulate garment manufacturers pursuant to Chapter 633, Statutes of 1980, and to license and regulate athlete's agents as authorized by Chapter 929, Statutes of 1981, are hereby appropriated for expenditure as a portion of the reimbursements in schedule (j). In no event shall the department be authorized to expend more than the fees collected in each program, or a max-

imum of $310,000 for the garment manufacturers' activity and a total of $127,000 for the athlete's agents' activity.

3. The State Controller shall, to the extent funds are available therefor, transfer $202,000 from the Industrial Relations Construction Industry Enforcement Fund to the General Fund by April 1, 1983, for repayment of moneys appropriated by Item 8350-001-001 from the General Fund for enforcement of Sections 226.2 and 1021 of the Labor Code.

4. (a) Travel budget funds shall be allocated by each quarter of the fiscal year.

(b) An audit shall be carried out following each quarter. Starting with the third quarter of the fiscal year, release of quarterly travel funds shall be based on the department's performance in managing the prior quarterly allocation, as reflected by the audits, and as determined by the Department of Finance.

8350-001-216—For support of Department of Industrial Relations, Program 50, Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication, Payable from the Industrial Relations Construction Industry Enforcement Fund 488,000

8350-001-452—For support of Department of Industrial Relations, Program 40, The Prevention of Industrial Injuries and Deaths of California Workers, payable from the Elevator Safety Inspection Account, General Fund 2,085,000

8350-001-453—For support of Department of Industrial Relations, Program 40, The Prevention of Industrial Injuries and Deaths of California Workers, payable from the Pressure Vessel Inspection Account, General Fund 3,027,000

8350-001-890—For support of Department of Industrial Relations payable from the Federal Trust Fund .. 17,178,000

Schedule:

(a) 40-The Prevention of Industrial Injuries and Death to California Workers	16,109,000
(b) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, Conditions of Employment, and Licensing and Adjudication	254,000

(c) 60-Promotion, Development and Administration of Apprenticeship and other on-the-job training..... 164,000
(d) 70-Labor Force Research and Data Dissemination..... 651,000

8350-101-001—For local assistance, Department of Industrial Relations, Program 90, 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, 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, State Controller 2,000,000

8370-001-001—For support of the Uninsured Employers fund..... 5,619,000
Schedule:
(a) 100000—Personal Services..... 550,000
(b) 300000—Operating Expense and Equipment 147,000
(c) 500000—Payment of Claims 4,922,000

8380-001-001—For support of the Department of Personnel Administration 2,945,000
Schedule:
(a) 100000-Personal Services 3,552,000
(b) 300000-Operating Expenses and Equipment 1,421,000
(c) Reimbursements ..... −1,705,000
(d) Amount payable from the Deferred Compensation Plan Fund (Item 8380-001-915)..... −323,000
Provisions:
1. Where housing is a term or condition of employment, the rental rate for the housing shall not exceed 25 percent of the employee's gross salaries and wages, or whatever lesser amount the Department of Personnel Administration determines to be equitable in view of the employee's particular employment situation.
2. $156,032 of the funds appropriated for category (a) of this item is for 4.6 analyst positions and one clerical position which positions shall be used to conduct compensation surveys and to research and prepare other data needed by the employer to conduct negotiations and by the

Legislature to evaluate negotiated compensation increases. These surveys shall include trends in collective bargaining. In addition, the Department of Personnel Administration shall submit to the Legislature upon the request of the chairperson of the committee in each house which considers appropriations or the chairperson of the Joint Legislative Budget Committee, or his or her designee, calculations of specific percentage differences in salaries between state civil service employees and nonstate employees, unless the information pertains to civil service classes represented by an exclusive bargaining agent under the provisions of the State Employer-Employee Relations Act and a memorandum of understanding has not yet been submitted to the Legislature for approval; however, information relative to those classes shall be released by the Department of Personnel Administration and submitted to the Legislature, upon request as herein specified, immediately following the time a memorandum of understanding affecting those classes is submitted to the Legislature.

8380-001-915—For support of the Department of Personnel Administration, to be transferred to Item 8380-001-001, payable from the Deferred Compensation Plan Fund 323,000

8450-001-001—For support, to the Department of Industrial Relations for the Workers' Compensation Benefit Program, for payment of the additional compensation for subsequent injury provided for by Sections 4750 through 4755 of the Labor Code 2,878,000

Provisions:

1. That this item shall not be construed as a limitation on expenditures provided by Section 4706.5 of the Labor Code.
2. 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.
3. At the end of fiscal year 1982–83, 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.
4. 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.

8460-101-001—For local assistance, Disaster Service Workers 365,000

Provisions:

1. This item is for furnishing of workers' compensation to disaster service workers and their dependents, in accordance with the provisions of Section 3201 through 6002 of the Labor Code, including the reimbursing of the State Compensation Insurance Fund for the cost of services as adjusting agent, Governor's Office, Office of Emergency Services. The State Compensation Insurance Fund may draw from the State Treasury out of the appropriation made by this item, without at the time presenting vouchers and itemized statements, any portion of the appropriation contained in this item, to be used as a cash revolving fund. Expenditures made from the revolving fund in payment of claims for workers' compensation and adjusting services are excepted from the operation of Section 925.6 of the Government Code. Reimbursement of the revolving fund for such expenditures shall be made upon presentation to the State Controller of an abstract or statement of such expenditures. Such abstract or statement shall be in such form as the State Controller requires.

8500-001-152—For support of Board of Chiropractic Examiners, Program 10, payable from the State Board of Chiropractic Examiners Fund..... 446,000

8510-001-264—For support of Board of Osteopathic Examiners of the State of California, Program 10, payable from the Contingency Fund of the Board of Osteopathic Examiners 252,000

Provisions:

1. The Board of Osteopathic Examiners shall reduce its activities as necessary so that the expenditures of the board do not exceed its revenues.
2. Funds expended for general counsel services shall not exceed the amount equivalent to a half-time general counsel position salary.
3. The board shall not obtain any additional General Fund moneys.

8530-001-290—For support of Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, Program 10, payable from the Board of Pilot Commissioners' Special Fund 75,000

8550-001-191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund 697,000

Schedule:

(a) 100000-Personal Services	1,024,500
(b) 300000-Operating Expenses and Equipment	259,000
(c) Special item of expense	825,000
(d) Reimbursements	−535,000
(e) Amount payable from the California Standardbred Sires Stakes Fund Account, Special Deposit Fund pursuant to the Business and Professions Code, Section 19619(e)	−850,000
(f) Amount payable from the Racetrack Security Account, Special Deposit Fund, (Item 8550-001-942)	−26,500

Provisions:

1. Of the amounts appropriated by this item and Item 8550-006-191 in category (b), $10,000 shall be made available only if occupational license fees are increased to cover the full cost of fingerprint applications and $62,500 is appropriated solely for the purpose of reimbursing the Office of the Attorney General for the cost of services rendered by that office and the unexpended balance, if any, shall revert to the General Fund.

8550-001-942—For support of the California Horse Racing Board, to be transferred to Item 8550-001-191, payable from the Racetrack Security Account, Special Deposit Fund 26,500

8550-006-191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund 697,000

Schedule:

(a) 100000-Personal services	1,024,500
(b) 300000-Operating expenses	259,000
(c) Special item of expense	825,000
(d) Reimbursements	−535,000
(e) Amount payable from the California Standardbred Sires Stakes Fund Account, Special Deposit Fund, pursuant to subdivision (e) of Section 19619 of the Business and Professions Code	−850,000
(f) Amount payable from the Racetrack Security Account, Special Deposit Fund (Item 8550-006-942)	−26,500

Provisions:

1. No funds from this appropriation shall be expended prior to January 1, 1983.

2. Any expenditure of funds from this appropriation is subject to the provisions of Section 28.00.
3. The California Horse Racing Board shall present documentation to the Department of Finance that it has taken all recommended steps to improve its fiscal management procedures prior to the Department of Finance proceeding pursuant to Section 28.00. If funds are made available pursuant to this item, the funds shall be transferred to Item 8550-001-191.

8550-006-942—For support of the California Horse Racing Board, to be transferred to Item 8550-006-191, payable from the Racetrack Security Account, Special Deposit Fund 26,500

8550-011-942—Notwithstanding Section 19641(b)(1) of the Business and Professions Code, there is hereby transferred to the General Fund the unencumbered balance of the Racetrack Security Account, Special Deposit Fund, as of June 30, 1983 ..... (1,247,000)

8560-001-001—For support of California 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 1,433,000

(a) 100000-Personal services 4,011,000
(b) 300000-Operating expenses and equipment 5,287,000
(c) Payment of interest and principal on revenue bonds 1,130,000
(d) Operating revenues payable from Item 8560-011-001 ..... −8,550,000
(e) Amount payable from the Fair and Exposition Fund ..... −265,000
(f) Reimbursements ..... −180,000

Provisions:

1. 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.

8560-011-001—For support of the California Exposition and State Fair, to be transferred to Item 8560-001-001 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 California Exposition and State Fair 8,550,000

8560-301-036—For minor capital outlay, California Exposition and State Fair payable from the Special Account for Capital Outlay, General Fund 150,000

8570-001-001—For support of Department of Food and Agriculture 36,804,872

Scheduled:

(a)	10-Pesticide Regulatory Program	6,544,594
(b)	20-Plant Pest and Disease Prevention	17,287,672
(c)	25-Animal Pest and Disease Prevention/Inspection Services	6,965,430
(d)	30-Agricultural Mkting. Svcs	3,494,976
(e)	40.10-Food and Agricultural Stds. & Insp. Svcs	1,580,129
(f)	50-Measurement Stds.	1,735,071
(h)	70.01-Exec. Mgmt and Admin Svcs	8,944,118
(i)	70.02-Distributed Exec. Mgmt and Admin. Svcs.	−7,849,118
(j)	Reimbursements	−1,898,000

8570-001-111—For support of Department of Food and Agriculture, payable from the Agricultural Fund 25,385,799

Schedule:

(a)	10-Pesticide Regulatory Program	3,892,000
(b)	20-Plant Pest and Disease Prevention	6,486,799
(c)	25-Animal Pest and Disease Prevention	1,419,000
(d)	30-Agricultural Marketing Services	5,629,000
(e)	40.10-Food and Agricultural Standards and Inspection Services	6,211,000
(f)	50-Measurement Standards	1,736,000
(g)	70.01-Administration	310,000
(h)	Amount payable from Food and Agricultural Code, Section 224(1)	−298,000

8570-001-140—For support of Department of Food and Agriculture, payable from the California Environmental License Plate Fund 1,071,000

Schedule:

(a)	Program 10-Pesticide Regulatory Program	121,000
(b)	Program 20-Plant Pest and Disease Prevention	850,000
(c)	Program 70.01-Executive Management and Administrative Services	100,000

Provisions:

1. Funds appropriated in schedule (b) for the Gene Resources Project are subject to all of the following:
   (a) State travel expense claims shall be submitted to the Department of Food and Agriculture on a monthly basis to substantiate travel expenditures.
   (b) All proposed equipment purchases shall be submitted to the department for approval.
   (c) The members of the Gene Resources Project Advisory Committee shall be appointed by the Director of Food and Agriculture. The advisory committee shall meet no less than once every two months. The advisory committee shall make recommendations to the director concerning the implementation of the contract.

8570-001-190—For support of Department of Food and Agriculture, payable from the Resources Account, Energy and Resources Fund 2,628,298
Schedule:
(a) 20-Agriculture Plant Pest and Disease Prevention 1,229,300
(b) 25-Animal Pest and Disease Prevention/Inspection Svcs..... 1,398,998

8570-001-191—For support of Department of Food and Agriculture, payable from the Fair and Exposition Fund 904,000
(a) Program 60—Financial and Administrative Assistance to Local Fairs 1,181,000
(b) Reimbursements ..... −277,000

8570-001-890—For support of Department of Food and Agriculture, payable from the Federal Trust Fund 1,874,000
Schedule:
(a) 10-Pesticide Regulatory Program 550,000
(b) 20-Plant Pest and Disease Prevention 378,000
(c) 25-Animal Pest and Disease Prevention/Inspection Svcs..... 271,000
(d) 30-Agricultural Marketing Services 204,000
(e) 40.10-Food and Agricultural Standards and Inspection Services 435,000
(f) 50-Measurement Standards 36,000

8570-101-001—For local assistance, Department of Food and Agriculture 8,403,597
Schedule:
(a) 10-Pesticide Regulatory Program 2,881,000

(b) 20-Plant Pest and Disease Prevention 5,522,597

8570-101-191—For local assistance, Department of Food and Agriculture, for local fairs' unemployment insurance, Program 60—Financial and Administrative Assistant payable from the Fair and Exposition Fund 400,000

Provisions:

1. The funds in this item are appropriated for the contributions, or the cost of benefits in lieu of contributions, payable from the Fairs and Exposition Fund to the Unemployment Fund by all entities conducting fairs, including county, district, combined county and district, and citrus fruit fairs receiving funds pursuant to Division 8 of the Business and Professions Code, as a result of unemployment insurance coverage pursuant to Section 605 of the Unemployment Insurance Code.
2. Funds appropriated by this item may be used to pay unemployment benefits or insurance costs incurred by local fairs during the 1979–80 fiscal year or any fiscal year thereafter.

8570-111-001—For local assistance, Department of Food and Agriculture, Program 80—General Agricultural Payments 383,000

Provisions:

1. The funds in this item are also available for compensation for services performed for agricultural departments and are to be expended in accordance with the provisions of Sections 2221 to 2224, inclusive, of the Food and Agricultural Code.

8570-301-036—For capital outlay, Department of Food and Agriculture, payable from the Special Account for Capital Outlay 621,000

Schedule:

(a) 90.10-Truckee Inspection Stations, Phase II 245,000
(b) 90.20-Border Stations 376,000

Provisions:

1. None of the funds appropriated in category (b) shall be used for working drawings or construction for a permanent station.

8570-490—Reappropriation, Department of Food and Agriculture. Notwithstanding any other provisions of law, as of June 30, 1982, the unencumbered balance of Item 857-301-036(b), the Budget Act of 1981, is hereby reappropriated, for support, to the Department of Food and Agriculture, in an amount not to exceed $40,000, for California's contribution to the Baja Inspection Station, and shall be available for expenditure until June 30, 1983.

8570-495—Reversion, Department of Food and Agriculture. As of June 30, 1982, the unencumbered balance of the following citation shall revert to the unappropriated surplus of the fund from which the appropriation was made:

036—Special Account for Capital Outlay

(1) Item 8570-301-036(a), Budget Act of 1981—Truckee Inspection Station (Phase II), working drawings and construction.

8640-001-001—For support of the Political Reform Act of 1974 (Proposition 9), the following sums are hereby appropriated to the following agencies and officers for the administration, investigation and regulation of the political campaigns, officials, and lobbyists 1,756,000

Schedule:

(a) 10-Secretary of State	540,000
(b) 20-Franchise Tax Board	988,000
(c) 30-Attorney General	238,000
(d) 40-Fair Political Practices Commission	(1,900,000)
(e) Reimbursements	−10,000

Provisions:

1. The funds appropriated in the following schedules are to be transferred by the State Controller as listed below:
   Schedule (a) transferred to Item 0890-001-001
   Schedule (b) transferred to Item 1730-001-001
   Schedule (c) transferred to Item 0820-001-001

8660-001-001—For support of Public Utilities Commission 17,168,000

Provisions:

1. If legislation is enacted during the 1981–82 Regular Session authorizing the Public Utilities Commission to impose fees on regulated utilities to offset support costs for the commission, then on the effective date of the legislation, the unencumbered balance of the funds appropriation by this item, which is determined by the Depart-

ment of Finance to be offset by the additional fees, shall be transferred to the General Fund and the State Controller shall transfer from Items 8630-001-461 and 8660-001-462 to the General Fund amounts as determined by the Department of Finance to reimburse expenditures from this item for support of the Public Utilities Commission.

8660-001-019—For support of the Public Utilities Commission, to be transferred to Item 8660-001-001, payable from the State Energy Resources Conservation and Development Special Account, General Fund 6,737,000

Provisions:

1. If Legislation is enacted during the 1981–82 Regular Session authorizing the Public Utilities Commission to impose fees on regulated utilities to offset support costs for the Commission, then on the effective date of that legislation, the unencumbered balance of the funds appropriated by this item, which is determined by the Department of Finance to be offset by the additional fees, shall be transferred to the General Fund and the State Controller shall transfer from Item 8660-001-462 to the unappropriated surplus of the General Fund the amounts as determined by the Department of Finance to reimburse expenditures from this item for support of the Public Utilities Commission.

8660-001-042—For support of the Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the State Highway Account, State Transportation Fund 285,000

8660-001-046—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Transportation Planning and Development Account, State Transportation Fund 305,000

8660-001-189—For support of the Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Energy Account, Energy and Resources Fund..... 221,000

8660-001-412—For support of Public Utilities Commission, payable from the Transportation Rate Fund 12,784,000

Schedule:

(a)	100000-Personal Services	33,299,000
(b)	300000-Operating Expense and Equipment	7,127,000
(c)	Reimbursements	−2,646,000

(d) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-042) .. —285,000
(e) Amount payable from the Energy Account, Energy and Resources Fund (Item 8660-001-189) ..... —221,000
(f) Amount payable from the Federal Trust Fund (Item 8660-001-890) .. —280,000
(g) Amount payable from the Transportation Planning and Development Account, State Transportation Fund (Item 8660-001-046) ..... —305,000
(h) Amount payable from the Public Utilities Commission Utilities Reimbursement Account (Item 8660-001-462) ..... —19,058,000
(i) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-461) ..... —4,847,000

Provisions:

1. Prior to the establishment of any new positions or the encumbrance of any funds appropriated in this item for increased enforcement of laws governing interstate and foreign highway carriers, the Public Utilities Commission shall increase registration fees by a sufficient amount to ensure that the additional revenue from the registration fee increase will cover the cost of the increased enforcement.
2. No funds appropriated by this item shall be expended in the 1982–83 fiscal year to fund proceedings for the purpose of placing into rates Pacific Gas and Electric Company's Helms Creek hydroelectric pump storage project until the issuance of the final audit report of the Joint Legislative Audit Committee on the Helms Creek project.

8660-001-461—For support of the Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Public Utilities Commission Transportation Reimbursement Account 4,847,000

8660-001-462—For support of the Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Public Utilities Commission Utilities Reimbursement Account 19,058,000

8660-001-890—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Federal Trust Fund 280,000

8710-001-001—For support of State Board of Control .. 517,000
Schedule:
(a) 10.01-Administration 185,000
(b) 10.02-Distributed Administration —185,000
(c) 30-Victims of Crime 2,235,000
(d) 40-Governmental Claims..... 561,000
(e) 50-Local Mandated Costs..... 211,000
(f) 60-Hazardous Substance Claims.... 95,000
(g) Reimbursements ..... —2,585,000
Provisions:
1. The Board of Control shall identify all mandates for which parameters and guidelines have been adopted prior to January 1, 1982, and for which the board expects to receive any significant number of claims in the budget year. In addition, for each of the identified mandates, the Board of Control shall include in the claims bill to be introduced in July 1982 a statewide estimate of costs as provided for by Section 2253.2 of the Revenue and Taxation Code.
2. The Board of Control shall not routinely notify all local agencies and school districts regarding its proceedings. However, for each of its meetings the board shall notify all parties whose claims or proposals are scheduled for consideration and any party requesting notice of such proceedings.
3. The Board of Control shall report to the Joint Legislative Budget Committee within 30 days after the end of each quarter of the fiscal year during which the Victims of Violent Crimes claims backlog increases.

8720-001-214—For support, State Board of Control Program 30, 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, payable from the Indemnity Fund 16,572,000

8720-101-214—For local assistance, State Board of Control Program 30, for costs incurred by local agencies pursuant to the provisions of Chapter 1123, Statutes of 1977, payable from the Indemnity Fund, State Controller 65,000

8730-001-001—For support of Commission on State Finance 513,000

Provisions:

1. The commission shall adopt rules and regulations governing its procedures including, but not limited to, a requirement that no staff report shall be issued publicly unless and until first considered and approved by the commission at a regularly scheduled public meeting.

8740-001-001—For support of the California Information Systems Implementation Committee 58,000

8760-001-001—For support of Commission of the Californias 25,000

Schedule:

(a) 100000-Personal Services	114,000	
(b) 300000-Operating Expenses and Equipment	68,000	
(c) Amount payable from the Federal Trust Fund (Item 8760-001-890) ..	−157,000	

Provisions:

1. Contingent on federal approval, of the amounts appropriated to the Commission of the Californias by this item and Item 8760-001-890, up to $50,000 shall be made available to the California delegation of the Southwest Border Regional Conference for activities related to the Fall 1982 Governor's Conference in Tijuana, Baja California, Mexico.

8760-001-890—For support of Commission of the Californias, to be transferred to Item 8760-001-001, payable from the Federal Trust Fund 157,000

8780-001-001—For support of Commission on California State Government Organization and Economy 303,000

8800-001-001—For support of membership for Council of State Governments 128,000

8820-001-001—For support of Commission on the Status of Women 413,400

Schedule:

(a) 100000-Personal Services	288,400	
(b) 300000-Operating Expenses and Equipment	125,000	

8860-001-001—For support of Department of Finance 12,248,000

Schedule:

(a) 10-Annual Financial Plan.....	6,405,000	
(b) 20-Program and Information System Assessments	4,211,000	
(c) 30-Supportive Data	2,146,000	
(d) 40.01-Administration.....	2,329,000	
(e) 40.02-Distributed Administration..	−2,329,000	
(f) Reimbursements.....	−514,000	

8860-011-001—For support of Department of Finance, Program 30.10, CFIS..... 10,458,000

Schedule:

(a) 30.10.001-CFIS Data Base	1,085,000
(b) 30.10.002-CALSTARS	8,434,000
(c) 30.10.003-Performance Measures	515,000
(d) 30.10.004-Budget Systems	386,000
(e) 30.10.005-Other Fiscal Systems	43,000
(f) Reimbursements	−5,000

Provisions:

1. The funds appropriated by 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 by the Department of Finance.
2. The funds appropriated by this item shall be used for support of activities provided for in Chapter 1284 of the Statutes of 1978.
3. At least 30 days prior to incurring any obligations for software, hardware, facilities, or personnel for a San Francisco distributed processing center, the Department of Finance shall submit a report demonstrating the necessity of the new center to the Assembly Committee on Ways and Means, the Senate Committee on Finance, and the Joint Legislative Budget Committee. This report shall be based on the actual operating experience at the Sacramento distributed processor and shall have been approved by the State Office of Information Technology.
4. Of the funds appropriated for CFIS in Program 30.10.002, $351,000 may be used only for the establishment and operation of a CALSTARS distributed processing center in San Francisco, or for alternate computer and communication resources required to meet the 1982–83 fiscal year CALSTARS distributed processing needs.

8910-001-001—For support of Office of Administrative Law 0

Schedule:

(a) 100000-Personal Services	1,468,702
(b) 300000-Operating Expenses and Equipment	340,298
(c) Reimbursements	−1,809,000

Provisions:

1. The State Controller shall, upon executive order of the Department of Finance, transfer from the various items for support of State agencies with authority to adopt administrative regulations to this item, such sums in such amounts as determined by the Department of Finance.

8940-001-001—For support of Military Department 14,462,000

Schedule:

(a) 10-Army National Guard	10,792,000
(b) 20-Air National Guard	1,638,000
(c) 30.01-Office of the Commanding General	10,474,000
(d) 30.02-Distributed Command Management	−8,603,000
(e) 40-Military Retirement.....	1,303,000
(g) Reimbursements	−1,142,000

Provisions:

1. No expenditures shall be made from this appropriation as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, which in the absence of such expenditure, or of this appropriation, would be available to the Commanding General of the State Military Forces, the California National Guard or the California National Guard Reserve from the federal government.
2. The appropriation for Program 40 shall be for military retirements, in accordance with the provisions of Sections 228 and 256 of the Military and Veterans Code, Military Department.
3. The department shall charge full tuition for all training provided through the California Specialized Training Institute except for the following:
   (a) Officers and employees of the state or any local public entity.
   (b) Other public officers and employees, as designated by the department. No designation made pursuant to this subdivision shall become effective sooner than 30 days after written notification thereof has been provided to the Chairperson of the Joint Legislative Budget Committee, or such lesser time as his or her designee may determine.

8940-001-890—For support of Military Department, payable from the Federal Trust Fund..... 11,581,000

Schedule:

(a) 10-Army National Guard	8,649,000
(b) 20-Air National Guard	2,932,000

8940-301-036—For capital outlay, Military Department payable from Special Account for Capital Outlay 295,000
Schedule:
(a) 70.10-Project planning, working drawings and supervision of construction financed from federal funds 36,000
(c) 70.30-Fresno Aircraft Repair Facility, working drawings 259,000
Provisions:
1. None of the funds appropriated by this item for architectural planning shall be encumbered for any project unless the Military Department has secured adequate written assurance, as determined by the Department of Finance, from the federal government that the construction phase of the project will be funded by federal funds.

8940-301-890—For capital outlay, Military Department, payable from the Federal Trust Fund 3,834,000
(b) 70.30-Fresno-Aircraft Repair Facility, working drawings 284,000
(c) 70.50-Other federal construction funds 3,550,000
Provisions:
1. The funds appropriated from this item constitute federal funds per Section 8.7.

8940-495—Reversion, Military Department. As of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the Special Account for Capital Outlay and the balance so reverted shall be transferred to the General Fund:
036—Special Account for Capital Outlay
(1) Item 894-301-036(b), Budget Act of 1981—Fresno Armory, A & E.
(2) Item 894-301-036(c), Budget Act of 1981—Fresno Aircraft Repair Facility, A & E.

9100-101-001—For local assistance, Tax Relief 1,367,288,000
Schedule:
(a) 10-Senior Citizens' Property Tax Assistance 12,500,000
(b) 20-Senior Citizens' Property Tax Deferral Program 6,093,000
(c) 30-Senior Citizens Renters' Tax Assistance 44,300,000
(d) 40-Personal Property Tax Relief .. 511,625,000
(e) 50-Homeowners' Property Tax Relief 338,000,000
(f) 60-Subvention for Open Space 13,000,000

(g) 70-Payments to Local Government for Sales and Property Tax Revenue Loss 1,734,000
(h) 80-Renters' Tax Relief 440,000,000
(i) 90-Substandard Housing 36,000

Provisions:

1. Schedule (a) is for property tax assistance to homeowner claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board.

   Provided, that any unexpended balance in schedule (a) may be used to make payments to senior citizen renter claimants under schedule (c) or Senior Citizen Property Tax Deferral Claimants under schedule (b).
2. Schedule (b) is for property tax postponement and assistance to claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), Division 2 of the Revenue and Taxation Code, State Controller. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code. Of the funds appropriated in schedule (b) $93,000 are for payment of the county administrative costs associated with this program.
3. Schedule (c) is for property tax assistance to renter claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board.

   Provided, that any unexpended balance in schedule (c) may be used to make payments to senior citizen homeowner claimants under schedule (a) or Senior Citizen Property Tax Deferral Claimants under schedule (b).
4. Schedule (d) is 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 Sec-

tion 219; (2) motion pictures under Section 988; (3) livestock under Sections 5523 and 5546; and (4) wine and brandy under Section 992; State Controller and that the reimbursement provided by this schedule pursuant to Section 16112 of the Government Code shall be calculated based on the applicable effective school district tax rate as certified to the State Controller by the county auditor.

The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code.

5. Schedule (e) is 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 schedule shall be in lieu of the appropriation required pursuant to Section 25 of Article XIII of the Constitution and the appropriation for the same purposes contained in Section 16100 of the Government Code.
6. Schedule (f) is for providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands under Sections 423, 423.3, and 423.5 of the Revenue and Taxation Code, and in accordance with the provisions of Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code, State Controller. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 or 16140 of the Government Code, and may not be augmented.
7. Schedule (g) is for reimbursement to local taxing authorities for revenue lost in accordance with the provisions of Sections 2229 and 2230 of the Revenue and Taxation Code, State Controller and, provided that the reimbursement for property tax revenue loss resulting from the restricted valuation of land under a wildlife habitat contract pursuant to Chapter 1165, Statutes of 1973, shall be based on a comparison between the value of the land computed pursuant to Section 423.7 of the Revenue and Taxation Code and the value of the land computed pursuant to Section 110.1 of the Revenue and

Taxation Code.

Of the funds appropriated in schedule (g) of this item, $1,516,000 shall be used for reimbursement for property tax revenue loss under Section 2229 of the Revenue and Taxation Code. The remaining amount of the funds appropriated in schedule (g) shall be used for reimbursement for revenue lost in accordance with the provisions of Section 2230 of the Revenue and Taxation Code.

8. Schedule (h) is 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.
9. Schedule (i) is 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, to be allocated to local agencies prorated on the basis of their share of disallowed deductions which resulted from the agencies' proceedings.

   This amount is in lieu of any statutory requirements.
10. Funds appropriated in category (j) for cost-of-living increases are to be allocated to category (d), effective July 1, 1982.

9620-001-001—For payment of interest, on order of the Director of Finance, on transfers of money from any fund or account subject to investment, to the General Fund under Section 16310 of the Government Code, computed at a rate determined by the Pooled Money Investment Board to be a rate of interest prescribed by Section 16310 of the Government Code 20,000,000

9650-001-001—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 52,774,000

9790-001-001—For allocation to the State Board of Control and the Department of Justice to cover their administrative costs to process and settle claims against the state resulting from the state's efforts to eradicate the Mediterranean fruit fly, Department of Finance 535,000

Provisions:

1. $90,000 of the amount appropriated in this item for allocation to the Board of Control, and $16,000 of the amount appropriated in this item for allocation to the Department of Justice, shall be allocated by the Department of Finance on or after January 1, 1983, only upon receipt of sufficient documentation of the anticipated claims administration workload of the Board of Control and of the Department of Justice for the period January 1, 1983 to June 30, 1983, as determined by the Department of Finance and no sooner than 30 days after notification in writing, of the necessity therefor, to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than any lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

9800-001-001—For augmentation for Employee Compensation 0

Schedule:

(a) 400001-Civil Service and Related	1,988,000
(b) 400007-Increases in Premiums for Employee Health Care	43,707,000
(c) 400008-Premiums for Employee Dental Care	16,219,000
(d) Reimbursements	−61,914,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, other state agencies, the Assembly Committee on Rules, the Senate Committee on Rules, the Joint Rules Committee, the Joint Legislative Audit Committee, and the Joint Legislative Budget Committee, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each

state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to the General Fund, and each officer or employee of either house of the Legislature or joint committee thereof, to receive any such increases provided on or after July 1, 1982, by the Department of Personnel Administration, or the Directors of Hastings College of Law, or any committee of the Legislature responsible for establishing salaries for officers and employees of the Legislature, as the case may be.

2. Amounts proposed for employee compensation increases constitute the total increase in compensation for all state employees and employees of the University of California and the California State University for the 1982–83 fiscal year. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the several state offices, Regents of the University of California, and the Trustees of the California State University in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in units not yet certified, or in units that are certified but are not bargaining for a 1982–83 memorandum of understanding as of the date of this act, and employees of the University of California, in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code, by the Regents of the University of California, and by the Trustees of the California State University.
3. Where memoranda of understanding have not been approved prior to passage of this act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding. Funds in this item are not available for retroactive compensation adjustments due to delayed approval of memoranda of understanding. However, the benefits provided in this item shall be effective for employees of the University of California, the California State University, and the Hastings College of the Law who are subject to collective bargaining on the date of signing of a memorandum of understanding once it has been ap-

proved by the Legislature.

4. No funds appropriated by this item shall be available to grant cost-of-living salary increases. However, the money in category (a) is available for shift differentials and overtime in accordance with approved memoranda of understanding.
5. The funds appropriated for health benefit premiums may be expended in accordance with Section 19.11.
6. The funds appropriated for dental premiums are available for the maintenance of current employer contribution rates.
7. It is the intent of the Legislature that, in accordance with other legislative enactments, employee contributions to the Public Employees' Retirement System be reduced up to a maximum of $50 per month. It is the intent of the Legislature that the Regents of the University of California provide a benefit to employees who are members of the University of California Retirement System (UCRS) similar to the benefits provided to Public Employees' Retirement System (PERS) members if adequate UCRS or other University of California resources are available.
8. Funds allocated to the Regents of the University of California, and the Trustees of the California State University shall be used only for the payment of increases in health benefit premiums.
9. The compensation adjustments funded by this item shall not become effective until the Director of Finance certifies to the Chairperson of the Joint Lgislative Budget Committee that the Board of Administration of the Public Employees' Retirement System has reduced employer retirement contribution rates or made other provisions for the 1982–83 fiscal year sufficient to generate savings equal to the amount appropriated by this item. The reductions in contribution rates shall be in addition to any rate reductions adopted pursuant to the four-year valuation conducted in 1982 and specified in Section 26.65.

10. The Director of Finance shall transfer funds to this item from the appropriations or allocations for support or other purposes of the several state offices, departments, boards, bureaus, commissions, and other state agencies, the Assembly Committee on Rules, the Senate Committee on Rules, the Joint Rules Committee, the Joint Legislative Audit Committee, the Joint Legislative Budget Committee, the University of California, the Hastings College of Law, and the California State University in an amount equal to the savings generated by the reduction in Public Employees' Retirement System employer retirement contribution rates approved by the Board of Administration which are in addition the reductions of Section 26.65.

9800-001-494—For augmentation for Employee Compensation payable from other-unallocated special funds 0

Schedule:

(a) 400001-Civil Service and Related	564,000
(b) 400007-Increases in Premiums for Employee Health Care	9,438,000
(c) 400008-Premiums for Employee Dental Care	6,378,000
(d) Reimbursements	−16,380,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to special funds, to receive any such increases provided on or after July 1, 1982, by the Department of Personnel Administration.
2. Amounts proposed for employee compensation increases constitute the total increase in compensation for all state employees and employees of the University of California for the 1982–83 fiscal year. Funds appropriated for employee compensation increases are to be allocated by

executive order of the Department of Finance to the several state offices, and the Regents of the University of California in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in units not yet certified, or in units that are certified but are not bargaining for a 1982–83 memorandum of understanding as of the date of this act, and employees of the University of California, in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code and by the Regents of the University of California.

3. Where memoranda of understanding have not been approved prior to passage of the annual Budget Act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding. Funds in this item are not available for retroactive compensation adjustments due to delayed approval of memoranda of understanding. However, the benefits provided in this item shall be effective for employees of the University of California who are subject to collective bargaining on the date of signing of a memorandum of understanding once it has been approved by the Legislature.
4. No funds appropriated by this item shall be available to grant cost-of-living salary increases. However, the money in category (a) is available for shift differentials and overtime in accordance with approved memoranda of understanding.
5. The funds appropriated for health benefit premiums may be expended in accordance with Section 19.11.
6. The funds appropriated for dental premiums are available for the maintenance of current employer contribution rates.
7. It is the intent of the Legislature that, in accordance with other legislative enactments, employee contributions to the Public Employees' Retirement System be reduced up to a maximum of $50 per month, except for members of collective bargaining unit 5, and their supervisors, whose contributions shall be reduced up to a maximum of $100 per month. It is the intent of the Legislature that the Regents of the Univer-

sity of California provide a benefit to employees who are members of the University of California Retirement System (UCRS) similar to the benefits provided to Public Employees' Retirement System (PERS) members if adequate UCRS or other University of California resources are available.

8. Funds allocated to the Regents of the University of California shall be used only for the payment of increases in health benefit premiums.
9. The compensation adjustments funded by this item shall not become effective until the Director of Finance certifies to the Chairperson of the Joint Legislative Budget Committee that the Board of Administration of the Public Employees' Retirement System has reduced employer retirement contribution rates or made other provisions for the 1982–83 fiscal year sufficient to generate savings equal to the amount appropriated by this item. The reductions in contribution rates shall be in addition to any rate reductions adopted pursuant to the four-year valuation conducted in 1982 and specified in Section 26.65.
10. The Director of Finance shall transfer funds to this item from the appropriations or allocations for support or other purposes of the several state officers, departments, boards, bureaus, commissions, and other state agencies, and the University of California in an amount equal to the savings generated by the reduction in Public Employees' Retirement System employer retirement contribution rates approved by the Board of Administration which are in addition to the reductions of Section 26.65.

9800-001-988—For augmentation for Employee Compensation, payable from other-unallocated nongovernmental cost funds 0

Schedule.

(a) 400001-Civil Service and Related	528,000
(b) 400007-Increases in Premiums for Employee Health Care	8,846,000
(c) 400008-Premiums for Employee Dental Care	6,186,000
(d) Reimbursements	−15,560,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to nongovernmental cost funds, to receive any such increases provided on or after July 1, 1982, by the Department of Personnel Administration.
2. Amounts proposed for employee compensation increases constitute the total increase in compensation for all state employees for the 1982–83 fiscal year. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the several state offices, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code and by the Regents of the University of California.
3. Where memoranda of understanding have not been approved prior to passage of this act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding. Funds in this item are not available for retroactive compensation adjustments due to delayed approval of memoranda of understanding.
4. No funds appropriated by this item shall be available to grant cost-of-living salary increases. However, the money in category (a) is available for shift differentials and overtime in accordance with approved memoranda of understanding.
5. The funds appropriated for health benefit premiums may be expended in accordance with Section 19.11.
6. The funds appropriated for dental premiums are available for the maintenance of current employer contribution rates.

7. It is the intent of the Legislature that, in accordance with other legislative enactments, employee contributions to the Public Employees' Retirement System be reduced up to a maximum of $50 per month. It is the intent of the Legislature that the Regents of the University of California provide a benefit to employees who are members of the University of California Retirement System (UCRS) similar to the benefits provided to Public Employees' Retirement System (PERS) members if adequate UCRS or other University of California resources are available.
8. Funds allocated to the Regents of the University of California shall be used only for the payment of increases in health benefit premiums.
9. The compensation adjustments funded by this item shall not become effective until the Director of Finance certifies to the Chairperson of the Joint Legislative Budget Committee that the Board of Administration of the Public Employees' Retirement System has reduced employer retirement contribution rates or made other provisions for the 1982–83 fiscal year sufficient to generate savings equal to the amount appropriated by this item. The reductions in contribution rates shall be in addition to any rate reductions adopted pursuant to the four-year valuation conducted in 1982 and specified in Section 26.65.
10. The Director of Finance shall transfer funds to this item from the appropriations or allocations for support or other purposes of the several state offices, departments, boards, bureaus, commissions, and other state agencies, and the University of California in an amount equal to the savings generated by the reduction in Public Employees' Retirement System employer retirement contribution rates, approved by the Board of Administration, which are in addition to the reductions of Section 26.65.

9810-001-001—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from the General Fund, but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doc-

trine 200,000

Provisions:

1. Expenditures from this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the 1982–83 fiscal year.
2. Expenditures from this item shall not exceed an hourly rate which equals the rate charged by the Attorney General of the State of California at the time the warrant is issued or at the time judgment is entered, whichever is earlier.
3. Notwithstanding the maximum hourly rate specified above, no expenditure from this item shall be made in excess of $50,000 for a single action.
5. No payment shall be made by the Controller from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney fees incurred in connection with a single action.

9810-001-494—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from special funds, but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doctrine 100,000

Provisions:

1. Expenditures from this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the 1982–83 fiscal year.
2. Expenditures from this item shall not exceed an hourly rate which equals the rate charged by the Attorney General of the State of California at the time the warrant is issued or at the time judgment is entered, whichever is earlier.
3. Notwithstanding the maximum hourly rate specified above, no expenditure from this item shall be made in excess of $50,000 for a single action.
5. No payment shall be made by the Controller from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney fees incurred in connection with a single action.

9810-001-988—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from nongovernmental cost funds but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doctrine 100,000

Provisions:

1. Expenditures from this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the 1982–83 fiscal year.
2. Expenditures from this item shall not exceed an hourly rate which equals the rate charged by the Attorney General of the State of California at the time the warrant is issued or at the time judgment is entered, whichever is earlier.
3. Notwithstanding the maximum hourly rate specified above, no expenditure from this item shall be made in excess of $50,000 for a single action.
5. No payment shall be made by the Controller from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney fees incurred in connection with a single action.

9820-001-001—For Augmentation for Price Increases .. 2,120,000

Provisions:

1. The appropriation is 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, in such amounts as will make sufficient money available to fund, during the 1982–83 fiscal year, price increases in excess of budgeted projections resulting from higher postage rates in such amounts as the Department of Finance shall determine.
2. 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.

3. 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 or her designee, may in each instance determine.

9820-001-494—For Augmentation for Price Increases, payable from other—unallocated special funds..... 620,000

Provisions:

1. The appropriation is 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, in such amounts as will make sufficient money available to fund, during the 1982–83 fiscal year, price increases in excess of budgeted projections resulting from higher postage rates in such amounts as the Department of Finance shall determine.
2. 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.
3. 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 or her designee, may in each instance determine.

9820-001-988—For Augmentation for Price Increases, payable from other—unallocated nongovernmental cost funds..... 280,000

Provisions:

1. The appropriation is 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, in such amounts as will make sufficient money available to fund,

during the 1982–83 fiscal year, price increases in excess of budgeted projections resulting from higher postage rates in such amounts as the Department of Finance shall determine.

2. 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.
3. 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 or her designee, may in each instance determine.

9840-001-001—For reserve for contingencies or emergencies 1,500,000

Provisions:

1. The funds appropriated for reserve for contingencies or emergencies are to be expended only on written authorization of the Department of Finance for contingencies or emergencies.
2. Contingencies within the meaning of these funds are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, constitute cases of actual necessity. Emergencies within the meaning of this item are hereby defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance require immediate action to avert undesirable consequences or to preserve the public peace, health or safety.
3. Emergency and contingency expenditure authorizations and deficiency expenditure authorizations shall be limited to purposes which have been specifically approved by the Legislature in budget acts or other legislation, except that not more than $200,000 of each fund may be expended for purposes for which no such specific prior authorizations exists.

4. Authorizations for expenditures or deficiency expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine.
5. For expenditure authorizations or deficiency expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee within 10 days after approval, copies of all executive orders and allotment promises for emergency-related encumbrance or expenditure authorizations stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1982–83 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit shall apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior approval impractical.

9840-001-494—For reserve for contingencies or emergencies, payable from unallocated special funds .. 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4 and 5 for Item 9840-001-001 are also applicable to this item.
2. For the reserve for contingencies or emergencies, payable from special funds, there is hereby appropriated from each such special fund such sums as are necessary to meet contingencies, or emergencies, to be expended only on written authorization of the Director of Finance and that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from special funds made by this act for the 1982–83 fiscal year under the provisions of Section 11006 of the Government Code; provided, that accounts, special accounts, and funds in the General Fund, which are treated as other governmental cost funds for accounting and

budgeting purposes in accordance with Section 13303 of the Government Code, shall be considered to be special funds within the meaning of this item.

9840-001-988—For reserve for contingencies or emergencies, payable from unallocated nongovernmental cost funds 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4 and 5 for Item 9840-001-001 are also applicable to this item.
2. For reserve for contingencies or emergencies, payable from nongovernmental cost funds, there is hereby appropriated from each such nongovernmental cost fund which is subject to control or limited by this act such sums as are necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance and, that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from nongovernmental cost funds made by this act for the 1982–83 fiscal year under the provisions of Section 11006 of the Government Code.

9840-011-001—For Reserves for Contingencies or Emergencies (Loans) ..... (2,500,000)

Provisions:

1. This appropriation is for loans that may be made to state agencies which derive their support from the General Fund or from sources other than the General Fund, upon such terms and conditions for repayment as may be prescribed by the Department of Finance and any sum so loaned shall, if ordered by the Department of Finance, be transferred by the State Controller to the fund from which the support of the agency is derived.
2. No loan shall be made which requires repayment from a future legislative appropriation.

9840-490—Reappropriation, Reserve for Contingencies or Emergencies. As of June 30, 1982, the unexpended balances of the appropriations made by Items 984-001-001, 984-001-494 and 984-001-988, Budget Act of 1981, shall revert to the unappropriated surplus of the General Fund, special funds and nongovernmental costs funds, respectively.

As of July 1, 1982, the amounts reverted as of June 30, 1982, for Items 984-001-001, 984-001-494 and 984-001-988, Budget Act of 1981, are reappropriated and shall be available until June 30, 1983, and may be expended on written authorization of the Department of Finance issued on or before said date, for contingencies and emergencies, within the meaning of said items, occurring during the 1981–82 fiscal year.

9860-301-036—For Statewide Capital Outlay, payable from the Special Account for Capital Outlay 200,000

Provisions:

1. These funds are to be allocated by the Department of Finance to state agencies and the amount appropriated in this item is not to be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future fiscal year.

9860-495—Reversion, Unallocated Capital Outlay.

Notwithstanding any provisions of law, as of June 30, 1982, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

Chapter 259/79, Item 494.1

GENERAL SECTIONS

SEC. 4.00. 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 concerning such expenditures 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.

Every state entity that expends, or anticipates expending, funds from any source for EDP equipment, personnel services, or supplies shall provide EDP planning information and cost estimates as required by the Department of Finance.

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 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.

The Department of Finance and the Department of General Services shall develop, publish and maintain in the State Administrative Manual, standards and guidelines relating to the acquisition and uses of office automation equipment, including word-processing systems, mini- and micro-processors and related peripheral equipment. Such standards and guidelines shall be designed with the following objectives: (1) minimizing the proliferation of noncompatible equipment and software, (2) facilitating potential integration of office automation equipment with remote or central data processing systems, (3) maximizing the opportunity for acquisition of equipment through master rental or purchase agreements with equipment suppliers, and (4) ensuring that office automation equipment, mini- and micro-processors and software acquisitions occur based on appropriate Feasibility Study Reports.

No funds appropriated in this act or in any other provision of law, or from any other source, may be expended on the acquisition, installation, or operation of a computer central processing unit at, or for the use of, the Office of State Printing in the Department of General Services other than those installed as of June 15, 1982. This prohibition shall not apply to minicomputers and other similar smaller-scale computers.

SEC. 4.50. No funds appropriated by this act may be used to pay court-awarded attorney's fees unless payment of such fees is either:

(a) Specifically authorized and set forth in an item or section of this act; or

(b) Expressly authorized by a statutory provision other than Section 1021.5 of the Code of Civil Procedure.

Provided that this section shall not be construed as making an appropriation of funds for the payment of court-awarded attorney's fees.

SEC. 4.60. No funds appropriated by any act in prior fiscal years shall be available to pay court-awarded attorneys' fees unless payment of those fees is either expressly authorized by a statutory provision other than Section 1021.5 of the Code of Civil Procedure or specifically authorized and set forth in an item or section of the act.

SEC. 4.70. No funds appropriated by this act may be expended for a discretionary tort liability insurance policy sooner than 30 days after submission in writing of a cost-benefit analysis regarding such policy and the necessity for its purchase to the Chairman of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairman of the committee, or his or her designee, may in each instance determine.

SEC. 5.00. 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 1983–84 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 $3,000,000 in estimated cost.

SEC. 5.10. Because it is necessary to insure the availability of adequate specialized materials and equipment for the operation of new prison facilities at Folsom, because uncertainties as to completion dates make precise advance planning of purchases impossible, and because delivery of some kinds of specialized materials and equipment cannot be made for six months or longer from the date of ordering, the Department of Corrections is authorized to incur obligations, to be met during the 1983–84 fiscal year, for the purchase of specialized materials and equipment

related to this capital outlay project for which the Governor has included construction funds in the 1983–84 Budget. However, 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 $5,500,000 in estimated costs.

This section shall be operable only if the New Prison Construction Bond Act of 1981 is approved by the voters. Any obligations incurred under this section shall be payable from the New Prison Construction Fund.

SEC. 5.40. (a) There is hereby appropriated, from the reserve account established pursuant to subdivision (b) of Section 71 of Chapter 161 of the Statutes of 1979 in the State Highway Account in the State Transportation Fund, to the State Highway Account, for expenditure by the Department of Transportation, an amount sufficient to fund the appropriations to the Department of Transportation made by this act.

It is the intent of the Legislature that all available revenues in the State Highway Account, including the reserve account, be used for the specific purposes authorized and in the order of receipt (first available—first used).

(b) There is hereby appropriated, on June 30, 1983, to the reserve account established pursuant to subdivision (b) of Section 71 of Chapter 161 of the Statutes of 1979 in the State Highway Account, all money in or due to the State Highway Account on that date which is not appropriated as of that date, to be available for expenditure only upon appropriation in the Budget Act.

SEC. 6.10. None of the funds appropriated for support purposes under Section 2 of this act may be encumbered for any project for the alteration of a state building requiring total expenditures of $10,000 or more unless the Director of Finance determines that the proposed alteration is critical and that it is necessary to proceed using funds appropriated for support purposes. The maximum cost of any such project shall not exceed $150,000, and any approved critical project shall be reported to the Chairperson of the Joint Legislative Budget Committee or his or her designee, not less than 30 days prior to requesting bids for the project.

SEC. 6.20. Unless otherwise stated herein, all reappropriations for capital outlay from the General Fund shall be payable from the Special Account for Capital Outlay.

SEC. 7.00. Any acquisition of land or other real property included in any appropriation made herein except appropriations from the California Water Fund, and appropriations to the Department of Transportation for capital outlay purposes, shall be subject to the provisions of the Property Acquisition Law. The California Coastal Commission shall not be exempt from this provision.

All property acquisitions, notwithstanding other exemptions of this section, shall be reported to the State Public Works Board.

SEC. 8.00. 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 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 Department of Finance and the State Public Works Board have approved preliminary plans for the project to be financed from such item of appropriation for capital outlay 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, any appropriated amounts for working drawings or construction where said working drawings or construction have been started by any State agency prior to approval of the 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 drawings shall be put out to bid until the working drawings therefor have been approved by the Department of Finance; provided further, that no substantial change or changes shall be made from the preliminary plans or working drawings as approved by the State Public Works Board and the Department of Finance unless there has first been obtained the written approval by the Department of Finance to make such change or changes; provided further, that any proposed construction bid alternates shall be approved by the Department of Finance prior to State Public Works Board allocation of construction amounts contained herein; provided further, that no more than $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.

Augmentations in excess of 10 percent of the amount appropriated herein for each capital outlay project shall be reported to the Chairperson of the Joint Legislative Budget Committee, or his or her designee, 20 days prior to board approval, or not sooner than such lesser time as the chairperson, or his or her designee, may in each instance determine. Any augmentation of construction projects shall be limited to the amounts appropriated herein for construction contract costs.

Prior to State Public Works Board action on any capital outlay appropriation contained herein, or otherwise appropriated, the Department of Finance shall certify, in writing, to the Chairperson

of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, and the legislative members of the board that the requested action is in accordance with the legislatively approved scope and cost. If, pursuant to the other provisions of this section, the Department of Finance approves changes to the approved scope or cost, or both, the department shall detail the changes and associated cost implications. Such reports shall also include all proposed or potential augmentations in excess of 10 percent of the amount appropriated herein for construction contract costs related to capital outlay projects.

The State Public Works Board shall defer action with respect to approval of any portion of an acquisition project, or approval of preliminary plans, when it is determined that the estimated cost of the total acquisition project, or construction project, approved by the Legislature is in excess of 20 percent of the amount appropriated, unless, in the case of acquisition projects, 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 Chairperson of the Joint Legislative Budget Committee, or his or her 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 chairperson, or his or her 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 all funds appropriated to the department 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. 8.05. (a) At least 30 days prior to allocation by the Department of Finance of any capital outlay or support funds appropriated by this act for cogeneration facilities, the Department of Finance shall submit a report to the Chairperson of the Joint Legislative Budget Committee and to the chairperson of the committee in each house which considers appropriations. The report for each project shall include, at a minimum, all of the following information:

(1) The economic feasibilities of the alternative cogeneration equipment configuration capable of being installed at the subject facility.

(2) An engineering evaluation of proposed and alternative cogeneration equipment configurations.

(3) An engineering evaluation of potential energy conservation measures which could be implemented at the subject site and the impact of these measures on the cogeneration system.

(4) A proposed plan for implementing conservation measures identified in the engineering evaluation.

(5) A financial analysis of potential cost savings or revenue produced by the installation based on completed negotiation with any persons who may participate in the installation through selling

fuel for or purchasing thermal or electrical power generated by the cogeneration system.

(6) The budgetary impact of the cogeneration proposal with respect to reduced utility requirements, or increased revenue due to sale of electrical or thermal energy, or both.

(b) At least 30 days prior to approval by the Department of Finance of any energy service contract or third party agreement for construction of any alternative energy system, cogeneration system or energy conservation measure, the Department of Finance shall submit a report containing the terms of the agreement, benefit sharing, and the potential cost savings to the State Budget, to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house which consider appropriations.

(c) Subdivisions (a) and (b) shall not apply to the allocation of funds appropriated for preparation of preliminary plans.

(d) Within one year after completion of any cogeneration project funded under this act, the Department of Finance shall submit a report which compares energy and cost savings achieved with those savings estimated pursuant to subdivision (a) to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee in each house which considers appropriations.

SEC. 8.10. (a) No expenditure from an appropriation made by this act to the Department of Parks and Recreation shall be made to modify, execute, or approve any concession contract, operating lease, or operating agreement with any local entity, any nongovernmental entity (including private parties), or any nonprofit corporation, which involves a total investment in excess of $250,000 or involves estimated gross receipts in excess of $250,000 annually under the terms of the contract, lease, or agreement unless: (1) the Legislature has reviewed the contract, lease, or agreement as part of the support or capital outlay budget of the Department of Parks and Recreation and expressed approval of the expenditure from an appropriation made by this act through the supplemental language report or (2) the State Public Works Board has approved the contract, lease, or agreement not sooner than 20 days after the Director of Finance has provided written notification to the Chairperson of the Joint Legislative Budget Committee, the Chairperson of the Assembly Ways and Means Committee, and the Chairperson of the Senate Finance Committee, and upon a determination by the board that the proposal could not have reasonably been presented to the Legislature through the annual budget process.

(b) All concession contracts, leases, and agreements submitted by the department to the Legislature shall be accompanied by detailed descriptions and economic analyses.

SEC. 8.20. 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 or through California Conservation Corps labor. 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. 8.30. 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. 8.40. Funds appropriated for project (d) in Item 3790-301-190, project (q) in Item 3790-301-392, and project (nn) in Item 3790-301-721 for acquisitions as additions to Chino Hills State Park shall be encumbered subject to the following conditions:

(a) Properties commonly known as Galstian/IEST/Vartanian, McDermont, Hamilton, Rimpau, Friend, Owl Rock, and Bryant shall be acquired, but the Department of Parks and Recreation is not required to acquire these properties in any particular order.

(b) In addition, acquisition of the properties commonly known as Galstian/IEST/Vartanian and Bryant shall be subject to the following conditions:

(1) During the 1982–83 fiscal year, the department shall acquire fee title to all or part of these properties and shall acquire a one-year option for any remainder. Any option, plus the price paid for fee title, shall reflect the purchase price of the entire property.

(2) If any owner has not reached agreement with the department on the basis of the terms set forth in paragraph (1) of this subdivision by February 1, 1983, funds that would have been available for the acquisition of the property are hereby reappropriated for the acquisition of any other property in the Chino Hills project area.

(3) The following amounts shall be available to the department for the acquisition of these properties on the terms set forth in paragraph (1) of this subdivision:

Galstian/IEST/Vartanian	$4,600,000
Bryant	$3,600,000

(4) Properties to be acquired with Parkland Bond Act funds shall be prioritized for expenditure for parcels most contiguous to Telegraph Canyon.

SEC. 8.50. In making appropriations to state agencies which are eligible for federal assistance programs, it is the intent and understanding of the Legislature that applications made by such agencies for federal funds under any such programs shall be for the maximum amount allowable under federal law. Therefore, any amounts received from the federal government are hereby

appropriated, from the Federal Trust Fund for expenditure or for transfer to and disbursement from the State Treasury fund established for the purpose of receiving such federal assistance subject to any provisions of this act which are applicable to the expenditure of such funds, including Section 28.00.

However, if federal funds for block grant programs assumed by the state in the 1981–82 and 1982–83 fiscal years are reduced by more than 5 percent of the amount appropriated in this act, the Director of Finance shall notify the chairperson of the committee in each house which considers appropriations, and the Chairperson of the Joint Legislative Budget Committee, in writing within 15 days after notification by the federal government that federal funds have been reduced, and shall include a plan of reduced expenditures for the federal block grant programs affected. The plan shall be operational on an interim basis for 30 days pending legislative review, after which time the plan shall become permanent.

In addition, the Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the fiscal committees, within 30 days after notification from the federal government, in the event that federal funds for any item receiving federal funds are reduced by more than 5 percent of the amount appropriated in this act. Notification shall include an estimate of (a) the amount of federal funds available or anticipated, (b) state fiscal year 1982–83 expenditures for each program affected by the reduction, and (c) the effect of reducing funding or service levels authorized by this act.

SEC. 8.51. Each state agency shall, by certification to the State Controller, identify the account within the Federal Trust Fund when charges are made against any appropriation made herein from the Federal Trust Fund.

SEC. 8.70. Any federal funds appropriated in this act and designated as "federal funds per Section 8.7" shall not be subject to the provisions of Section 28 of this act.

SEC. 8.80. Any funds recovered from the federal government to offset statewide indirect costs shall be transferred to the unappropriated surplus of the General Fund in a manner prescribed by the Department of Finance, unless expenditure of such funds is authorized by the Department of Finance. Such authorization may not become effective sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his/her designee, may in each instance determine. If in the judgment of the Director of Finance, a state agency has not transferred such funds on a timely basis, the director may certify to the State Controller the amount which the agency should have transferred to the General Fund, the Controller shall transfer such funds to the General Fund.

SEC. 8.90. Whenever herein or by other statute, an appropriation has not been made to provide for recovery of general

administrative costs pursuant to Government Code Sections 11270 through 11277, there is hereby appropriated from each fund in the State Treasury a sufficient sum for such purpose for transfer by the State Controller to the General Fund. The State Controller shall make transfers pursuant to this section only upon order of the Director of Finance.

SEC. 9.00. 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. 11.00. Notwithstanding any other provisions of law, an amount not to exceed $6,000,000 of the unencumbered balance of the State Parks and Recreation Fund is hereby appropriated for a loan to the Department of Parks and Recreation. This appropriation is for a loan that may be made to the Department of Parks and Recreation for cash flow needs during the 1982–83 fiscal year for the appropriation of appropriated revenues as prescribed by Item 3790-021-001. The Department of Parks and Recreation shall submit, on or before September 15, 1982, to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committee in each house, a list of capital outlay projects which may be deferred during the 1982–83 fiscal year to provide sufficient funds for the loan. The terms and conditions for repayment of this loan shall 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 Item 3790-021-001.

The terms and conditions for repayment of this loan prescribed by the Department of Finance shall include, at a minimum, provisions requiring the loan to be repaid with revenues generated during the 1982–83 fiscal year or, if those revenues are not available, from the first available state park revenues deposited in the State Parks and Recreation Fund commencing July 1, 1983 as provided by Section 5010 of the Public Resources Code.

SEC. 12.20. For the purposes of Article XIII B, there is hereby established a state "appropriations limit" of $19.599 billion for 1982–83. Any judicial action or proceeding to attack, review, set aside, void or annul the "appropriations limit" for the 1982–83 fiscal year shall be commenced within 45 days of the effective date of this act.

SEC. 12.30. (a) The contingency reserve for economic uncertainties established within the General Fund by Section 12.3 of the Budget Act of 1980 is hereby continued in existence. This reserve represents a reserve fund within the meaning of Section 5 of Article XIII B of the California Constitution. Notwithstanding Sections 16310 and 16314 of the Government Code, the Controller, may transfer as necessary from the contingency reserve for economic uncertainties or from the Special Accounts in the General Fund to the General Fund such amounts as are needed to meet cash needs of the General Fund. The Controller shall return all such moneys so transferred without payment of interest as soon as there are sufficient moneys in the General Fund.

(b) The State Controller shall transfer from the contingency reserve for economic uncertainties to the unappropriated balance of the General Fund an amount necessary to eliminate any General Fund deficit as of June 30, 1982 or as of June 30, 1983. The amount of transfer for each fiscal year shall be determined on the basis of the State of California Preliminary Annual Report—Accrual Basis, for such fiscal year. Any subsequent adjustments shall be determined jointly by the State Controller and the Director of Finance.

(c) There is hereby appropriated from the General Fund for transfer to the Controller upon order of the Director of Finance, to the contingency reserve for economic uncertainties, an amount necessary to bring the balance up to $500 million, as of July 1, 1982.

(d) For budgeting and accounting purposes, any appropriations heretofore or hereafter made specifically from the contingency reserve for economic uncertainties by this act or any other act, other than appropriations contained in this section, shall be deemed an appropriation from the General Fund.

(e) There is hereby appropriated from the General Fund, without regard to fiscal years, for transfer by the State Controller to the contingency reserve for economic uncertainties as of June 30, 1983, the lesser of the amounts jointly estimated by the Legislative Analyst's Office and the Department of Finance in accordance with subdivisions (1), (2), and (3):

(1) Five percent of total 1982–83 General Fund appropriations, less any balance existing in the contingency reserve for economic uncertainties on that date;

(2) The difference between the state's 1982–83 "appropriations subject to limitation" and its "appropriation limit" as defined in Section 8 of Article XIII B of the California Constitution and established in this act; and

(3) The extent of available funds in the General Fund as of June 30, 1983.

SEC. 12.35. (a) The contingency reserve for economic

uncertainties established within each special fund by Section 12.35 of the Budget Act of 1981 is hereby continued in existence. These reserves represent reserve funds within the meaning of Section 5 of Article XIII B of the California Constitution.

(b) There is hereby appropriated from each reserve account in each special fund, an amount sufficient to fund any appropriation made by this act or other statute from the fund in which the reserve account is established.

(c) There is hereby appropriated on June 30, 1983, the unappropriated balance in each special fund to the reserve account in that special fund.

SEC. 12.45. Notwithstanding the provisions of Section 6217(g) of the Public Resources Code, which prohibit the transfer of funds to the Energy Account of the Energy and Resources Fund unless a reorganization of the State Energy Resources Conservation and Development Commission is enacted, the State Controller shall allocate the amounts deposited in the Energy and Resources Fund in accordance with Section 6217 of the Public Resources Code, or any statutory modification thereof, between the Energy Account and the Resources Account in the same ratio as the amount appropriated from each account bears to the total amount appropriated from both accounts. The allocations shall be made until the two accounts have sufficient funds available for the amounts appropriated from those accounts.

The Director of Finance may direct the Controller to make transfers between the two accounts, or between either account and the Energy and Resources Fund, for cash flow purposes.

The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, and the chairperson of the committee in each house which considers appropriations, 10 days prior to taking any action pursuant to this section.

SEC. 12.50. The final repayment dates of the loans made to the State Air Resources Board from the Motor Vehicle Account, State Transportation Fund pursuant to Item 245.1, Budget Act of 1974, Item 223, Budget Act of 1975, and Item 222, Budget Act of 1976, for the purposes of initiating and conducting a vehicle inspection program are hereby extended to June 30, 1984.

SEC. 12.70. Notwithstanding any other provision of law, the cumulative total of all amounts transferred from the General Fund to the State Energy Loan Fund by the State Controller in the 1982–83 fiscal year, together with amounts transferred in any prior fiscal year, pursuant to Section 32812 of the Financial Code, shall not exceed $1,500,000.

SEC. 13.00. 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.

SEC. 15.00. 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. 16.00. The Supplemental Report of the Committee of Conference on the Budget Bill, which contains agreed language on statements of intent or requests for studies and which was submitted to the Senate and Assembly concurrently with consideration of the Budget Bill for the 1982–83 fiscal year, reflects the intent of the Legislature in enacting the Budget Act of 1982 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. 18.00. 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 delivered 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 Chairperson of the Joint Legislative Budget Committee.

The following types of contracts are excluded from the provisions of this section:

(a) Contracts that require payment of less than $20,200 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.

(n) Contracts for transportation services for the elderly and handicapped entered into by the Department of Transportation pursuant to Section 16(b) (2) of the Mass Transportation Act of 1964, as amended.

(o) Contracts for childhood immunization services entered into by the Department of Health Services.

(p) Contracts for entertainment at fairs conducted by district agricultural associations.

SEC. 19.00. On or before September 30, 1982, the State Controller shall transfer to the General Fund any amount of accumulated surplus in the Service Revolving Fund as of June 30, 1982, as follows: for the Office of State Printing totals in excess of $12,723,768, and for the remainder of the Service Revolving Fund totals in excess of $49,974,423.

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 chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may, in 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 1982–83 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 1983–84 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 0130-021-001 of this act.

SEC. 19.03. (a) Notwithstanding the provisions of subdivision (c) of Section 10470.1 of the Business and Professions Code, the Real Estate Commissioner may authorize the transfer of the entire balance remaining in the separate account in the Real Estate Fund for education, research and recovery purposes, and allocated for education and research purposes, to the Real Estate Fund.

(b) Notwithstanding the provisions of subdivision (b) of Section 10470.1 of the Business and Professions Code, the Real Estate Commissioner may authorize the transfer of any balance of more than $200,000 remaining in the separate account in the Real Estate Fund for education, research and recovery purposes, and allocated for recovery, to the Real Estate Fund.

SEC. 19.04. For the 1982–83 fiscal year, the oil and mineral

revenues from federal lands which are deposited in the State School Fund shall be divided between Section A and Section B of the State School Fund, with 85 percent of these revenues to be credited to Section A and 15 percent to Section B of the fund. The amounts accruing to Section B under this section shall be used only for community college regular apportionments and shall be disbursed fully before any General Fund transfers to Section B of the State School Fund are disbursed for regular apportionments.

SEC. 19.05. (a) Notwithstanding any other provisions of law, the transfers to the State School Building Lease-Purchase Fund and the State School Deferred Maintenance Fund from the General Fund as authorized by Section 17780 of the Education Code shall not exceed $65,000,000.

SEC. 19.06. In lieu of the provisions of Section 68030 of the Government Code, the Controller shall transfer the sum of $5,379,000 from the General Fund to the Solid Waste Management Fund to support the operations of the Solid Waste Management Board during the 1982–83 fiscal year.

SEC. 19.07. The Legislature recognizes that child care programs have made valuable contributions towards insuring that public assistance recipients have been able to accept and maintain employment or related training. It is, therefore, the intent of the Legislature that the Department of Education shall insure that counties comply with Section 8279 of the Education Code which requires counties to maintain their 1970–71 level of effort for child care services provided by county funds.

The Department of Education shall insure that each county complies with Section 8279 of the Education Code in the following manner:

The Department of Education shall not issue funds to a child care contractor within a county until such time as that county certifies in writing to the Department of Education that the county has obligated its 1970–71 child care maintenance of effort funding level, pursuant to Section 8279 of the Education Code, to local county child care contractors. Such sums awarded by a county to a local child care contractor shall not adversely affect an agency's contract reimbursement with the Department of Education pursuant to Sections 8265, 8265.5, 8266, and 8266.5 of the Education Code.

The Department of Education shall notify all such programs and all such counties which maintained such programs during the 1981–82 fiscal year of the provisions of this section.

SEC. 19.08. (a) Notwithstanding the provisions of Section 23.4 of Chapter 798, Statutes of 1980, as amended by Section 15.5 of Chapter 209, Statutes of 1982, $208,984 of the funds appropriated by that section for allocation by the State Allocation Board for the purposes of Section 8277.7 of the Education Code shall be allocated by the State Allocation Board to the Milpitas Unified School District (1) for the purposes of paying the installment on the loan obtained by that district to construct two relocatable child development facilities which was due April 19, 1982, or (2) for the purposes of repaying any

loan of funds for which the district may have arranged to pay the installment.

(b) Up to $208,984 of any proceeds from the sale of real property sold within two years after the enactment of this act by the Milpitas Unified School District shall be transferred to the state for deposit in the General Fund as a repayment of funds allocated in accordance with subdivision (a) of this section.

SEC. 19.09. 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 in subsequent years in conformance with the Consumer Price Index—All Items, of the Bureau of Labor Statistics of the United States Department of Labor, provided that such adjustment shall occur only when the completed book bid is revised, pursuant to Sections 60201 and 60223 of the Education Code.

SEC. 19.11. Notwithstanding any other provisions of law, the employer's contributions for the 1982–83 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 $71 for basic and related major medical plans with respect to employees or annuitants enrolled for self alone, or $133 for an employee or annuitant so enrolled for self and one family member, or $168 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. 19.12. The Department of Finance shall authorize the State Controller to transfer to the State Highway Account, State Transportation Fund, all surplus funds in the Motor Vehicle Account, State Transportation Fund, after funding the amount needed for increases in employee compensation.

SEC. 19.13. Notwithstanding any other provisions of law, the Department of Finance shall authorize the State Controller to make periodic transfers from the Transportation Planning and Development Account, State Transportation Fund, to the General Fund. The total amount of the transfers shall be $16,216,000.

SEC. 19.14. $2,700,000 is hereby transferred from the Transportation Planning and Development Account in the State Transportation Fund to the General Fund pursuant to the provisions of subdivision (b) of Section 7 of Chapter 844 of the Statutes of 1981.

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 $4,000,000 is appropriated from the Driver Training Penalty Assessment Fund to the General Fund.

SEC. 19.16. Notwithstanding any other provision of law, on the

effective date of this act, the State Controller shall transfer the unencumbered balance of the Abandoned Vehicle Trust Fund as of June 30, 1982, to the unappropriated surplus of the Motor Vehicle Account, State Transportation Fund.

SEC. 19.17. Notwithstanding the provisions of Section 1464 of the Penal Code added by Chapter 530, Statutes of 1980 and Sections 42050 and 42052(a) of the Vehicle Code as amended by Chapter 530, Statutes of 1980, and Section 41304 of the Education Code, the Controller shall transfer the unencumbered balance in the Driver Training Penalty Assessment Fund on June 30, 1983, to the General Fund.

SEC. 19.19. Notwithstanding any other provisions of law, there is hereby appropriated $1,525,000 from the Fairs and Exposition Fund for transfer by the State Controller to the General Fund as of March 31, 1983. The Director of Food and Agriculture shall have the authority to allocate the remaining funds to eligible fairs, notwithstanding any other provisions of law.

SEC. 19.20. Notwithstanding any other provisions of law, $1,900,000 of the amounts appropriated to the Department of Food and Agriculture pursuant to Section 19627.3 of the Business and Professions Code for allocation to county, district, combined county and district, or citrus fruit fairs for fair projects shall instead be transferred to the unappropriated surplus of the General Fund by the State Controller by June 1, 1983.

SEC. 19.22. Notwithstanding any other provisions of law, the proceeds and accrued interest from the sale of property, as authorized by Section 1 of Chapter 1017, Statutes of 1978 and appropriated to the 48th District Agricultural Association by Section 6 of Chapter 1017, Statutes of 1978, shall be returned by the 48th District Agricultural Association to the State Treasury and be deposited in the unappropriated surplus of the General Fund.

SEC. 19.25. Notwithstanding any other provisions of law, the State Controller shall transfer $390,000 from the Fuel Allocation Revenue Account to the unappropriated surplus of the General Fund.

SEC. 19.70. It is the intent of the Legislature and executive branch in enacting this act that the University of California teaching hospitals suffer no fiscal penalties in the 1982–83 fiscal year as a result of the Medicare cost reimbursement limits issued pursuant to the authority of paragraph (1) of subsection (v) of Section 1861 of the Social Security Act (para. (1), subsec. (v), Sec. 1395x, Title 42, U.S.C.) and the Medi-Cal program cost reimbursement limits issued pursuant to the authority of Sections 14105, 14106, and 14124.5 of the Welfare and Institutions Code, and defined in Section 51508 of Title 22 of the California Administrative Code. Therefore, the Director of Finance may, following the adoption of a resolution by the Regents of the University of California declaring a teaching hospital fiscal emergency, authorize the accelerated expenditure, on a loan basis, of amounts budgeted for the university, in the form of an agreement to seek a supplementary appropriation from the General Fund to the

extent of the equivalent dollar amount for the 1982–83 fiscal year, as is determined for each hospital, which is related to the difference in the reimbursement rates allowed by the Medicare and Medi-Cal programs and the reimbursement rates claimed by the University of California. In considering such supplemental appropriation, the financial condition of each hospital shall be taken into account. Provided further, that the University of California will appeal for exceptions to these limits pursuant to procedures for requesting such appeals; provided further, that no increased expenditure may exceed $2,450,000 or be authorized sooner than 30 days after notification in writing of the necessity therefor is made to the person of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his designee, may in such instance determine.

Any funds provided under the authority of this section shall be repaid to the fund from which they were derived with the proceeds of the claims appealed, regardless of fiscal year, as decisions on cost reimbursement limits which gave rise to their authorization permit repayment of the loan. It is the intent of the Legislature that provisions for repayment of any loan balances shall be determined after the procedures for requesting appeals have been exhausted and all decisions are rendered. The university shall report annually in its budget on the status of such appeals.

SEC. 19.85. Pursuant to the provisions of Sections 12937 and 12938 of the Water Code, $80,000,000 of the money accruing to the California Water Fund in 1982–83 shall be transferred to the General Fund. Notwithstanding any other provision of law, the Director of Finance shall review all expenditures proposed for the State Water Resources Development System in 1982–83 and propose a process for approval and allocation of the funds necessary for the: (1) annual maintenance, operation, and replacement of any parts, (2) payment of bond indebtedness, (3) transfer to the California Water Fund as reimbursements for funds utilized, and (4) acquisition and construction pursuant to Section 12937 of the Water Code. The Director of Finance shall report on the proposed process and make recommendations for implementation to the Legislature by February 15, 1983.

SEC. 19.87. Notwithstanding any other provisions of law, the State Controller shall transfer $3,000,000 from the Peace Officers' Training Fund to the unappropriated surplus of the General Fund.

SEC. 19.88. Notwithstanding any other provision of law, there is hereby appropriated the sum of $315,000 for transfer by the State Controller, upon order of the Director of Finance, from the State Parks and Recreation Fund to the General Fund during the 1982–83 fiscal year. The transfer shall be from the following appropriations:

(1) Item 530(b), Budget Act of 1980. Opportunity purchases.

(2) Item 530(c), Budget Act of 1980. Inholding purchases.

SEC. 19.92. Notwithstanding any other provision of law, an amount not to exceed $7,000,000 in the Special Account for Capital

Outlay in the General Fund, may be used during the 1982–83 fiscal year to augment construction and acquisition projects, in accordance with Section 8, for which funds are appropriated herein from the Capital Outlay Fund for Public Higher Education, the Energy and Resources Fund, the State Parks and Recreation Fund, and the Special Account for Capital Outlay in the General Fund. No funds in the Capital Outlay Fund for Higher Education (other than funds subject to Section 9 of this Act), the Energy and Resources Fund and the State Parks and Recreation Fund may be used for these augmentation purposes.

SEC. 19.95. Notwithstanding the provisions of Section 3825 of the Public Resources Code, the State Controller shall transfer 30 percent of all revenues deposited in the Geothermal Resources Development Account, upon receipt, to the Renewable Resources Investment Fund.

SEC. 19.99. On the operative date of this act, the State Controller shall transfer $2,000,000 from the Clean Coal Account to the unappropriated surplus of the General Fund.

SEC. 20.00. No money appropriated by this act shall be used to pay the salary of any authorized state position which was abolished effective July 1, 1982, and which position was vacant continuously during the period between October 1, 1981, and July 1, 1982. The State Controller, no later than August 1, 1982, 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 July 1, 1982.

The State Controller, not later than December 1, 1982, shall furnish the Joint Legislative Budget Committee a report on all positions as of July 1, 1982, which were unfilled continuously during the period between October 1, 1981, and July 1, 1982.

SEC. 20.10. Notwithstanding any other provisions of law, expenditures under Item 0160-001-001 of this act or any appropriation in augmentation of such item shall be exempt from the provisions of 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. 21.40. 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 1982–83 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 1983–84 fiscal year.

SEC. 21.41. Notwithstanding the provisions of Section 8262 of the Education Code and Sections 14616 and 14780 of the Government Code, the Superintendent of Public Instruction may enter into and execute local agreements for allocation of the funds appropriated in category (b) of Item 6100-196-001 and, to the extent permissible under federal law, for allocation of the funds appropriated in Item 6100-196-890 to any public or private entity or agency for (a) the delivery of child care and development services or (b) the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related to the delivery of child care and development services. Prior to entering into or executing such local agreements, however, the Department of Education shall obtain approval from the Department of General Services and the Department of Finance as to the form and general content thereof. Such agreements may only be made for the delivery of child care and development services, or the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related thereto, which conform to the provisions of Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code, excluding Section 8262.

For the 1981–82 fiscal year only, the Superintendent of Public Instruction may resolve audit exceptions in favor of the contractor if (a) the audit exceptions involve either interest expense, interest income spent on reimbursable costs, maintenance of effort, budget revisions in excess of 10 percent of the contract line item amount, or subcontracting without prior approval and (b) if the audit exception involves provisions of the Funding Terms and Conditions which were made known to contractors after the effective date of the 1981–82 contracts and which have since been deleted from the 1982–83 Funding Terms and Conditions.

The Department of Education shall report to the Department of Finance and the Legislative Analyst by March 1, 1983, the number of billings or audit exceptions canceled and the amount and nature of each.

SEC. 21.42. Pursuant to the provisions of Section 8250 of the Education Code, the Superintendent of Public Instruction may allocate funds appropriated by Item 6100-196-001 to continue to provide reimbursements to child care and development programs serving severely handicapped children which received state funding during the 1980–81 fiscal year. Notwithstanding the provisions of paragraph (3) of subdivision (d) of Section 8250 of the Education Code, the Superintendent shall develop a schedule of parent/guardian fees which must be implemented by recipient programs as a condition for the receipt of state funding during

1982–83. This schedule shall be reasonable and shall reflect appropriately the financial ability of parents or guardians to pay fees.

SEC. 21.50. Because it is necessary to provide adequate time for planning and preparation for the 1983 California State Fair, during the 1982–83 fiscal year the California Exposition and State Fair is authorized to incur obligations for entertainment in an amount not to exceed $300,000 for the 1983 fair, and the sum of $300,000 is hereby appropriated from the General Fund to the California Exposition and State Fair for this purpose. The appropriation in this section shall be available for encumbrance only until June 30, 1984.

SEC. 22.00. 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 American-made vehicles 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. 24.00. 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. 24.50. Notwithstanding any other provision of this act, support appropriations of departments having employee-rented housing are hereby reduced by a total of $1,100,000 ($950,000 General Fund) to offset additional reimbursements these agencies should receive as a result of the adjustment effective January 1, 1983 of rental rates paid by employees for state-owned housing to reflect market values. The Department of Finance shall apportion this reduction among the departments.

SEC. 25.00. (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 Chairperson of the Joint Legislative Budget Committee, or his or her 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. 25.10. 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 Chairperson of the Joint Legislative Budget Committee, or his or her 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 chairperson of said committee, or his or her designee, may in each instance determine.

SEC. 26.00. Whenever herein an appropriation is made for support it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer,

employee, or other agency, for which such appropriation is made.

Whenever herein an appropriation is made for capital outlay, it shall include acquisition of land or other real property, major construction, improvements, equipment, designs, working plans, specifications, repairs and equipment necessary in connection with a construction or improvement project.

Whenever herein any item of appropriation contains provisions for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of such property.

Whenever herein an appropriation is made in accordance with a schedule set forth after such appropriation, the expenditures from such item for each category, program, or project included in the schedule shall be limited to the amount specified for such category, program, or project, except as otherwise provided in this act. Each such schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

As used in this act in reference to such schedules "category", "program", or "project" means a class of expenditures such as, but not limited to:

(a) "Personal services" which shall include all expenditures for payment of officers and employees of the state; including salaries and wages, workers' compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, insurance premiums for workers' compensation coverage, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contributions to the Public Employees' Retirement Fund, the Teachers' Retirement Fund, the University of California Retirement Fund to provide for that portion of retirement costs to be provided for Hastings College of Law in Item 6600-001-001 of this Budget Act, the Old Age and Survivors' Insurance Revolving Fund, the Public Employees' Contingency Reserve Fund, and the state's cost of health benefits plans; but do not include compensation of independent contractors rendering personal services to the state under contract;

(b) "Operating expenses and equipment" which shall include all expenditures for purchase of materials, supplies, equipment, services (other than services of state officers and employees), departmental services (services provided by other organizational units within a department, including indirect distributed costs) and all other proper expenses;

(c) "Preliminary plans" are defined as a site plan, architectural floor plans, elevations, outline specifications, and a cost estimate. For each utility, site development, conversion and remodeling project, the drawings shall be sufficiently descriptive to accurately convey the location, scope, cost, and the nature of the improvement being proposed;

(d) "Working drawings" are defined as a complete set of plans and specifications showing and describing all phases of a project,

architectural, structural, mechanical, electrical, civil engineering, and landscaping systems to the degree necessary for the purposes of accurate bidding by contractors and for the use of artisans in constructing the project. All necessary professional fees and administrative service costs are included in the preparation of such drawings;

(e) "Construct" or "construction" when used in connection with a capital outlay project shall include all such related things as fixtures, installed equipment, and auxiliary facilities;

(f) "Minor projects" include construction, improvements and equipment projects not specifically set forth in the schedule.

(g) "Programs" include all expenditures, regardless of category, required to carry out the objectives of the named activity.

For the purpose of further interpreting the meaning of the words, terms and phrases, and uniform codes used in such schedules, reference is hereby made to those documents entitled, "State of California Governor's Budget for 1982–83," submitted by the Governor to the Legislature at the 1982 portion of the 1982–83 Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13300 of the Government Code, the Uniform Codes Manual, and the appropriate portions thereof. The State Board of Control shall establish such interpretations as are necessary to carry out the provisions of this section and shall furnish the same to the State Controller and to every state agency to whom appropriations are made under this act.

SEC. 26.50. Whenever herein an appropriation is made for support or other expenses for an institution, department, board, bureau, commission, officer, employee, or other agency, there shall be charged to such appropriation from which salaries and wages are paid: worker's compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contribution to the Public Employees' Retirement Fund as provided by Sections 20751 and 20752 of the Government Code, the state's contribution to the Teachers' Retirement Fund as provided by Sections 23000 and 23400 of the Education Code, the state's contribution to the Old Age and Survivors' Insurance Revolving Fund as provided by Sections 20782 and 20783 of the Government Code, the state's contribution to the Public Employees' Contingency Reserve Fund and the state's contribution for the cost of health benefits plans as provided by Sections 22828 and 22829 of the Government Code.

As of the effective date of this act, the state's contributions as provided by Sections 22828 and 22829 of the Government Code for any month shall be charged to the same appropriations used for payment of salaries and wages from which the employee premium contributions for such month are deducted.

The appropriations made by Sections 20751, 20752, 20782, 20783, 22828, and 22829 of the Government Code, by Sections 23000 and

23400 of the Education Code, shall continue to be available for expenditure, and shall be charged for any expenditure which is not chargeable to an appropriation for support or other expenses as provided in this section. This transfer may be chargeable to such appropriation for a previous fiscal year if there are no funds available from that fiscal year.

The State Controller may transfer to the State Payroll Revolving Fund the contributions required by Sections 20751, 20752, 20782, 20783, 22828, and 22829 of the Government Code, and upon certification by the Board of Administration of the Public Employees' Retirement System in accordance with Sections 20754 and 20784 of the Government Code, may transfer from the State Payroll Revolving Fund to the Public Employees' Retirement Fund and the Old Age and Survivors' Insurance Revolving Fund the amounts of contributions so certified.

SEC. 26.65. If legislation is enacted which reduces the State's employer contribution rates to the Public Employees' Retirement Fund, the Department of Finance shall determine the amount of the reduction in contributions to the Public Employees' Retirement System for each appropriation that contains amounts for the payment of salaries and wages, benefits related thereto, based on the difference in the State's employer contribution rates to the Public Employees' Retirement System in effect on January 1, 1982, and the rates in effect on July 1, 1982.

The State Controller shall revert to the fund from which the appropriation was made, the savings resulting from the reduction in the State's employer contribution rates to the Public Employees' Retirement Fund, as determined by the Department of Finance pursuant to this section.

SEC. 26.70. 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, 1982, for the state officers whose salaries are specified by statute.

SEC. 26.80. 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. 27.00. The Department of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to whom an appropriation is made

herein, authorize the augmentation of the amount available for expenditure for a category, program, or project designated in any schedule set forth for such appropriation by transfer from any of the other designated categories, programs, or projects within the same schedule. The Department of Finance shall furnish the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee a report on all authorizations given pursuant to this section during the preceding quarter.

Augmentations of amounts available for expenditure for a category, program, or project designated in any line of any schedule for personal services or operating expenses and equipment set forth for such appropriation by transfer from any of the other designated categories, programs, or projects within the same schedule shall not exceed, during any fiscal year:

(1) 20 percent of the amount so scheduled on that line for those support appropriations made herein which are $2,000,000 or less.

(2) 10 percent of the amount so scheduled on that line for those support appropriations made herein which are more than $2,000,000, except that transfers may be authorized in excess of 10 percent, but not in excess of 20 percent, not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

(3) The Department of Transportation Highway Program shall be limited to a schedule change of 10 percent.

SEC. 27.05. Notwithstanding Section 27.00, the Director of Finance may revise the format of appropriations made herein by eliminating program schedules or by the substitution of category limitations for program limitations, as defined by Section 26.00. It is the intent of the Legislature that these revisions shall be made to the appropriations of those departments which are scheduled to implement the California State Accounting and Reporting System (CALSTARS) in the 1982–83 fiscal year, in accordance with the type of restrictions contained in the 1981 Budget Act. Further, the revisions may be made to the appropriations of CFIS-integrated non-CALSTARS departments upon concurrence by the State Controller.

SEC. 27.10. (a) Notwithstanding any other provision of this act, for any appropriation made in this act for travel, 25 percent of the amount appropriated therefor from all funds shall be reverted by the State Controller to the fund from which the appropriation was made. This section shall not apply to any appropriation for travel which is directly related to revenue production, the providing of fire, life, safety and law enforcement services, or the enforcement of laws enacted pursuant to Article XIV of the California Constitution, as determined by the Director of Finance, to specific items of appropriations made in Items 0110-001-001 to 0180-001-001, inclusive,

or to those appropriations made to state entities which are supported exclusively from federal funds, which shall not be reduced. As to those agencies to which this section applies, the Director of Finance is authorized to impose a reduction, in an amount equal to 25 percent of an agency's travel budget, in another portion of that agency's budget, but only if the Director of Finance determines that the travel reductions ordered by this section will significantly interrupt, impede, or impair the agency's statutorily mandated function.

(b) The Director of Finance shall furnish the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee a report which indicates the amount of funds reverted and the extent of exceptions allowed and nontravel reductions made pursuant to subdivision (a), excluding the exemptions as to Items 0110-001-001 to 0180-001-001, inclusive. The report shall be furnished by August 15, 1982, or by whatever later date the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

(c) By adopting this section, it is the intent of the Legislature to reduce General Fund costs by a total of $10,000,000.

SEC. 27.15. Notwithstanding any other provision of law, no more than 5 percent of the amount allocated for enforcement pursuant to Items 1120-001-704 to 1655-090-702, inclusive, may be used for any other purpose sooner than 30 days after written notice of the necessity therefor to the Chairperson of the Joint Legislative Budget Committee.

SEC. 27.30. For each city that existed but did not levy a property tax in the 1977–78 fiscal year, other than for voter-approved indebtedness, there is hereby appropriated for allocation to each of those cities an amount equal to the total amount which each of those cities would have received pursuant to Section 25761 of the Business and Professions Code, Section 4306 of the Public Utilities Code, and Section 26483 of the Revenue and Taxation Code, as those sections read on June 1, 1981, if those sections had not been repealed.

SEC. 27.50. The State Controller, at the request of an institution, department, board, bureau, commission, officer, employee or other agency for which an appropriation is made herein, may transfer under procedures established by the Department of Finance up to 10 percent of any appropriation made to each such agency by this act to an account established for each such agency within the State Expenditure Revolving Fund, which is hereby created for the purpose of the payment of payroll and other claims which costs are to be subsequently charged to the appropriations made to each such agency in accordance with the schedule set forth in such appropriations. The joint approval of the Department of Finance and the State Controller shall be required for transfers in excess of 10 percent from any one appropriation.

All state agencies shall submit to the Department of Finance a statement of financial adjustment to the State Expenditure Revolving Fund no later than 30 days following the transaction

month. No state agency shall deposit funds in the State Expenditure Revolving Fund from local assistance or capital outlay appropriations or in excess of 10 percent of any appropriation made to the agency in this act unless approved by the Director of Finance and State Controller.

Notwithstanding Sections 16310 and 16314 of the Government Code, the State Controller may transfer, as necessary, from the State Expenditure Revolving Fund to the General Fund such amounts as are needed to meet cash needs of the General Fund. The State Controller shall return all such moneys so transferred without payment of interest as soon as there are sufficient moneys in the General Fund.

It is the intent of the Legislature that transfers made by the State Controller shall be available for the same term as the appropriation from which the transfer was made, and expenditures thereof shall be subject to the provisions of Section 32 of the Act. All undisbursed funds shall be returned to the appropriations from which they are transferred and are subject to Section 16304.1 of the Government Code.

SEC. 28.00. (a) The Director of Finance may authorize the augmentation of the amount available for expenditure for any category or program in the schedule set forth for any appropriation in this act or any additional category or program in the amount of any funds which he/she estimates will be received by an officer, department, division, bureau, or other agency during the 1982–83 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/she determines has not been taken into consideration in the schedule or is in excess of the amount so taken into consideration.

(b) The director also may authorize expenditure for a new program not identified in the budget as such or for purposes which in his/her 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 chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the committee, or his/her designee, may in each instance determine. Any personnel action which is dependent on funds subject to the provisions of this section shall not be effective until after the provisions of this section has been complied with. Any authorization made pursuant to this subdivision too late for inclusion in the Governor's Budget for the 1983–84 fiscal year shall remain in effect for such period as the director may determine in each instance, but in no event after June 30, 1984.

The Director of Finance may also reduce any category or program whenever he/she 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.

(d) All increased expenditures from department indirect cost funds in excess of the amount budgeted in this act or identified in a prior Section 28 notification are subject to the reporting requirements of this section.

(e) Where unallocated reductions of $250,000 or more have been made to appropriations contained in this act, the Department of Finance shall report, on or before August 15, 1982, to the Chairperson of the Joint Legislative Budget Committee and the chairperson and vice chairperson of the committee of each house which considers appropriations, regarding the manner in which these reductions have been or will be made in the 1982–83 fiscal year.

SEC. 28.05. The uniform coding scheme utilized in this act, pursuant to the requirements of Government Code Section 13338, affects format and style and is not intended to affect the scope, meaning or intent of the provisions of this act. Further, the Department of Finance may amend the codes used in this act, in order to provide compatibility between the codes used in this act and those used in the Governor's Budget and in the records of the State Controller.

SEC. 28.10. 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. 28.20. The requirements of this section with respect to lease, lease-purchase, or lease with the option to purchase agreements which involve building space are provided for pursuant to the provisions of Chapter 919, Statutes of 1981.

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 the director notifies the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or his or her designee, in writing of the director's intention to execute such an agreement, or not sooner than such

lesser time as the chairperson of the committee, or his or her designee, may in each instance determine. 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."

SEC. 28.30. The Department of Social Services shall submit, by September 10 and March 1, 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, and (4) savings or costs associated with all regulatory or statutory changes.

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.

Assumptions shall be released to the legislative fiscal committees immediately following approval or modification by the Department of Finance. The Department of Social Services shall identify those premises which (a) have been discontinued since the previous estimate was submitted or (b) have been placed in the basic cost line of the estimates package.

The Department of Social Services shall submit an estimate of expenditures for each of the categorical aid programs to the Department of Finance by November 1, 1982, and April 20, 1983. Each estimate shall contain a concise statement identifying applicable estimate components, such as caseload, unit cost, implementation date, whether it is a new or continuing premise, and other assumptions necessary to support the estimate. The submittal shall include a projection of the fiscal impact of each of the approved assumptions related to a regulatory, statutory, or policy change; a detailed explanation of any changes to the base estimate projections from the previous estimate; and a projection of the fiscal impact of such change to the base estimate.

The Department of Social Services shall submit to the Department of Finance, as part of the estimates compiled for November 1, 1982, a brief narrative description of the methodological steps employed in arriving at (a) the basic grant costs for the AFDC and SSI/SSP programs, (b) the basic administrative costs for the AFDC and Food Stamp programs, (c) all cost estimates for the In-Home Supportive Services program, and (d) any cost estimate for new regulations or legislation which exceeds 2 percent of the total cost of the affected program. Such methodological discussions shall be forwarded to the Joint Legislative Budget Committee and the fiscal committees along

with the November 1, 1982, estimates of expenditures. In addition, the Department of Social Services shall, upon request, develop and make available brief written narratives of the steps taken to arrive at specified estimates Copies of the written narratives, working papers, and data employed in the construction of any estimate used to prepare the Governor's Budget shall be made available by the Department of Social Services upon request to the Joint Legislative Budget Committee or the Department of Finance.

In the event that the methodological steps employed in arriving at those estimates in May 1983 differ from those used in November 1982, the Department of Social Services shall submit a brief narrative description of the revised methodology to the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committees, along with other materials included in the May 1983 revision of expenditure estimates.

The estimates of average monthly caseload, average monthly grants, total estimated expenditures (including administrative expenditures and savings or costs associated with all regulatory or statutory changes), as well as all supporting data provided by the Department of Social 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 January 10, 1983, and May 15, 1983, by the Department of Social Services if this information has not been released earlier by the Department of Finance.

SEC. 28.31. 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 (1) all assumptions underlying estimates of state hospital developmentally disabled and mentally disabled populations and (2) a comparison of the actual and estimated population levels for the year to date. If the actual population exceeds the estimated population by 50 or more, the departments shall include in their reports an analysis of the causes of the decreased level of decline. This analysis shall include an assessment of the impact of client characteristics and geographic distribution. The estimates and comparisons of the Department of Mental Health shall separately identify the clients in hospitals operated by the Department of Developmental Services and those in its own hospitals. The Department of Finance shall approve or modify the assumptions underlining all population estimates within 15 working days of their submission. If the Department of Finance does not approve or modify the assumptions by such date, the assumptions, as presented by the submitting department, shall be deemed to be accepted by the Department of Finance as of that date. The estimates of populations and the comparison of actual versus estimated population levels shall be made available to the Joint Legislative Budget Committee immediately following approval by

the Department of Finance. The Department of Finance shall also make available to the Joint Legislative Budget Committee a listing of all of the approved assumptions and the impact of each assumption, as well as all supporting data provided by the Department of Developmental Services and the Department of Mental Health or developed independently by the Department of Finance. However, such departmental estimates, assumptions, and other supporting data as have been prepared, shall be forwarded to the Joint Legislative Budget Committee not later than 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. 28.35. The State Department of Health Services shall prepare and submit Medi-Cal program assumptions and estimates to the Department of Finance and the Legislature. The purpose of the assumptions and estimates shall be to clearly identify changes within the Medi-Cal program which have policy and/or fiscal implications, and to produce reliable forecasts of Medi-Cal expenditures.

Medi-Cal program assumptions and estimates shall be organized by and correspond to Budget Act and/or Budget Bill item numbers, separately identifying expenditures for (a) purchase of medical care and services, (b) rate increases, (c) county eligibility determinations, (d) fiscal intermediary services, and (e) departmental support. Such estimates and assumptions shall indicate state and federal as well as total funds expended.

The State Department of Health Services shall submit, by August 1, October 20, and March 1, to the Department of Finance for its approval, all assumptions underlying all Medi-Cal program estimates. The Department of Finance shall approve or modify, in writing, the assumptions underlying all estimates within 10 working days of their receipt. If the Department of Finance does not so approve or modify the assumptions by such date, the assumptions, as presented by the department, shall be deemed to be approved by the Department of Finance as of that date. Assumptions shall be released to the legislative fiscal committees immediately following approval or modification by the Department of Finance.

The Department of Health Services shall submit an estimate of Medi-Cal program expenditures to the Department of Finance within 15 working days from receipt of the approved or modified assumptions. The Department of Finance shall approve or modify the estimate within 15 working days of its submission. If the Department of Finance does not approve or modify the estimate by such date, it shall be deemed to be accepted by the Department of Finance as of that date. All approved estimates and supporting data provided by the Department of Health Services or developed independently by the Department of Finance, shall be made available to the Joint Legislative Budget Committee, Senate Finance and Assembly Ways and Means Committee immediately following approval by the Department of Finance. However, such departmental estimates for health care services with supporting data

shall be forwarded to the legislative fiscal committees not later than October 1, January 10, and May 15 in the event this information has not been released earlier. Estimates for fiscal intermediary services and county administrative activities shall be forwarded to the legislative fiscal committees not later than October 1, January 10, and May 1.

Each Medi-Cal assumption shall contain a clear narrative description of the statutory, regulatory, or policy change or other change that has occurred or will occur which effects Medi-Cal program expenditures or which is of policy importance. Each assumption shall include a cost estimate which contains relevant workload, caseload, unit cost and other data or information needed to support the estimate.

The assumptions related to purchase of medical care and services shall include a section with a nontechnical description of the major variables used to produce a base projection. This section shall further contain an estimate of the fiscal impact of the use of such variables. The estimates related to purchase of medical care and services shall include current and budget year base projections of eligibles, users, expenditures and cost per user by quarter with sufficient past actual data to permit evaluation of such projections. Such projections shall be prepared by service category and aid category. The Department of Finance shall identify a high, mid, and low range of Medi-Cal service expenditures, which shall be accompanied by assumptions, when the estimates are released to the Legislature.

The assumptions and/or estimates related to fiscal intermediary services shall contain a narrative description of how such forecasts are prepared. Sufficient historical workload by claim type and expenditure data shall accompany the forecasts to permit evaluation. Change orders to the fiscal intermediary contract shall be fully described and costs estimated. In addition, important modifications to the Medi-Cal claims processing system not associated with change orders shall be described and, if appropriate, cost and/or savings estimated.

Assumptions and/or estimates related to county Medi-Cal eligibility determination costs shall contain a narrative description of how the forecast was prepared. Current and budget year estimates by county shall be prepared. Such estimates shall compare past actual and projected workload and expenditures in a format which will permit evaluation of forecasts. Expenditures for Los Angeles County hospital eligibility work shall be separately identified. Changes in expenditure estimates for individual counties resulting from allocation of funds or other factors shall be identified in subsequent estimates. Unallocated funds and funds for special projects and/or special problems shall be separately identified. The department shall compare budgeted and actual expenditures by county as soon as the information from county quarterly costs reports becomes available.

The estimates shall compare budgeted to implemented rate increases for the current year. Such comparisons shall be by provider category and shall compare budgeted to implemented increases in

terms of percentage increases, date of implementation, and revised estimated cost.

SEC. 28.40. No funds appropriated by this act shall be encumbered for the purpose of funding any increased state costs or local governmental costs, or both such costs, arising from the issuance of an executive order as defined in Section 2209 of the Revenue and Taxation Code or subject to the provisions of Section 2231 of the Revenue and Taxation Code, unless (a) such funds to be encumbered are appropriated for such purpose, or (b) notification in writing of the necessity of the encumbrance of funds available to the state agency, department, board, bureau, office, or commission is given by the Department of Finance, at least 30 days before such encumbrance is made, to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, determines.

SEC. 28.41. The Director of Finance may authorize the augmentation of the amount available for expenditure for any appropriation made by this act which is for reimbursement pursuant to Section 2229 or Section 2230 of the Revenue and Taxation Code to local taxing authorities for lost revenue or for reimbursement pursuant to subdivision (a) of Section 2231 of that code to local agencies or school districts for costs of any new program or increased level of service mandated by statute or executive order from the unencumbered balance of any other appropriation made by this act for the purpose of providing reimbursement pursuant to those sections of the Revenue and Taxation Code. No authorization for augmentation pursuant to this section may be made sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson or his or her designee may in each instance determine.

SEC. 28.50. 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 chairperson of the committee in each house which considers appropriations and the Chairperson 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. 28.70. 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 $150,000, unless the scope and cost of any such project is approved by the Director of Finance and 30 days' written notification is provided to the Chairperson of the Joint Legislative Budget Committee or his or her designee, or not sooner than such lesser time as the chairperson of such committee,

or his or her designee, may in each instance determine. Any project funded from the Health Sciences Hospital Reserve Fund, of less than $150,000, shall be reported to the Chairperson of the Joint Legislative Budget Committee by December 1 of each fiscal year. For purposes of this section the definition of a project does not include equipment projects. Any urgent project concerned with patient life or safety may proceed without prior approval or notification but such project shall be identified in the report provided each December 1.

SEC. 28.71. No funds appropriated by this act may be used by the Regents of the University of California or the Trustees of the California State University and Colleges to reclassify instructional capacity space administrative, library space or faculty offices to other uses unless and until any such proposed reclassification is first approved by the Department of Finance and 30 days' written notification is provided to the Chairperson of the Joint Legislative Budget Committee or his or her designee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

SEC. 28.90. 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 chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

In the event that the systemwide enrollment of the California State University 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 chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget

Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

Based upon fall annualized full-time equivalent (FTE) students, all surplus funds withdrawn from any campus consistent with the policy of the California State University 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 Chairperson of the Joint Legislative Budget Committee, and the financial necessity of any such exception shall be identified. For purposes of this section, graduate enrollments of the University of California shall be excluded from all calculations.

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 savings. Excess salary savings funds are those in excess of the amount budgeted.

(b) The trustees may approve transfer of funds between one or more of the programs for which funds are appropriated for the support of the California State University 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. 29.00. Premiums for official bonds may be paid out of appropriations contained in this act, notwithstanding the period covered by such bonds.

SEC. 29.20. On or before August 15, 1982, any state department which is required to make unallocated reductions of $250,000 or more pursuant to this act shall report to the Chairperson of the Joint Legislative Budget Committee and the chairperson and vice chairperson of the committee of each house which considers appropriations regarding the manner in which these reductions have been or will be made in the 1982–83 fiscal year.

SEC. 30.00. 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. 31.00. 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/her authorized designee, shall notify the Chairperson of the Joint Legislative Budget Committee within 30 days of authorizing any position not authorized for that fiscal year by the Legislature or any reclassification to a position with a minimum step of $1,900 per month. He/she shall also report all transfers to blanket authorizations and the establishment of any permanent positions out of a blanket authorization.

All positions administratively established pursuant to this section during the 1982–83 fiscal year shall terminate on June 30, 1983, except that those positions which have been (a) included in the 1983–84 Governor's Budget as proposed new positions, or (b) approved by the Department of Finance and reported to the Legislature after the 1983–84 Governor's Budget submission to the Legislature, may be reestablished by the Department of Finance during the 1983–84 fiscal year, provided such positions are shown in the 1984–85 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 1983–84 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 1982–83 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 1983–84 fiscal year. If the Department of Finance determines that supplemental funding will be required, no certification shall be issued unless notification in writing is given by the Department of Finance, at least 30 days before certification is made, to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of the committee, or his designee, determines.

A certification on a payroll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the State Controller that such expenditures comply with the provisions of this section.

Each agency, department, board, commission, and institution, for whose benefit and support appropriations are made in this act, shall certify to the Director of Finance that its expenditures have been made for the purposes stated in the budget, as implemented by the Budget Act, except as the purposes stated have been revised, in accordance with law, by the Department of Finance subsequent to the enactment of the Budget Act.

SEC. 32.00. The officers of the various departments, boards, commissions and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditures in excess of such appropriations, except the consent of the Department of Finance be first obtained, and a certificate, in writing, duly signed by the director of said department, of the unavoidable necessity of such expenditure; and any indebtedness attempted to be created against the state in violation of the provisions of this section shall be absolutely null and void; and shall not be allowed by the State Controller nor paid out of any state appropriation. Any member of any such department, board, commission or institution, who shall vote for any expenditure, or create any indebtedness against the state in excess of the respective appropriations made by this act, except by the consent of the Department of Finance and the certificate in this section provided to be first obtained, shall be liable 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. 32.20. 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/she 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. 33.00. If any item of appropriation in this act is vetoed, eliminated, or reduced by the Governor under Section 10 of Article IV of the Constitution, while approving portions of this act, such veto, elimination, or reduction shall not affect the other portions of this act, and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act, and as if any reduced item of appropriation had not been reduced.

SEC. 34.00. If any portion of this act is held unconstitutional, such decision shall not affect the validity of any other portion of this act. The Legislature hereby declares that it would have passed this act, and each portion thereof, irrespective of the fact that any other portion be declared unconstitutional.

SEC. 35.00. This act, inasmuch as it provides for an appropriation for the usual current expenses of the state, shall, under the provisions of Section 8 of Article IV of the Constitution of the State of California, take effect immediately.

SEC. 36.00. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

This act makes appropriations for support of state and local government for the 1982–83 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, 1982. It is therefore necessary that this act go into immediate effect.