
1989-90

FIRST EXTRAORDINARY SESSION

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA



A PROCLAMATION
by the Governor of the State of California

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

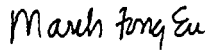
I, GEORGE DEUKMEJIAN, Governor of the State of California, by virtue of the power and authority vested in me by Section 3 (b) Article IV of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet in extraordinary session at Sacramento, California, on the 2nd day of November, 1989, at 12:00 p.m. of said day for the following purpose and to legislate upon the following subject:

To consider and act upon legislation relative to earthquake preparedness and safety for public facilities and to provide assistance to those persons and public entities that suffered losses as a result of the recent earthquakes in the Cities of Isleton, Tracy, the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, Monterey, San Benito, San Mateo, Santa Clara, Santa Cruz, and Solano.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 31st day of October 1989.


Governor of California

ATTEST:


Secretary of State



STATUTES OF CALIFORNIA
1989-90
FIRST EXTRAORDINARY SESSION
1989-90 CHAPTERS

CHAPTER 1

An act to amend Sections 8680.9, 8682.9, 8685, 8686, 8690.2, 8690.4, and 8690.6 of the Government Code, and to amend Section 13600 of the Welfare and Institutions Code, relating to natural disaster assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with Secretary of State November 7, 1989.]

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

SECTION 1. Section 8680.9 of the Government Code is amended to read:

8680.9. "Local emergency" means a condition of extreme peril to persons or property declared as such by the governing body of the local agency affected, in accordance with Section 8630.

SEC. 2. Section 8682.9 of the Government Code is amended to read:

8682.9. The director shall adopt regulations to govern the administration of the disaster assistance program authorized by this chapter in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3). These regulations shall include specific project eligibility requirements, a procedure for local governments to request the implementation of programs under this chapter, and a method for evaluating these requests by the Office of Emergency Services. Interim regulations required by this section shall be adopted by December 1, 1989, and final regulations shall be adopted by October 1, 1990, provided that neither the interim nor final regulations shall be subject to review or approval of the Office of Administrative Law.

SEC. 3. Section 8685 of the Government Code is amended to read:

8685. From any money appropriated for that purpose, and subject to the conditions specified in this article, the Director of Emergency Services shall allocate funds to meet the cost of any one or more projects as defined in Section 8680.4. Applications by school districts shall be submitted to the Superintendent of Public Instruction for review and approval, in accordance with instructions or regulations developed by the Office of Emergency Services, prior to the allocation of funds by the Director of Emergency Services.

Moneys appropriated for the purposes of this chapter may be used to provide financial assistance for the following local agency and state costs:

(a) Local agency personnel regular hourly wage and overtime costs, equipment costs, and the cost of supplies and materials used during disaster response activities, incurred as a result of a state of emergency proclaimed by the Governor, excluding the normal

hourly wage costs of regularly assigned emergency services and public safety personnel.

(b) To repair, restore, reconstruct, or replace facilities belonging to local agencies damaged as a result of natural disasters as defined in Section 8680.3.

(c) Matching fund assistance for cost sharing required under federal public assistance programs.

(d) Indirect costs defined as eligible by the Office of Emergency Services and in accordance with the federal Office of Management and Budget Circular No. A-87, or its successors, and any other assistance deemed necessary by the Director of Emergency Services.

SEC. 4. Section 8686 of the Government Code is amended to read:

8686. (a) For any eligible project, the state share shall amount to no more than 75 percent of total state eligible costs. The state shall make no allocation for any project application resulting in a state share of less than two thousand five hundred dollars (\$2,500).

(b) Notwithstanding subdivision (a), the state share shall be up to 100% of total state eligible costs connected with the October 17, 1989, Loma Prieta earthquake. The state shall make no allocation for any project application resulting in a state share of less than two thousand five hundred dollars (\$2,500) under this subdivision.

amended to read:

8690.2. The Natural Disaster Assistance Fund is hereby created as a special fund in the State Treasury. This fund and its subsidiary accounts are continuously appropriated for purposes of this act. The fund is the successor to the funds appropriated by Section 4 of Chapter 624 of the Statutes of 1973 and to the Street and Highway Disaster Fund, which funds are hereby abolished, effective the 61st day after final adjournment of the 1973-74 Regular Session of the Legislature. All of the assets, liabilities, and surpluses of the two abolished funds shall, on order of the Controller and as of the effective date of their abolition, be transferred to and become assets, liabilities, and surpluses of the Natural Disaster Assistance Fund except that all assets, liabilities, and surplus of the portion of the Street and Highway Disaster Fund relating to state highways shall be transferred to the State Highway Account in the State Transportation Fund. The existing appropriations from either of such funds shall continue to be available for allocation, encumbrance, and expenditure in the same manner and for the same purposes and periods from the Natural Disaster Assistance Fund. Any reference in any law or regulation to the Street and Highway Disaster Fund shall be deemed to refer to the Street and Highway Account of the Natural Disaster Assistance Fund.

Any moneys received by the director or any state agency after the effective date of this section which, by law, would otherwise be required to be deposited in either of such funds, shall on order of the Controller, be deposited in the State Treasury in the Natural Disaster Assistance Fund.

SEC. 6. Section 8690.4 of the Government Code is amended to read:

8690.4. The Controller shall establish the following four special accounts in the Natural Disaster Assistance Fund:

(a) The Public Facilities and Local Agency Disaster Response Account, into which shall be paid all moneys appropriated by the Legislature for allocation for (1) the repair, restoration, reconstruction, or replacement of facilities belonging to local agencies damaged as a result of natural disasters, (2) matching fund assistance for cost sharing required under federal disaster assistance programs, as specified in subdivisions (b) and (c) of Section 8685, and (3) local agency personnel overtime costs and supplies used during eligible disaster response and recovery activities, including the cost of administering those activities, as specified in subdivisions (a) and (d) of Section 8685.

(b) The Street and Highway Account, into which shall be paid all resources transferred from the Street and Highway Disaster Fund, any money received from the federal government as reimbursement to any city or county for expenditures from funds allocated, transferred or expended pursuant to this chapter for a street and highway project, any money hereafter appropriated by the Legislature for allocation for street and highway projects, and any income from investment of moneys in the account and payments by local agencies in reimbursement of moneys disbursed from the account including deferred payments with charges, pursuant to Section 8686.8.

(c) The Office of Emergency Services Disaster Administration Support Account, into which shall be paid all moneys appropriated by the Legislature for allocation for state administrative and engineering support required to respond to a specific disaster in accordance with the state disaster assistance program authorized under this chapter.

(d) The Earthquake Emergency Investigations Account, into which shall be paid all moneys appropriated by the Legislature to the Seismic Safety Commission for allocation for the purpose of enabling immediate investigation of damaging earthquakes. Allocations may be made by the commission to assist organizations which have incurred expenses in the course of conducting earthquake investigations. Allocations may be made to cover the following expenses:

(1) Travel, meals, and lodging.

(2) Publishing of findings.

(3) Contractor assistance in the investigation.

(4) Other expenses which the commission may allow as necessary to assist the investigation.

The unpredictable nature of earthquakes necessitates immediate access to funds for investigative purposes. For this reason, notwithstanding any other provision of law, funds in the Earthquake Emergency Investigations Account shall be available for expenditure

without regard to fiscal years.

(e) It is the intent of the Legislature that the Public Facilities and Local Agency Disaster Response Account, the Street and Highway Account, and the Office of Emergency Services Administration Support Account each have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year.

In the event that any of these three accounts require additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account, provided that the transfer is not made prior to notification in writing to the Joint Legislative Budget Committee of the reason and amount of transfer.

SEC. 7. Section 8690.6 of the Government Code is amended to read:

8690.6. (a) There is hereby established in the Reserve for Economic Uncertainties a Disaster Response-Emergency Operations Account. Notwithstanding Section 13340, moneys in the account are continuously appropriated, without regard to fiscal years, for allocation by the Director of Finance to state agencies for disaster response operation costs incurred by state agencies as a result of a state of emergency proclamation by the Governor. These allocations may be for emergency protective measures for the preservation of life or property within the state, or activities necessary for the resumption of regular state and local government operations and services.

(b) It is the intent of the Legislature that the Disaster Response-Emergency Operations Account have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year. In the event that this account requires additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account.

(c) The funds shall be allocated subject to the conditions of this section and in accordance with Section 27.00 of the annual Budget Act, except that the allocations may be made 30 days or less after notification of the Legislature pursuant to subdivision (b) of that section.

(d) No funds allocated under this section shall be used to supplant federal funds otherwise available in the absence of state financial relief.

(e) The amount of financial assistance provided to an individual, business, or governmental entity under this section, or pursuant to any other program of state-funded disaster assistance, shall be deducted from sums received in payment of damage claims asserted against the state, its agents, or employees, for causing or contributing to the effects of the proclaimed disaster.

(f) No public entity administering disaster assistance to individuals shall receive funds under this section unless it administers that assistance pursuant to the following criteria:

(1) All applications, forms, and other written materials presented to persons seeking assistance shall be available in English and in the same language as that used by the major non-English-speaking group within the disaster area.

(2) Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.

(g) The Legislature finds and declares that the amendments made to subdivision (c) of this section by Chapter 16 of the Statutes of 1986 declare the intent of the Legislature at the time when this section was originally added to this code by Chapter 1562 of the Statutes of 1985.

(h) This section shall become inoperative on June 30, 1993, and, as of January 1, 1994, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1994, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 8. Section 13600 of the Welfare and Institutions Code is amended to read:

13600. (a) The State Department of Social Services may provide state supplemental individual and family grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by any major disaster declared by the President of the United States in those cases where individuals or families are unable to meet those expenses or needs through assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended by P.L. 100-707), or other means.

(b) Grants shall only be made to individuals and families determined to be eligible for the federal individual and family grant program who have suffered losses reimbursable under that program in excess of the maximum federal grant amount.

(c) The State Department of Social Services may make a grant to those individuals and families equal to the difference between the federal grant awarded and the federally eligible appraised loss, not to exceed ten thousand dollars (\$10,000) per individual or family.

(d) For purposes of this section, "federally eligible" means only those losses that are eligible under the federal individual and family grant program, without regard to the federal maximum grant.

(e) Application procedures established for the administration of this chapter shall conform to the procedures required in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended by P.L. 100-707). The State Department of Social Services shall ensure that applicants for relief under this chapter have followed those procedures and that applicants have exhausted all other available means of seeking relief for disaster damage prior to receiving any grants pursuant to this chapter.

(f) Notwithstanding subdivision (e), application procedures

utilized for the administration of this chapter shall be subject to the following criteria:

(1) All applications, forms, and other written materials presented to persons seeking assistance shall be in English and in the same language as that used by the major non-English-speaking group within the disaster area.

(2) Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.

SEC. 9. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

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

In order to provide assistance to victims and to provide increased financial assistance as soon as possible for property damaged or destroyed by the October 17, 1989 Loma Prieta Earthquake, it is necessary that this act take effect immediately.

CHAPTER 2

An act to amend Sections 8680.4, 8680.5, 8680.8, 8680.9, 8682.9, 8685, 8686, 8690.2, 8690.4, and 8690.6 of, and to add Section to, the Government Code, and to amend Section 13600 of the Welfare and Institutions Code, relating to natural disaster assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 8680.4 of the Government Code is amended to read:

8680.4. "Project" means the repair or restoration, or both, other than normal maintenance, or the replacement of, real property of a local agency, including, but not limited to, buildings, levees, flood

control works, channels, irrigation works, city streets, county roads, bridges, and other public works, that are damaged or destroyed by a natural disaster. "Project" also includes those activities and expenses allowed under subdivisions (a), (c), and (d) of Section 8685. Except as provided in Section 8686.3, the completion of all or part of a project prior to application for funds pursuant to this chapter shall not disqualify the project or any part thereof.

SEC. 2. Section 8680.5 of the Government Code is amended to read:

8680.5. "Project application" means the written application made by a local agency to the director for state financial assistance, which shall include: (a) in the case of a public facilities project, all damage to public real property which resulted from a natural disaster within the total jurisdiction of the local agency making application; or (b) in the case of a street and highway project, all damage to streets and highways which resulted from a natural disaster within the total jurisdiction of the local agency making application; or (c) other activities and expenses as allowed in Section 8685.

SEC. 3. Section 8680.8 of the Government Code is amended to read:

8680.8. "State agency" means the Department of Transportation, the Department of Water Resources, the Department of General Services, the Department of Health, the Department of Finance, or other state agency or office, including the University of California. The Department of Transportation's area of responsibility concerns streets, roads, bridge and mass transit repairs. The Department of Water Resources' area of responsibility concerns dams, levees, flood control works, channels, irrigation works, and other similar projects. The Department of General Services' area of responsibility concerns buildings, sewer, water systems, and district road and access facility construction, alteration, repair and improvement thereof, and all other projects. The director shall assign applications to the appropriate agencies for investigation.

SEC. 4. Section 8680.9 of the Government Code is amended to read:

8680.9. "Local emergency" means a condition of extreme peril to persons or property declared as such by the governing body of the local agency affected, in accordance with Section 8630.

SEC. 5. Section 8682.9 of the Government Code is amended to read:

8682.9. The director shall adopt regulations to govern the administration of the disaster assistance program authorized by this chapter in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3). These regulations shall include specific project eligibility requirements, a procedure for local governments to request the implementation of programs under this chapter, and a method for evaluating these requests by the Office of Emergency Services.

Interim regulations required by this section shall be adopted by December 1, 1989, and final regulations shall be adopted by October 1, 1990, provided that neither the interim nor final regulations shall be subject to review or approval of the Office of Administrative Law.

SEC. 6. Section 8685 of the Government Code is amended to read:

8685. From any money appropriated for that purpose, and subject to the conditions specified in this article, the Director of Emergency Services shall allocate funds to meet the cost of any one or more projects as defined in Section 8680.4. Applications by school districts shall be submitted to the Superintendent of Public Instruction for review and approval, in accordance with instructions or regulations developed by the Office of Emergency Services, prior to the allocation of funds by the Director of Emergency Services.

Moneys appropriated for the purposes of this chapter may be used to provide financial assistance for the following local agency and state costs:

(a) Local agency personnel regular hourly wage and overtime costs, equipment costs, and the cost of supplies and materials used during disaster response activities, incurred as a result of a state of emergency proclaimed by the Governor, excluding the normal hourly wage costs of regularly assigned emergency services and public safety personnel.

(b) To repair, restore, reconstruct, or replace facilities belonging to local agencies damaged as a result of natural disasters as defined in Section 8680.3.

(c) Matching fund assistance for cost sharing required under federal public assistance programs.

(d) Indirect costs defined as eligible by the Office of Emergency Services and in accordance with the federal Office of Management and Budget Circular No. A-87, or its successors, and any other assistance deemed necessary by the Director of Emergency Services.

SEC. 7. Section 8686 of the Government Code is amended to read:

8686. (a) For any eligible project, the state share shall amount to no more than 75 percent of total state eligible costs. The state shall make no allocation for any project application resulting in a state share of less than two thousand five hundred dollars (\$2,500).

(b) Notwithstanding subdivision (a), the state share shall be up to 100 percent of total state eligible costs connected with the October 17, 1989, Loma Prieta earthquake. The state shall make no allocation for any project application resulting in a state share of less than two thousand five hundred dollars (\$2,500) under this subdivision.

SEC. 8. Section 8690.2 of the Government Code is amended to read:

8690.2. The Natural Disaster Assistance Fund is hereby created as a special fund in the State Treasury. This fund and its subsidiary accounts are continuously appropriated for purposes of this act. The fund is the successor to the funds appropriated by Section 4 of

Chapter 624 of the Statutes of 1973 and to the Street and Highway Disaster Fund, which funds are hereby abolished, effective the 61st day after final adjournment of the 1973-74 Regular Session of the Legislature. All of the assets, liabilities, and surpluses of the two abolished funds shall, on order of the Controller and as of the effective date of their abolition, be transferred to and become assets, liabilities, and surpluses of the Natural Disaster Assistance Fund except that all assets, liabilities, and surplus of the portion of the Street and Highway Disaster Fund relating to state highways shall be transferred to the State Highway Account in the State Transportation Fund. The existing appropriations from either of such funds shall continue to be available for allocation, encumbrance, and expenditure in the same manner and for the same purposes and periods from the Natural Disaster Assistance Fund. Any reference in any law or regulation to the Street and Highway Disaster Fund shall be deemed to refer to the Street and Highway Account of the Natural Disaster Assistance Fund.

Any moneys received by the director or any state agency after the effective date of this section which, by law, would otherwise be required to be deposited in either of such funds, shall on order of the Controller, be deposited in the State Treasury in the Natural Disaster Assistance Fund.

SEC. 9. Section 8690.4 of the Government Code is amended to read:

8690.4. The Controller shall establish the following four special accounts in the Natural Disaster Assistance Fund:

(a) The Public Facilities and Local Agency Disaster Response Account, into which shall be paid all moneys appropriated by the Legislature for allocation for (1) the repair, restoration, reconstruction, or replacement of facilities belonging to local agencies damaged as a result of natural disasters, (2) matching fund assistance for cost sharing required under federal disaster assistance programs, as specified in subdivisions (b) and (c) of Section 8685, and (3) local agency personnel overtime costs and supplies used during eligible disaster response and recovery activities, including the cost of administering those activities, as specified in subdivisions (a) and (d) of Section 8685.

(b) The Street and Highway Account, into which shall be paid all resources transferred from the Street and Highway Disaster Fund, any money received from the federal government as reimbursement to any city or county for expenditures from funds allocated, transferred or expended pursuant to this chapter for a street and highway project, any money hereafter appropriated by the Legislature for allocation for street and highway projects, and any income from investment of moneys in the account and payments by local agencies in reimbursement of moneys disbursed from the account including deferred payments with charges, pursuant to Section 8686.8.

(c) The Office of Emergency Services Disaster Administration

Support Account, into which shall be paid all moneys appropriated by the Legislature for allocation for state administrative and engineering support required to respond to a specific disaster in accordance with the state disaster assistance program authorized under this chapter.

(d) The Earthquake Emergency Investigations Account, into which shall be paid all moneys appropriated by the Legislature to the Seismic Safety Commission for allocation for the purpose of enabling immediate investigation of damaging earthquakes. Allocations may be made by the commission to assist organizations which have incurred expenses in the course of conducting earthquake investigations. Allocations may be made to cover the following expenses:

- (1) Travel, meals, and lodging.
- (2) Publishing of findings.
- (3) Contractor assistance in the investigation.
- (4) Other expenses which the commission may allow as necessary to assist the investigation.

The unpredictable nature of earthquakes necessitates immediate access to funds for investigative purposes. For this reason, notwithstanding any other provision of law, funds in the Earthquake Emergency Investigations Account shall be available for expenditure without regard to fiscal years.

(e) It is the intent of the Legislature that the Public Facilities and Local Agency Disaster Response Account, the Street and Highway Account, and the Office of Emergency Services Administration Support Account each have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year.

In the event that any of these three accounts require additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account, provided that the transfer is not made prior to notification in writing to the Joint Legislative Budget Committee of the reason and amount of transfer.

SEC. 10. Section 8690.6 of the Government Code is amended to read:

8690.6. (a) There is hereby established in the Reserve for Economic Uncertainties a Disaster Response-Emergency Operations Account. Notwithstanding Section 13340, moneys in the account are continuously appropriated, without regard to fiscal years, for allocation by the Director of Finance to state agencies for disaster response operation costs incurred by state agencies as a result of a state of emergency proclamation by the Governor. These allocations may be for emergency protective measures for the preservation of life or property within the state, or activities necessary for the resumption of regular state and local government operations and services.

(b) It is the intent of the Legislature that the Disaster Response-Emergency Operations Account have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year. In the event that this account requires additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account.

(c) The funds shall be allocated subject to the conditions of this section and in accordance with Section 27.00 of the annual Budget Act, except that the allocations may be made 30 days or less after notification of the Legislature pursuant to subdivision (b) of that section.

(d) No funds allocated under this section shall be used to supplant federal funds otherwise available in the absence of state financial relief.

(e) The amount of financial assistance provided to an individual, business, or governmental entity under this section, or pursuant to any other program of state-funded disaster assistance, shall be deducted from sums received in payment of damage claims asserted against the state, its agents, or employees, for causing or contributing to the effects of the proclaimed disaster.

(f) No public entity administering disaster assistance to individuals shall receive funds under this section unless it administers that assistance pursuant to the following criteria:

(1) All applications, forms, and other written materials presented to persons seeking assistance shall be available in English and in the same language as that used by the major non-English-speaking group within the disaster area.

(2) Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.

(g) The Legislature finds and declares that the amendments made to subdivision (c) of this section by Chapter 16 of the Statutes of 1986 declare the intent of the Legislature at the time when this section was originally added to this code by Chapter 1562 of the Statutes of 1985.

(h) This section shall become inoperative on June 30, 1993, and, as of January 1, 1994, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1994, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 11. Section 13600 of the Welfare and Institutions Code is amended to read:

13600. (a) The State Department of Social Services may provide state supplemental individual and family grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by any major disaster declared by the President of the United States in those cases where individuals or families are unable to meet those expenses or needs through assistance under the Robert T. Stafford Disaster Relief and

Emergency Assistance Act (P.L. 93-288, as amended by P.L. 100-707), or other means.

(b) Grants shall only be made to individuals and families determined to be eligible for the federal individual and family grant program who have suffered losses reimbursable under that program in excess of the maximum federal grant amount.

(c) The State Department of Social Services may make a grant to those individuals and families equal to the difference between the federal grant awarded and the federally eligible appraised loss, not to exceed ten thousand dollars (\$10,000) per individual or family.

(d) For purposes of this section, "federally eligible" means only those losses that are eligible under the federal individual and family grant program, without regard to the federal maximum grant.

(e) Application procedures established for the administration of this chapter shall conform to the procedures required in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended by P.L. 100-707). The State Department of Social Services shall ensure that applicants for relief under this chapter have followed those procedures and that applicants have exhausted all other available means of seeking relief for disaster damage prior to receiving any grants pursuant to this chapter.

(f) Notwithstanding subdivision (e), application procedures utilized in the administration of this chapter shall be subject to the following criteria:

(1) All applications, forms, and other written materials presented to persons seeking assistance shall be available in English and in the same language as that used by the major non-English-speaking group within the disaster area.

(2) Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.

SEC. 12. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 13. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide needed assistance to individuals and to insure that areas affected by the October 17, 1989, Loma Prieta earthquake may receive needed assistance at the earliest possible time, it is

necessary that this act take effect immediately.

CHAPTER 3

An act to amend Section 50517.7 of, and to add Sections 50661.5, 50661.7, and 50671.5 to, the Health and Safety Code, and to add Section 5028 to the Public Resources Code, relating to natural disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with Secretary of State November 7, 1989]

I am deleting the appropriations of \$33,500,000 contained in Assembly Bill 41X. The appropriations contained in this bill have already been provided for by the appropriations contained in Senate Bill 3X.
With this deletion, I approved Assembly Bill 41X

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. The Legislature hereby finds and declares that natural disasters result in the destruction and damage of homes and apartments and the subsequent displacement of homeowners and tenants. It is the intent of the Legislature to assist local communities in the rehabilitation and replacement of residential structures and to aid displaced homeowners and tenants in jurisdictions subject to a state of emergency declared by the Governor.

SEC. 2. Section 50517.7 of the Health and Safety Code is amended to read:

50517.7. In counties in which a disaster has been declared by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code and for a period of 12 months after the declaration, the department may provide grants from the fund established by subdivision (b) of Section 50517.5, subject to the following terms and conditions, which are applicable only to this section:

(a) Grants may be made to local public entities, nonprofit corporations, and housing owners comprised of either homeowners who are agricultural employees or owners of rental property used primarily by agricultural households.

(b) The department may enter into master agreements with nonprofit corporations or local public entities or it may enter into contracts directly with housing owners to carry out the activities authorized by this section.

(c) The department may make grants directly to housing owners or through master agreements for the cost of preparation of applications for funds, and supervision of expenditures from the fund, including, but not limited to estimates, work writeups, bidding

supervision, and inspections. Funds granted pursuant to this subdivision shall not be secured by, and subject to, the liens required by Section 50517.5.

(d) The department, either directly or through master agreements, may provide grants to housing owners which shall be used for housing rehabilitation, or acquisition and rehabilitation, and related costs, other than those costs accruing pursuant to subdivision (c). Only those funds from the fund which are actually utilized pursuant to this subdivision shall be secured by, and subject to, the liens required by Section 50517.5.

(e) The 12-month period specified in this section shall be extended for an additional nine months for the disaster declared due to the floods in northern California in February of 1986.

(f) The department may waive the matching requirements of subdivision (c) of Section 50517.5.

SEC. 3. Section 50661.5 is added to the Health and Safety Code, to read:

50661.5. There is hereby created in the State Treasury the California Disaster Housing Rehabilitation Fund into which shall be paid all moneys appropriated by the Legislature for housing rehabilitation loans pursuant to Sections 50662.7 and 50671.5. Notwithstanding Section 13340 of the Government Code, all money in that fund is continuously appropriated for that purpose.

In the event of a natural disaster, as defined in Section 8680.3 of the Government Code, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties established by Section 16418 to the California Disaster Housing Rehabilitation Fund, provided the transfer is not made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

SEC. 4. Section 50661.7 is added to the Health and Safety Code, to read:

50661.7. The Director of the Department of Housing and Community Development may transfer moneys appropriated or otherwise made available for the purposes of the programs established under Sections 50662.7 and 50671.5 between those programs when there is insufficient funding to meet the loan demand in either of those programs and an uncommitted funding balance in the other program.

SEC. 5. Section 50671.5 is added to the Health and Safety Code, to read:

50671.5. For the purpose of providing disaster relief to owners of rental housing and the tenants residing in rental housing that was damaged or destroyed as a result of a natural disaster as defined by Section 8680.3 of the Government Code, resulting in a state of emergency proclaimed by the Governor pursuant to Section 8625 of the Government Code, financial assistance may be provided to disaster victims as prescribed in this chapter under the following special conditions, which shall prevail over conflicting provisions of

this chapter and administrative regulations:

(a) Funds may be used for the purpose of acquiring and rehabilitating, or rehabilitating, rental housing developments, including residential hotels, which were damaged or destroyed as a result of the natural disaster. For this purpose, "rehabilitating" includes reconstruction. As to damaged rental housing, the loan funds shall be used to bring the housing into compliance with applicable health and safety standards and seismic safety standards, and to make property improvements that are related to that compliance.

(b) Rental housing developments, for this purpose, shall include, but not be limited to, single or multifamily rental dwellings, apartments, residential hotels, mobilehome parks, group homes for the disabled, buildings of mixed residential rental and commercial use, and buildings of mixed owner-occupant and rental use. Rental housing developments may contain one or more units.

(c) The loans need not be made in support of the programs specified in Section 50663.

(d) As a condition of assistance to sponsors of rental housing developments, the department shall set affordable rents not exceeding those charged for the rehabilitated or reconstructed units prior to the natural disaster. The rent for a rehabilitated or reconstructed unit shall be regulated by the department pursuant to this section only for the duration of the subsequent initial occupancy of the unit by a person or persons displaced by the natural disaster, and the unit shall not be exempted from that regulation unless the occupant voluntarily leaves. On or after one year following the commencement of that subsequent occupancy, the department may provide for an increase in the rent for any unit, subject to the requirement that the increased rent is determined to be affordable pursuant to Section 50053. In any rental housing development for which a loan has been provided for acquisition and rehabilitation, the rent for all units shall be regulated by the department pursuant to this section until the principal amount of the loan and any accumulated interest has been repaid. If any unit undergoing rehabilitation or reconstruction pursuant to funding under this section is subject to a currently applicable regulatory agreement between the department and a housing sponsor, that agreement shall prevail over this subdivision. In addition to the other requirements of this chapter, the department may require terms and conditions as it determines necessary to meet the needs of the disaster area and its victims, to ensure the fiscal integrity of the rental housing development, and to protect the interests of the state. The department shall require that priority in occupancy in any unit assisted pursuant to this section shall be given first to occupants of rental units assisted pursuant to this section who were displaced by the natural disaster or the resulting rehabilitation of the assisted rental units. Second priority shall be given to other persons who were displaced from rental housing as a result of the natural disaster.

(e) In allocating funds to local public entities and nonprofit corporations, the department shall consider the availability of other resources to assist rental housing and the occupants of that rental housing and shall give priority to those applicants in jurisdictions with the greatest housing need resulting from the disaster and the fewest resources to address those needs.

(f) The department may waive the maximum loan amounts and per-unit loan amounts established by regulation as it determines necessary to serve the disaster victims. Loans made pursuant to this section for rehabilitation shall have a term of up to 20 years. Loans made pursuant to this section for acquisition and rehabilitation shall have a term of up to 30 years. Repayment of the principal amount of any loan provided under this section, or of any interest on that loan, shall not be required until the end of the loan term. Payments of principal and interest on the loans, and any excess loan funds that are rebated to the department, shall, notwithstanding Section 50661, be deposited in the General Fund. Any loan under this section for the rehabilitation of units that the borrower maintains at affordable rents for lower income tenants for a period of not less than 10 years subsequent to the loan shall be forgiven in a percentage amount that equals the percentage of the loan period during which the units are continuously maintained by the borrower at affordable rents. If a borrower maintains the rehabilitated units at affordable rents for not less than 10 years subsequent to the loan, and subsequently sells the rehabilitated rental property to a nonprofit organization that agrees to maintain all of the rehabilitated units at affordable rents as specified by the department for a period of time equal to the remaining loan period, the loan forgiveness percentage amount applicable under this subdivision to that borrower's rehabilitation loan shall not be less than the ratio of 15 years to the original term of that loan.

(g) A loan under this section shall not exceed 100 percent of the combined costs of rehabilitation and refinancing existing indebtedness or rehabilitation and acquisition costs.

(h) A loan may be made to a local public agency to rehabilitate vacant rental housing that it owns and operates.

(i) When a loan will be used in conjunction with federal or other state housing assistance or tax credits and a conflict exists between the other state or federal program requirements and this chapter with regard to determining maximum allowable rents, the requirements of this chapter may be waived only to the extent necessary to permit the federal or other state financial participation or eligibility for tax credits.

(j) Eligible rehabilitation or reconstruction costs may include the costs of temporary relocation, subject to payment limits established by the department, where damage caused by the natural disaster or rehabilitation or reconstruction of the rental housing development necessitates temporary displacement of the tenants. The amount of monthly relocation assistance provided to eligible households

temporarily displaced shall not exceed the difference between monthly rent paid by the tenant prior to the natural disaster and rent in the replacement housing.

(k) The department may make loans directly to owners of rental housing, or contract for the administration of loans with entities that it determines to have the necessary experience to successfully administer the loan program, including, but not limited to, local public agencies and private organizations. The department may authorize, under that contract, the payment of expenses incurred by the entities in administering the loan program and may prescribe the conditions pursuant to which the entities shall administer the loans.

(l) The department may utilize any funds deposited into the California Disaster Housing Rehabilitation Fund, and any interest that accrues on those funds, for the payment of any administrative or other program cost incurred under this section.

(m) The department may apply funds appropriated for the purposes of this section for the purpose of curing or averting a housing sponsor's default on the terms of any loan or other obligation where that fault would jeopardize the department's security in the rental housing development assisted pursuant to this section. The payment or advance of funds by the department pursuant to this subdivision shall be exclusively within the department's discretion, and no person shall be deemed to have any entitlement to the payment or advance of those funds. The amount of any funds expended by the department pursuant to this subdivision shall be added to the loan amount secured by the deed of trust and shall be payable to the department upon demand.

(n) To the extent that any housing unit or other structure that was damaged or destroyed is reconstructed pursuant to this section with substantially the same number of units, it shall be deemed to be "existing housing" for purposes of subdivision (d) of Section 37001.5.

(o) Any rule, policy, or standard of general application employed by the Department of Housing and Community Development in implementing the provisions of this act shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(p) Fund allocations made pursuant to this section shall not be subject to review or approval by the Loan Committee of the Department of Housing and Community Development operating pursuant to Subchapter 1 (commencing with Section 6900) of Chapter 6.5 of Title 25 of the California Code of Regulations.

(q) In order to be eligible for one or more loans pursuant to this section, the borrower shall agree to brace foundation cripple walls, affix or bolt a sill plate to the foundation, and brace and stabilize all free-standing, standup-type water heaters. The loans shall include an amount sufficient to meet those requirements.

SEC. 6. Section 5028 is added to the Public Resources Code, to read:

5028. (a) No structure that is listed on the National Register of

Historic Places, on the California Register of Historic Places, or on any local public register of historic places, and that has been damaged due to a natural disaster, including, but not limited to, an earthquake, fire, or flood, may be demolished, destroyed, or significantly altered, except for restoration to preserve or enhance its historical values, unless the structure presents an imminent threat to the public of bodily harm or of damage to adjacent property, or unless the State Office of Historic Preservation determines, pursuant to subdivision (b), that the structure may be demolished, destroyed, or significantly altered.

(b) Any local government may apply to the State Office of Historic Preservation for its determination as to whether a structure meeting the description set forth in subdivision (a) shall be demolished, destroyed, or significantly altered. That determination shall be based upon the extent of damage to the structure, the cost of rehabilitating or reconstructing the structure, the structure's historical significance, and any other factor deemed by the State Office of Historic Preservation to be relevant. In making that determination, the State Office of Historic Preservation shall consider the recommendation made by a team selected by the State Office of Historic Preservation, composed of three residents with historic preservation expertise who reside in the affected county. The determination of the State Office of Historic Preservation shall be issued no later than 30 days after the structure was damaged, or 30 days after the receipt of the application, whichever occurred later.

SEC. 7. The sum of thirty-three million five hundred thousand dollars (\$33,500,000) is hereby appropriated from the Special Fund for Economic Uncertainties in accordance with the following schedule:

(a) Thirty-two million dollars (\$32,000,000) to the California Disaster Housing Rehabilitation Fund for housing rehabilitation loans pursuant to Section 50671.5 of the Health and Safety Code.

(b) One million five hundred thousand dollars (\$1,500,000) to the Farmworker Housing Grant Fund for the purposes set forth in Section 50517.7 of the Health and Safety 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:

To provide for the urgent housing needs of the residents of California who suffered serious personal and property losses as a result of the earthquake which occurred in northern California on October 17, 1989, and to assist in determining the preservation of structures of historic significance, it is necessary that this act take effect immediately.

CHAPTER 4

An act to amend Section 50517.7 of, and to add Sections 50661.5, 50661.7, and 50671.5 to, the Health and Safety Code, and to add Section 5028 to the Public Resources Code, relating to natural disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. The Legislature hereby finds and declares that natural disasters result in the destruction and damage of homes and apartments and the subsequent displacement of homeowners and tenants. It is the intent of the Legislature to assist local communities in the rehabilitation and replacement of residential structures and to aid displaced homeowners and tenants in jurisdictions subject to a state of emergency declared by the Governor.

SEC. 1.5. Section 50517.7 of the Health and Safety Code is amended to read:

50517.7. In counties in which a disaster has been declared by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code and for a period of 12 months after the declaration, the department may provide grants from the fund established by subdivision (b) of Section 50517.5, subject to the following terms and conditions, which are applicable only to this section:

(a) Grants may be made to local public entities, nonprofit corporations, and housing owners comprised of either homeowners who are agricultural employees or owners of rental property used primarily by agricultural households.

(b) The department may enter into master agreements with nonprofit corporations or local public entities or it may enter into contracts directly with housing owners to carry out the activities authorized by this section.

(c) The department may make grants directly to housing owners or through master agreements for the cost of preparation of applications for funds, and supervision of expenditures from the fund, including, but not limited to estimates, work writeups, bidding supervision, and inspections. Funds granted pursuant to this subdivision shall not be secured by, and subject to, the liens required by Section 50517.5.

(d) The department, either directly or through master agreements, may provide grants to housing owners which shall be used for housing rehabilitation or acquisition and rehabilitation, and related costs, other than those costs accruing pursuant to subdivision (c). Only those funds from the fund which are actually utilized

pursuant to this subdivision shall be secured by, and subject to, the liens required by Section 50517.5.

(e) The 12-month period specified in this section shall be extended for an additional nine months for the disaster declared due to the floods in northern California in February of 1986.

(f) The department may waive the matching requirements of subdivision (c) of Section 50517.5.

SEC. 2. Section 50661.5 is added to the Health and Safety Code, to read:

50661.5. There is hereby created in the State Treasury the California Disaster Housing Rehabilitation Fund into which shall be paid all moneys appropriated by the Legislature for housing rehabilitation loans pursuant to Sections 50662.7 and 50671.5. Notwithstanding Section 13340 of the Government Code, all money in that fund is continuously appropriated for that purpose.

In the event of a natural disaster, as defined in Section 8680.3 of the Government Code, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties established by Section 16418 to the California Disaster Housing Rehabilitation Fund, provided the transfer is not made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

SEC. 3. Section 50661.7 is added to the Health and Safety Code, to read:

50661.7. The Director of the Department of Housing and Community Development may transfer moneys appropriated or otherwise made available for the purposes of the programs established under Sections 50662.7 and 50671.5 between those programs when there is insufficient funding to meet the loan demand in either of those programs and an uncommitted funding balance in the other program.

SEC. 4. Section 50671.5 is added to the Health and Safety Code, to read:

50671.5. For the purpose of providing disaster relief to owners of rental housing and the tenants residing in rental housing that was damaged or destroyed as a result of a natural disaster as defined by Section 8680.3 of the Government Code, resulting in a state of emergency proclaimed by the Governor pursuant to Section 8625 of the Government Code, financial assistance may be provided to disaster victims as prescribed in this chapter under the following special conditions, which shall prevail over conflicting provisions of this chapter and administrative regulations:

(a) Funds may be used for the purpose of acquiring and rehabilitating or rehabilitating, including reconstruction of, rental housing developments, including residential hotels, which were damaged or destroyed as a result of the natural disaster. As to damaged rental housing, the loan funds shall be used to bring the housing into compliance with applicable health and safety standards and seismic safety standards, and to make property improvements

that are related to that compliance.

(b) Rental housing developments, for this purpose, shall include, but not be limited to, single- or multifamily rental dwellings, apartments, residential hotels, mobilehome parks, group homes for the disabled, buildings of mixed residential rental and commercial use, and buildings of mixed owner-occupant and rental use. Rental housing developments may contain one or more units.

(c) The loans need not be made in support of the programs specified in Section 50663.

(d) As a condition of assistance to sponsors of rental housing developments, the department shall set affordable rents not exceeding those charged for the rehabilitated or reconstructed units prior to the natural disaster. The rent for a rehabilitated or reconstructed unit shall be regulated by the department pursuant to this section only for the duration of the subsequent initial occupancy of the unit by a person or persons displaced by the natural disaster and the unit shall not be exempted from those regulations unless the occupant voluntarily leaves. On or after one year following the commencement of that subsequent occupancy, the department may provide for an increase in the rent for any unit, subject to the requirement that the increased rent is determined to be affordable pursuant to Section 50053. In any rental housing development for which a loan has been provided for acquisition and rehabilitation the rent for all units shall be regulated by the department pursuant to this section until the principal amount of the loan and any accumulated interest has been repaid. If any unit undergoing rehabilitation or reconstruction pursuant to funding under this section is subject to a currently applicable regulatory agreement between the department and a housing sponsor, that agreement shall prevail over this subdivision. In addition to the other requirements of this chapter, the department may require terms and conditions as it determines necessary to meet the needs of the disaster area and its victims, to ensure the fiscal integrity of the rental housing development, and to protect the interests of the state. The department shall require that priority in occupancy in any unit assisted pursuant to this section shall be given first to occupants of rental units assisted pursuant to this section who were displaced by the natural disaster or the resulting rehabilitation of the assisted rental units. Second priority shall be given to other persons who were displaced from rental housing as a result of the natural disaster.

(e) In allocating funds to local public entities and nonprofit corporations, the department shall consider the availability of other resources to assist rental housing and the occupants of that rental housing and shall give priority to those applicants in jurisdictions with the greatest housing need resulting from the disaster and the fewest resources to address those needs.

(f) The department may waive the maximum loan amounts and per-unit loan amounts established by regulation as it determines necessary to serve the disaster victims. Loans made pursuant to this

section for rehabilitation shall have a term of up to 20 years. Loans made pursuant to this section for acquisition and rehabilitation shall have a term of up to 30 years. Repayment of the principal amount of any loan provided under this section, or of any interest on that loan, shall not be required until the end of the loan term. Payments of principal and interest on the loans, and any excess loan funds that are rebated to the department, shall, notwithstanding Section 50661, be deposited in the General Fund. Any loan under this section for the rehabilitation of units that the borrower maintains at affordable rents for lower income tenants for a period of not less than 10 years subsequent to the loan shall be forgiven in a percentage amount that equals the percentage of the loan period during which the units are continuously maintained by the borrower at affordable rents. If a borrower maintains the rehabilitated units at affordable rents for not less than 10 years subsequent to the loan, and subsequently sells the rehabilitated rental property to a nonprofit organization that agrees to maintain all of the rehabilitated units at affordable rents as specified by the department for a period of time equal to the remaining loan period, the loan forgiveness percentage amount applicable under this subdivision to that borrower's rehabilitation loan shall not be less than the ratio of 15 years to the original term of that loan.

(g) A loan shall not exceed 100 percent of the combined costs of rehabilitation and refinancing existing indebtedness or rehabilitation and acquisition costs.

(h) A loan may be made to a local public agency to rehabilitate vacant rental housing that it owns and operates.

(i) When a loan will be used in conjunction with federal or other state housing assistance or tax credits and a conflict exists between the other state or federal program requirements and this chapter with regard to determining maximum allowable rents, the requirements of this chapter may be waived only to the extent necessary to permit the federal or other state financial participation or eligibility for tax credits.

(j) Eligible rehabilitation or reconstruction costs may include the costs of temporary relocation, subject to payment limits established by the department, where damage caused by the natural disaster or rehabilitation or reconstruction of the rental housing development necessitates temporary displacement of the tenants. The amount of monthly relocation assistance provided to eligible households temporarily displaced shall not exceed the difference between monthly rent paid by the tenant prior to the natural disaster and rent in the replacement housing.

(k) The department may make loans directly to owners of rental housing, or contract for the administration of loans with entities that it determines to have the necessary experience to successfully administer the loan program, including, but not limited to, local public agencies and private organizations. The department may authorize, under that contract, the payment of expenses incurred by

the entities in administering the loan program and may prescribe the conditions pursuant to which the entities shall administer the loans.

(l) The department may utilize any funds deposited into the California Disaster Housing Rehabilitation Fund, and any interest that accrues on those funds, for the payment of any administrative or other program cost incurred under this section.

(m) The department may apply funds appropriated for the purposes of this section for the purpose of curing or averting a housing sponsor's default on the terms of any loan or other obligation where that default would jeopardize the department's security in the rental housing development assisted pursuant to this section. The payment or advance of funds by the department pursuant to this subdivision shall be exclusively within the department's discretion, and no person shall be deemed to have any entitlement to the payment or advance of those funds. The amount of any funds expended by the department pursuant to this subdivision shall be added to the loan amount secured by the deed of trust and shall be payable to the department upon demand.

(n) To the extent that any housing unit or other structure that was damaged or destroyed is reconstructed pursuant to this section with substantially the same number of units, it shall be deemed to be "existing housing" for purposes of subdivision (d) of Section 37001.5.

(o) Any rule, policy, or standard of general application employed by the Department of Housing and Community Development in implementing the provisions of this act shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(p) Fund allocations made pursuant to this section shall not be subject to review or approval by the Loan Committee of the Department of Housing and Community Development operating pursuant to Subchapter 1 (commencing with Section 6900) of Chapter 6.5 of Title 25 of the California Code of Regulations.

(q) To be eligible for the loans provided pursuant to this section, the borrower shall agree to: (1) brace foundation cripple walls; (2) affix or bolt a sill plate to the foundation; and (3) brace and stabilize free standing, standup type water heaters. The loan shall include an amount sufficient to meet these requirements.

SEC. 6. Section 5028 is added to the Public Resources Code, to read:

5028. (a) No structure that is listed on the National Register of Historic Places, on the California Register of Historic Places, or on any local public register of historic places, and that has been damaged due to a natural disaster, including, but not limited to, an earthquake, fire, or flood may be demolished, destroyed, or significantly altered, except for restoration to preserve or enhance its historical values, unless the structure presents an imminent threat to the public of bodily harm or of damage to adjacent property, or unless the State Office of Historic Preservation determines, pursuant to subdivision (b), that the structure may be demolished, destroyed,

or significantly altered.

(b) Any local government may apply to the State Office of Historic Preservation for its determination as to whether a structure meeting the description set forth in subdivision (a) shall be demolished, destroyed, or significantly altered. That determination shall be based upon the extent of damage to the structure, the cost or rehabilitating or reconstructing the structure, the structure's historical significance, and any other factor deemed by the State Office of Historic Preservation to be relevant. In making that determination, the State Office of Historic Preservation shall consider the recommendation of a team selected by the State Office of Historic Preservation composed of three residents with historic preservation expertise who reside in the affected county. The determination of the State Office of Historic Preservation shall be issued no later than 30 days after the structure was damaged, or 30 days after the receipt of the application, whichever occurred later.

SEC. 7. The sum of thirty three million five hundred thousand dollars (33,500,000) is hereby appropriated from the Special Fund for Economic Uncertainties in accordance with the following schedule:

(a) Thirty two million dollars (\$32,000,000) to the California Disaster Housing Rehabilitation Fund for housing rehabilitation loans pursuant to Section 50671.5 of the Health and Safety Code.

(b) One million five hundred thousand (\$1,500,000) for the purposes set forth in Section 50517.7 of the Health and Safety 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:

To provide for the urgent housing needs of the residents of California who suffered serious personal and property losses as a result of the earthquake that occurred in northern California on October 17, 1989, and to assist in determining the preservation of structures of historic significance, it is necessary that this act take effect immediately.

CHAPTER 5

An act to add Sections 50661.5, 50661.7, and 50662.7 to, to add Article 6 (commencing with Section 15373.96) to Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of, and to add Part 1.6 (commencing with Section 34050) to Division 24 of, the Health and Safety Code, relating to natural disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

I am deleting the appropriations of \$41,500,000 contained in Assembly Bill 44X.
The appropriations contained in this bill have already been provided for by the
appropriations contained in Senate Bill 4X.

With this deletion, I approve Assembly Bill 44X

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. The Legislature hereby finds and declares that natural disasters result in the destruction and damage of homes and apartments and the subsequent displacement of homeowners and tenants. It is the intent of the Legislature to assist local communities in the rehabilitation and replacement of residential structures and to aid displaced homeowners and tenants in jurisdictions subject to a state of emergency declared by the Governor.

SEC. 2. Article 6 (commencing with Section 15373.96) is added to Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of the Government Code to read:

Article 6. Rural Emergency Assistance Housing Infrastructure
Program

15373.96. There is hereby established within the department, the Rural Emergency Assistance Housing Infrastructure Program. Under the program, grants shall be made from the Rural Economic Development Fund to "local agencies" as defined by this chapter which have received designation as federal disaster assistance areas. Grant funds shall be used for the purpose of financing public improvements (infrastructure) necessary to serve emergency or temporary housing units, the location or designation of which has been made necessary by a natural disaster.

15373.97. Eligible applicants shall submit proposals for funding to the Office of Local Development of the California Department of Commerce. Proposals shall specifically describe the public improvements proposed for grant funding and shall additionally include the best available estimate of costs for the improvements. Grant applications shall further include a resolution of support by the local agency's governing body.

15373.98. The Office of Local Development shall prepare a staff recommendation on all proposals and shall submit these recommendations to the Director of the California Department of Commerce and the Director of the Department of Housing and Community Development. The directors of these departments shall make all final funding decisions under this article. All applications for grant funding shall either be approved or denied within 30 days after an application has been found complete by the Office of Local Development.

SEC. 3. Part 1.6 (commencing with Section 34050) is added to

Division 24 of the Health and Safety Code, to read:

PART 1.6. NATURAL DISASTERS

CHAPTER 1. NATURAL DISASTER COMMUNITY ASSISTANCE

34050. The Legislature finds that natural disasters result in the destruction and damage of housing and related infrastructure, homelessness, and economic dislocation. It is the intent of the Legislature in enacting this chapter to assist in the rehabilitation and reconstruction of housing, aid displaced persons, and aid economic recovery in jurisdictions subject to a state of emergency proclaimed by the Governor.

34050.5. (a) "Department" as used in this part means the Department of Housing and Community Development.

(b) "Natural disaster" as used in this part has the same meaning as in Section 8680.3 of the Government Code.

34051. In the event that the President of the United States, at the request of the Governor, declares a major disaster for jurisdictions subject to a state of emergency, funds appropriated for the purposes authorized by this chapter shall be expended only to the extent that other federal, state, local, or private insurance resources are not available or do not provide the assistance or coverage needed.

34052. For the purpose of providing disaster relief in communities subject to a natural disaster, the department shall give priority to granting funds pursuant to Chapter 3.1 (commencing with Section 50515) or Chapter 3.5 (commencing with Section 50530) of Part 2 of Division 31. Notwithstanding subdivision (b) of Section 50531, funds shall be used for housing for persons of low and moderate income, with first priority given to funding housing for persons of low income.

34053. For the purpose of providing disaster relief to farmworkers in communities subject to a natural disaster, the department shall give priority to awarding grants in communities participating in the Special Housing Program for Migratory Workers (Chapter 8.5 (commencing with Section 50710) of Part 2 of Division 33) and the Department of Commerce shall give priority to funding those purposes authorized by the Rural Emergency Assistance Housing Infrastructure Program (Article 6 (commencing with Section 15373.96) of Chapter 2.5 of Part 6.7 of the Government Code).

34054. Funds appropriated for the purposes of Section 34052, shall only be expended for rehabilitation or reconstruction of housing and related infrastructure which has been damaged as a result of the natural disaster.

34055. Any regulation, rule, policy, or standard of general application employed by the department in implementing this part shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Government Code.

CHAPTER 2. NATURAL DISASTER EMERGENCY SHELTER PROGRAM

34070. It is the intent of the Legislature to encourage the provision of shelter to persons who are rendered homeless as the result of a natural disaster at as low a cost as possible, to encourage people to move from shelters to a self-supporting environment as soon as possible, and to encourage the provision of shelters at as low a cost and as quickly as possible without compromising the health and safety of shelter occupants.

34071. "Eligible recipient" as used in this chapter means an agency of local government or a nonprofit organization which provides, or contracts with recognized community organizations to provide, emergency or temporary shelter for the homeless.

34072. The department shall accept applications for grants pursuant to this chapter from local governmental agencies and nonprofit organizations which are eligible recipients and which are, at the time the application is made, prepared to provide emergency shelter to persons who have been rendered homeless as the result of a natural disaster.

34073. (a) Notwithstanding Section 50803.5, in the event of a natural disaster, applications for grants for the Natural Disaster Emergency Shelter Program shall be submitted directly to the department. The department shall assume direct responsibility for the review, evaluation, or ranking of all applications.

(b) The initial notice provided by the department of funding for grants shall be transmitted as soon as practicably possible, but in no event later than 15 days after the statute providing that funding is chaptered.

34074. (a) Grants awarded, as a result of a natural disaster, may be used for any of the following:

(1) Rent voucher programs to be used within or outside the jurisdiction for which they were issued.

(2) Temporary expansion of existing shelters.

(3) Creation of temporary shelters, equipment of buildings and sites for use as emergency shelters.

(4) Operation of those shelters.

(5) Administration of emergency shelter programs.

(b) Any eligible recipient awarded a grant as a result of a natural disaster shall be required to use the grant funds to provide emergency shelter to persons who have been rendered homeless as a result of the natural disaster. Recipients shall practice nondiscrimination in the provision of the shelter and shall use the funds to supplement, not supplant, other state and local programs providing social services, health care, and housing assistance, and to meet any other qualifications the department finds necessary to carry out the intent of the Natural Disaster Emergency Shelter Program.

34075. Notwithstanding Section 50805, the department shall ensure that no limit is placed on the assignment of a grant allocation by a recipient to either operating or administrative expenses of the recipient.

34076. The department shall establish, by regulation, the types of expenses which are included within the meaning of operating and administrative expenses for purposes of this chapter. These expenses shall include, at a minimum all of the following:

(a) Operation expenses relating to supervising and counseling clients in obtaining permanent shelter, job placement, and other sources of support.

(b) Administrative expenses relating to telephone charges, office space rent, salary and benefits for administrative staff personnel, office supplies, photocopying and printing, and mail and accounting services.

34077. An eligible recipient who receives funds pursuant to this chapter, or who has an outstanding obligation to provide shelter services as a result of previously receiving funds pursuant to this chapter, shall not deny shelter to any person or family because of that person's or family's inability to pay rent or any portion thereof.

34078. For the purpose of providing disaster relief to individuals and families who have been rendered homeless as a result of a natural disaster, the department shall establish a program of security deposit grants and security deposit guarantees to enable local nonprofit agencies and local government to assist homeless individuals and families in the payment of residential rental security deposits.

34078.5. The director shall develop guidelines for use by local nonprofit agencies and local governments in determining whether a homeless applicant qualifies for a security deposit grant or a security deposit guarantee.

34079. Individuals who are eligible to participate in a deposit guarantee contract shall be limited to persons who have been rendered homeless as a result of the natural disaster. First priority for funds shall be families with minor children.

34080. The parties to a deposit guarantee contract shall be the local agency or organization, the tenant, and the rental property owner. The terms of the contract shall include all of the following:

(a) The owner of the rental property shall agree to allow the security deposit to be paid over a specified number of months as an addition to the regular rental payment, rather than as a lump-sum payment.

(b) Upon execution of the agreement, the local agency or organization shall encumber or reserve in a special fund as a guarantee of the contract, an amount equal to no less than 80 percent of the outstanding balance of the security deposit owed by the tenant to the landlord.

(c) The tenant shall agree to a payment schedule of a specified number of months in which time the total amount of the required

deposit shall be paid to the property owner.

(d) At any time during the operation of the guarantee, the property owner shall make all claims first against amounts of the security deposit actually paid by the tenant and secondarily against the guarantee. At no time during or after the tenancy may the property owner make claims against the guarantee in excess of that amount agreed to as the guarantee.

(e) If a deduction from the guarantee fund is required, it may be accomplished only to the extent permitted by the contract and in the manner provided by law, including notice to the local agency or organization. The tenant shall have no direct use of guarantee funds, including funds which may be referred to "last month's rent."

The department shall make available to local agencies and organizations receiving deposit guarantee contract grants forms deemed necessary for the contracts and the determination of eligibility. However, local agencies and organizations may develop and use their own forms as long as the forms meet the requirements of the deposit guarantee contract grant program.

34081. A local agency or organization receiving a deposit guarantee contract grant may utilize up to 5 percent of the allocation for costs of administering and operating its security deposit guarantee program.

34082. Individuals who are eligible to receive a security deposit grant shall be limited to persons who have been rendered homeless as a result of a natural disaster and whose income is insufficient to participate in the security deposit guarantee contract.

SEC. 4. Section 50661.5 is added to the Health and Safety Code, to read:

50661.5. There is hereby created in the State Treasury the California Disaster Housing Rehabilitation Fund into which shall be paid all moneys appropriated by the Legislature for housing rehabilitation loans pursuant to Sections 50662.7 and 50671.5. Notwithstanding Section 13340 of the Government Code, all money in that fund is continuously appropriated for that purpose.

In the event of a natural disaster, as defined in Section 8680.3 of the Government Code, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties established by Section 16418 to the California Disaster Housing Rehabilitation Fund, provided the transfer is not made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

SEC. 5. Section 50661.7 is added to the Health and Safety Code, to read:

50661.7. The Director of the Department of Housing and Community Development may transfer moneys appropriated or otherwise made available for the purposes of the programs established under Sections 50662.7 and 50671.5 between those programs when there is insufficient funding to meet the loan demand in either of those programs and an uncommitted funding

balance in the other program.

SEC. 6. Section 50662.7 is added to the Health and Safety Code, to read:

50662.7. For the purpose of providing disaster relief to those owners of owner-occupied single-family dwellings that were damaged or destroyed as a result of a natural disaster defined by Section 8680.3 of the Government Code, resulting in a state of emergency proclaimed by the Governor pursuant to Section 8625 of the Government Code, financial assistance may be provided to disaster victims as prescribed in this chapter under the following special conditions, which shall prevail over conflicting provisions of this chapter and administrative regulations:

(a) The loans shall be provided in the counties proclaimed by the Governor to be in a state of disaster (1) to persons who do not qualify for loan assistance from an agency of the United States for rehabilitation of the damage caused by a natural disaster, (2) to the extent that federally provided or assisted financing may be insufficient to accomplish the necessary rehabilitation, and (3) to the extent required to enable the recipient to obtain and afford loan assistance from an agency of the United States to finance the necessary rehabilitation. The loans shall be made only to households that are victims of a natural disaster and only to the extent that other federal and state resources, or private institutional lending sources, are not available or do not provide the assistance or coverage needed to rehabilitate or reconstruct their homes.

(b) The loans shall be for the purpose of rehabilitating, including reconstructing, dwellings that are owner-occupied or would be owner-occupied but for the damage caused by the natural disaster. For the purposes of this section, "owner-occupied dwellings" include single-family units, attached owner-occupied units, condominiums, town houses, cooperatives, any duplex in which the owner occupies one unit, and manufactured homes, including mobilehomes.

(c) The maximum loan amount shall not exceed thirty thousand dollars (\$30,000), except that the department may waive this limitation in individual cases to permit compliance with health and safety standards, seismic safety standards, and general property improvements relating to these standards. In the case of manufactured homes or mobilehomes, loan funds shall be used to bring the dwelling into compliance with Chapter 4 (commencing with Section 18025) of Part 2 of Division 13.

(d) The loan, together with any existing indebtedness encumbering the property, shall not exceed 100 percent of the after-rehabilitation value of the property, except that the department may waive this limitation in individual cases to permit compliance with health and safety standards, seismic safety standards, and general property improvements relating to these standards.

(e) The department shall not consider either individual or family income in determining eligibility for a loan under this section.

(f) Repayment of the principal amount of a loan under this section and interest thereon shall not be required until the borrower transfers ownership of the rehabilitated property or refinances the property, whichever occurs first. Payments of principal and interest on the loans, and any excess loan funds that are rebated to the department, shall, notwithstanding Section 50661, be deposited in the General Fund.

(g) The department may make loans directly to borrowers, or contract for the administration of loans with one or more entities that it determines to have the necessary experience to successfully administer the loan program, including, but not limited to, local public agencies and private organizations. The department may authorize, under that contract, the payment of expenses incurred by the entities in administering the loan program and may prescribe the conditions pursuant to which the entities shall administer the loans.

(h) The department may utilize any funds deposited into the California Disaster Housing Rehabilitation Fund, and any interest that accrues on those funds, for the payment of any administrative or other program cost incurred under this section.

(i) Section 50668 does not apply to loans made pursuant to this section.

(j) The department may apply funds appropriated for the purposes of this section for the purpose of curing or averting an owner's default on the terms of any loan or other obligation where that default would jeopardize the department's security in the owner-occupied housing assisted pursuant to this section. The payment or advance of funds by the department pursuant to this subdivision shall be exclusively within the department's discretion, and no person shall be deemed to have any entitlement to the payment or advance of those funds. The amount of any funds expended by the department pursuant to this subdivision shall be added to the loan amount secured by the deed of trust and shall be payable to the department upon demand.

(k) Any rule, policy, or standard of general application employed by the Department of Housing and Community Development in implementing this section shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(l) Fund allocations made pursuant to this section shall not be subject to review or approval by the Loan Committee of the Department of Housing and Community Development operating pursuant to Subchapter 1 (commencing with Section 6900) of Chapter 6.5 of Title 25 of the California Code of Regulations.

(m) In order to be eligible for one or more lands pursuant to this section, the borrower shall agree to brace foundation cripple walls, affix or bolt a sill plate to the foundation, and brace and stabilize all free-standing, standup type water heaters. The loans shall include an amount sufficient to meet those requirements.

SEC. 7. (a) The sum of forty-one million five hundred thousand

dollars (\$41,500,000) is hereby appropriated from the Special Fund for Economic Uncertainties for allocation in accordance with the following schedule:

(1) The sum of thirty-two million dollars (\$32,000,000) to the California Disaster Housing Rehabilitation Fund for housing rehabilitation loans pursuant to Section 50662.7 of the Health and Safety Code.

(2) The sum of nine million five hundred thousand dollars (\$9,500,000) to the Natural Disaster Community Assistance Account which is hereby created in the Natural Disaster Assistance Fund, for allocation as follows:

(A) The sum of five million dollars (\$5,000,000) to the Emergency Housing and Assistance Fund established pursuant to Section 50800.5 of the Health and Safety Code, to be expended for the purposes authorized by Chapter 2 (commencing with Section 34070) of Part 1.6 of the Division 24 of the Health and Safety Code.

(B) The sum of one million dollars (\$1,000,000) to the Rural Redevelopment Loan Fund established pursuant to Section 50516 of the Health and Safety Code, to be expended for the purposes of Section 34052 of the Health and Safety Code.

(C) The sum of one million dollars (\$1,000,000) to the Urban Redevelopment Loan Fund established pursuant to Section 50531 of the Health and Safety Code, to be expended for the purposes of Section 34052 of the Health and Safety Code.

(D) The sum of one million dollars (\$1,000,000) to the special fund of the Office of Migrant Services for the purposes specified in Section 34053 of the Health and Safety Code, to be used to continue the operation of migrant centers as needed to respond to the October 17, 1989, earthquake and aftershocks that occurred in northern California.

(E) The sum of one million dollars (\$1,000,000) to the Department of Commerce for the operation of the rural economic development program authorized in this act for the purposes of Section 34053.

(F) The sum of five hundred thousand dollars (\$500,000) to the Emergency Housing and Assistance Fund established pursuant to Section 50800.5 of the Health and Safety Code, to be allocated by the Department of Housing and Community Development for the purposes of the residential rental security deposit grants authorized under Section 34078 of the Health and Safety Code.

(b) The Director of the Department of Housing and Community Development may transfer any amount of the funds appropriated to the department under this section for the purposes of Article 6 (commencing with Section 15373.96) of Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of the Government Code for the purpose of providing infrastructure for trailers that provide temporary housing.

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:

To provide for the urgent housing needs of the residents of California who suffered serious personal and property losses as a result of the earthquake that occurred in northern California on October 17, 1989, it is necessary that this act take effect immediately.

CHAPTER 6

An act to add Sections 50661.5, 50661.7, and 50662.7 to, to add Article 6 (commencing with Section 15373.96) to Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of, and to add Part 1.6 (commencing with Section 34050) to Division 24 of, the Health and Safety Code, relating to natural disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989]

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

SECTION 1. The Legislature hereby finds and declares that natural disasters result in the destruction and damage of homes and apartments and the subsequent displacement of homeowners and tenants. It is the intent of the Legislature to assist local communities in the rehabilitation and replacement of residential structures and to aid displaced homeowners and tenants in jurisdictions subject to a state of emergency declared by the Governor.

SEC. 2. Article 6 (commencing with Section 15373.96) is added to Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of the Government Code to read:

Article 6. Rural Emergency Assistance Housing Infrastructure Program

15373.96. There is hereby established within the department, the Rural Emergency Assistance Housing Infrastructure Program. Under the program, grants shall be made from the Rural Economic Development Fund to "local agencies" as defined by this chapter which have received designation as federal disaster assistance areas. Grant funds shall be used for the purpose of financing public improvements (infrastructure) necessary to serve emergency or temporary housing units, the location or designation of which has been made necessary by a natural disaster.

15373.97. Eligible applicants shall submit proposals for funding to the Office of Local Development of the California Department of Commerce. Proposals shall specifically describe the public improvements proposed for grant funding and shall additionally include the best available estimate of costs for the improvements.

Grant applications shall further include a resolution of support by the local agency's governing body.

15373.98. The Office of Local Development shall prepare a staff recommendation on all proposals and shall submit these recommendations to the Director of the California Department of Commerce and the Director of the Department of Housing and Community Development. The directors of these departments shall make all final funding decisions under this article. All applications for grant funding shall either be approved or denied within 30 days after an application has been found complete by the Office of Local Development.

SEC. 3. Part 1.6 (commencing with Section 34050) is added to Division 24 of the Health and Safety Code, to read:

PART 1.6. NATURAL DISASTERS

CHAPTER 1. NATURAL DISASTER COMMUNITY ASSISTANCE

34050. The Legislature finds that natural disasters result in the destruction and damage of housing and related infrastructure, homelessness, and economic dislocation. It is the intent of the Legislature in enacting this chapter to assist in the rehabilitation and reconstruction of housing, aid displaced persons, and aid economic recovery in jurisdictions subject to a state of emergency proclaimed by the Governor.

34050.5. (a) "Department" as used in this part means the Department of Housing and Community Development.

(b) "Natural disaster" as used in this part has the same meaning as in Section 8680.3 of the Government Code.

34051. In the event that the President of the United States, at the request of the Governor, declares a major disaster for jurisdictions subject to a state of emergency, funds appropriated for the purposes authorized by this chapter shall be expended only to the extent that other federal, state, local, or private insurance resources are not available or do not provide the assistance or coverage needed.

34052. For the purpose of providing disaster relief in communities subject to a natural disaster, the department shall give priority to granting funds pursuant to Chapter 3.1 (commencing with Section 50515) or Chapter 3.5 (commencing with Section 50530) of Part 2 of Division 31. Notwithstanding subdivision (b) of Section 50531, funds shall be used for housing for persons of low and moderate income, with first priority given to funding housing for persons of low income.

34053. For the purpose of providing disaster relief to farmworkers in communities subject to a natural disaster, the department shall give priority to awarding grants in communities participating in the Special Housing Program for Migratory Workers (Chapter 8.5 (commencing with Section 50710) of Part 2 of Division 33) and the Department of Commerce shall give priority to funding

those purposes authorized by the Rural Emergency Assistance Housing Infrastructure Program (Article 6 (commencing with Section 15373.96) of Chapter 2.5 of Part 6.7 of the Government Code).

34054. Funds appropriated for the purposes of Section 34052, shall only be expended for rehabilitation or reconstruction of housing and related infrastructure which has been damaged as a result of the natural disaster.

34055. Any regulation, rule, policy, or standard of general application employed by the department in implementing this part shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Government Code.

CHAPTER 2. NATURAL DISASTER EMERGENCY SHELTER PROGRAM

34070. It is the intent of the Legislature to encourage the provision of shelter to persons who are rendered homeless as the result of a natural disaster at as low a cost as possible, to encourage people to move from shelters to a self-supporting environment as soon as possible, and to encourage the provision of shelters at as low a cost and as quickly as possible without compromising the health and safety of shelter occupants.

34071. "Eligible recipient" as used in this chapter means an agency of local government or a nonprofit organization which provides, or contracts with recognized community organizations to provide, emergency or temporary shelter for the homeless.

34072. The department shall accept applications for grants pursuant to this chapter from local governmental agencies and nonprofit organizations which are eligible recipients and which are, at the time the application is made, prepared to provide emergency shelter to persons who have been rendered homeless as the result of a natural disaster.

34073. (a) Notwithstanding Section 50803.5, in the event of a natural disaster, applications for grants for the Natural Disaster Emergency Shelter Program shall be submitted directly to the department. The department shall assume direct responsibility for the review, evaluation, or ranking of all applications.

(b) The initial notice provided by the department of funding for grants shall be transmitted as soon as practicably possible, but in no event later than 15 days after the statute providing that funding is chaptered.

34074. (a) Grants awarded, as a result of a natural disaster, may be used for any of the following:

(1) Rent voucher programs to be used within or outside the jurisdiction for which they were issued.

(2) Temporary expansion of existing shelters.

(3) Creation of temporary shelters, equipment of buildings and sites for use as emergency shelters.

- (4) Operation of those shelters.
- (5) Administration of emergency shelter programs.
- (b) Any eligible recipient awarded a grant as a result of a natural disaster shall be required to use the grant funds to provide emergency shelter to persons who have been rendered homeless as a result of the natural disaster. Recipients shall practice nondiscrimination in the provision of the shelter and shall use the funds to supplement, not supplant, other state and local programs providing social services, health care, and housing assistance, and to meet any other qualifications the department finds necessary to carry out the intent of the Natural Disaster Emergency Shelter Program.

34075. Notwithstanding Section 50805, the department shall ensure that no limit is placed on the assignment of a grant allocation by a recipient to either operating or administrative expenses of the recipient.

34076. The department shall establish, by regulation, the types of expenses which are included within the meaning of operating and administrative expenses for purposes of this chapter. These expenses shall include, at a minimum all of the following:

- (a) Operation expenses relating to supervising and counseling clients in obtaining permanent shelter, job placement, and other sources of support.

- (b) Administrative expenses relating to telephone charges, office space rent, salary and benefits for administrative staff personnel, office supplies, photocopying and printing, and mail and accounting services.

34077. An eligible recipient who receives funds pursuant to this chapter, or who has an outstanding obligation to provide shelter services as a result of previously receiving funds pursuant to this chapter, shall not deny shelter to any person or family because of that person's or family's inability to pay rent or any portion thereof.

34078. For the purpose of providing disaster relief to individuals and families who have been rendered homeless as a result of a natural disaster, the department shall establish a program of security deposit grants and security deposit guarantees to enable local nonprofit agencies and local government to assist homeless individuals and families in the payment of residential rental security deposits.

34078.5. The director shall develop guidelines for use by local nonprofit agencies and local governments in determining whether a homeless applicant qualifies for a security deposit grant or a security deposit guarantee.

34079. Individuals who are eligible to participate in a deposit guarantee contract shall be limited to persons who have been rendered homeless as a result of the natural disaster. First priority for funds shall be families with minor children.

34080. The parties to a deposit guarantee contract shall be the local agency or organization, the tenant, and the rental property

owner. The terms of the contract shall include all of the following:

(a) The owner of the rental property shall agree to allow the security deposit to be paid over a specified number of months as an addition to the regular rental payment, rather than as a lump-sum payment.

(b) Upon execution of the agreement, the local agency or organization shall encumber or reserve in a special fund as a guarantee of the contract, an amount equal to no less than 80 percent of the outstanding balance of the security deposit owed by the tenant to the landlord.

(c) The tenant shall agree to a payment schedule of a specified number of months in which time the total amount of the required deposit shall be paid to the property owner.

(d) At any time during the operation of the guarantee, the property owner shall make all claims first against amounts of the security deposit actually paid by the tenant and secondarily against the guarantee. At no time during or after the tenancy may the property owner make claims against the guarantee in excess of that amount agreed to as the guarantee.

(e) If a deduction from the guarantee fund is required, it may be accomplished only to the extent permitted by the contract and in the manner provided by law, including notice to the local agency or organization. The tenant shall have no direct use of guarantee funds, including funds which may be referred to "last month's rent."

The department shall make available to local agencies and organizations receiving deposit guarantee contract grants forms deemed necessary for the contracts and the determination of eligibility. However, local agencies and organizations may develop and use their own forms as long as the forms meet the requirements of the deposit guarantee contract grant program.

34081. A local agency or organization receiving a deposit guarantee contract grant may utilize up to 5 percent of the allocation for costs of administering and operating its security deposit guarantee program.

34082. Individuals who are eligible to receive a security deposit grant shall be limited to persons who have been rendered homeless as a result of a natural disaster and whose income is insufficient to participate in the security deposit guarantee contract.

SEC. 4. Section 50661.5 is added to the Health and Safety Code, to read:

50661.5. There is hereby created in the State Treasury the California Disaster Housing Rehabilitation Fund into which shall be paid all moneys appropriated by the Legislature for housing rehabilitation loans pursuant to Sections 50662.7 and 50671.5. Notwithstanding Section 13340 of the Government Code, all money in that fund is continuously appropriated for that purpose.

In the event of a natural disaster, as defined in Section 8680.3 of the Government Code, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties established by

Section 16418 to the California Disaster Housing Rehabilitation Fund, provided the transfer is not made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

SEC. 5. Section 50661.7 is added to the Health and Safety Code, to read:

50661.7. The Director of the Department of Housing and Community Development may transfer moneys appropriated or otherwise made available for the purposes of the programs established under Sections 50662.7 and 50671.5 between those programs when there is insufficient funding to meet the loan demand in either of those programs and an uncommitted funding balance in the other program.

SEC. 6. Section 50662.7 is added to the Health and Safety Code, to read:

50662.7. For the purpose of providing disaster relief to those owners of owner-occupied single-family dwellings that were damaged or destroyed as a result of a natural disaster defined by Section 8680.3 of the Government Code, resulting in a state of emergency proclaimed by the Governor pursuant to Section 8625 of the Government Code, financial assistance may be provided to disaster victims as prescribed in this chapter under the following special conditions, which shall prevail over conflicting provisions of this chapter and administrative regulations:

(a) The loans shall be provided in the counties proclaimed by the Governor to be in a state of disaster (1) to persons who do not qualify for loan assistance from an agency of the United States for rehabilitation of the damage caused by a natural disaster, (2) to the extent that federally provided or assisted financing may be insufficient to accomplish the necessary rehabilitation, and (3) to the extent required to enable the recipient to obtain and afford loan assistance from an agency of the United States to finance the necessary rehabilitation. The loans shall be made only to households that are victims of a natural disaster and only to the extent that other federal and state resources, or private institutional lending sources, are not available or do not provide the assistance or coverage needed to rehabilitate or reconstruct their homes.

(b) The loans shall be for the purpose of rehabilitating, including reconstructing, dwellings that are owner-occupied or would be owner-occupied but for the damage caused by the natural disaster. For the purposes of this section, "owner-occupied dwellings" include single-family units, attached owner-occupied units, condominiums, town houses, cooperatives, any duplex in which the owner occupies one unit, and manufactured homes, including mobilehomes.

(c) The maximum loan amount shall not exceed thirty thousand dollars (\$30,000), except that the department may waive this limitation in individual cases to permit compliance with health and safety standards, seismic safety standards, and general property improvements relating to these standards. In the case of

manufactured homes or mobilehomes, loan funds shall be used to bring the dwelling into compliance with Chapter 4 (commencing with Section 18025) of Part 2 of Division 13.

(d) The loan, together with any existing indebtedness encumbering the property, shall not exceed 100 percent of the after-rehabilitation value of the property, except that the department may waive this limitation in individual cases to permit compliance with health and safety standards, seismic safety standards, and general property improvements relating to these standards.

(e) The department shall not consider either individual or family income in determining eligibility for a loan under this section.

(f) Repayment of the principal amount of a loan under this section and interest thereon shall not be required until the borrower transfers ownership of the rehabilitated property or refinances the property, whichever occurs first. Payments of principal and interest on the loans, and any excess loan funds that are rebated to the department, shall, notwithstanding Section 50661, be deposited in the General Fund.

(g) The department may make loans directly to borrowers, or contract for the administration of loans with one or more entities that it determines to have the necessary experience to successfully administer the loan program, including, but not limited to, local public agencies and private organizations. The department may authorize, under that contract, the payment of expenses incurred by the entities in administering the loan program and may prescribe the conditions pursuant to which the entities shall administer the loans.

(h) The department may utilize any funds deposited into the California Disaster Housing Rehabilitation Fund, and any interest that accrues on those funds, for the payment of any administrative or other program cost incurred under this section.

(i) Section 50668 does not apply to loans made pursuant to this section.

(j) The department may apply funds appropriated for the purposes of this section for the purpose of curing or averting an owner's default on the terms of any loan or other obligation where that default would jeopardize the department's security in the owner-occupied housing assisted pursuant to this section. The payment or advance of funds by the department pursuant to this subdivision shall be exclusively within the department's discretion, and no person shall be deemed to have any entitlement to the payment or advance of those funds. The amount of any funds expended by the department pursuant to this subdivision shall be added to the loan amount secured by the deed of trust and shall be payable to the department upon demand.

(k) Any rule, policy, or standard of general application employed by the Department of Housing and Community Development in implementing this section shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division

3 of Title 2 of the Government Code.

(l) Fund allocations made pursuant to this section shall not be subject to review or approval by the Loan Committee of the Department of Housing and Community Development operating pursuant to Subchapter 1 (commencing with Section 6900) of Chapter 6.5 of Title 25 of the California Code of Regulations.

(m) In order to be eligible for one or more loans pursuant to this section, the borrower shall agree to brace foundation cripple walls, affix or bolt a sill plate to the foundation, and brace and stabilize all free-standing, standup type water heaters. The loans shall include an amount sufficient to meet those requirements.

SEC. 7. (a) The sum of forty-one million five hundred thousand dollars (\$41,500,000) is hereby appropriated from the Special Fund for Economic Uncertainties for allocation in accordance with the following schedule:

(1) The sum of thirty-two million dollars (\$32,000,000) to the California Disaster Housing Rehabilitation Fund for housing rehabilitation loans pursuant to Section 50662.7 of the Health and Safety Code.

(2) The sum of nine million five hundred thousand dollars (\$9,500,000) to the Natural Disaster Community Assistance Account which is hereby created in the Natural Disaster Assistance Fund, for allocation as follows:

(A) The sum of five million dollars (\$5,000,000) to the Emergency Housing and Assistance Fund established pursuant to Section 50800.5 of the Health and Safety Code, to be expended for the purposes authorized by Chapter 2 (commencing with Section 34070) of Part 1.6 of the Division 24 of the Health and Safety Code.

(B) The sum of one million dollars (\$1,000,000) to the Rural Redevelopment Loan Fund established pursuant to Section 50516 of the Health and Safety Code, to be expended for the purposes of Section 34052 of the Health and Safety Code.

(C) The sum of one million dollars (\$1,000,000) to the Urban Redevelopment Loan Fund established pursuant to Section 50531 of the Health and Safety Code, to be expended for the purposes of Section 34052 of the Health and Safety Code.

(D) The sum of one million dollars (\$1,000,000) to the special fund of the Office of Migrant Services for the purposes specified in Section 34053 of the Health and Safety Code, to be used to continue the operation of migrant centers as needed to respond to the October 17, 1989, earthquake and aftershocks that occurred in northern California.

(E) The sum of one million dollars (\$1,000,000) to the Department of Commerce for the operation of the rural economic development program authorized in this act for the purposes of Section 34053.

(F) The sum of five hundred thousand dollars (\$500,000) to the Emergency Housing and Assistance Fund established pursuant to Section 50800.5 of the Health and Safety Code, to be allocated by the

Department of Housing and Community Development for the purposes of the residential rental security deposit grants authorized under Section 34078 of the Health and Safety Code.

(b) The Director of the Department of Housing and Community Development may transfer any amount of the funds appropriated to the department under this section for the purposes of Article 6 (commencing with Section 15373.96) of Chapter 2.5 of Part 6.7 of Division 3 of Title 2 of the Government Code for the purpose of providing infrastructure for trailers that provide temporary housing.

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:

To provide for the urgent housing needs of the residents of California who suffered serious personal and property losses as a result of the earthquake that occurred in northern California on October 17, 1989, it is necessary that this act take effect immediately.

CHAPTER 7

An act to amend and supplement the Budget Act of 1989 by adding Items 3790-002-001, 3790-002-786, and 3790-101-722 to Section 2.00 thereof, relating to parks and historical resources, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989]

I am deleting the appropriations totalling \$1,470,850 contained in Senate Bill 10X. The appropriations contained in this bill have already been provided for by the appropriations contained in Assembly Bill 39X.
With this deletion, I approve Senate Bill 10X.

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. The Legislature hereby finds and declares that the recent earthquake in northern California resulted in units of the State Park System and many historic structures being heavily damaged. It is the intent of the Legislature as follows:

(a) Notwithstanding any other provision of law, the funds appropriated by this act and any federal funds identified in subdivision (b) shall be made available expeditiously in order that public park facilities be repaired quickly, and necessary technical assistance and limited stabilization be immediately available to assist local government leaders in determining the future of the state's irreplaceable historic buildings.

(b) Notwithstanding any other provision of law, the state shall

seek federal funds as those funds become available for earthquake relief for historic buildings, and the Legislature shall be notified pursuant to Section 28.00 of the Budget Act of 1989 (Chapter 93, Statutes of 1989) by the Department of Finance as funds become available to the Department of Parks and Recreation.

(c) Notwithstanding any other provision of law, the state bond funds from which amounts are appropriated by this act for earthquake relief for state and local parks shall be reimbursed from federal funds received by the state or local governments to the extent that:

(1) Federal relief funds are made available for these projects.

(2) These reimbursements do not jeopardize the tax-exempt status of the affected state bond funds.

SEC. 2. Notwithstanding any other provision of law, in order to expedite the Section 28.00 process referred to in subdivision (b) of Section 1 and to make federal funds available expeditiously, the 30-day waiting period required by subdivision (c) of Section 28.00 of the Budget Act of 1989 shall be waived for federal funds made available to the Department of Parks and Recreation for relief of historic buildings.

SEC. 3. Item 3790-002-001 is added to Section 2.00 of the Budget Act of 1989, to read:

| | |
|---|------------|
| 3790-002-001—For support of Department of Parks and Recreation | 0 |
| Schedule: | |
| (a) Emergency Earthquake Repair | 1,300,000 |
| (b) Amount payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988, Public Resources Code Section 5907 (b) (2) | —1,300,000 |

SEC. 4. Item 3790-002-786 is added to the Budget Act of 1989, to read:

| | |
|---|-----------|
| 3790-002-786—For support, Department of Parks and Recreation, for payment to Item 3790-002-001 from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988, Public Resources Code Section 5907 (b) (2) | 1,300,000 |
|---|-----------|

SEC. 5. Item 3790-101-722 is added to Section 2.00 of the Budget Act of 1989, to read:

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM OF 1984

3790-101-722—For local assistance, Department of Parks and Recreation, for historical preservation pursuant to paragraph (4) of subdivision (a) of Section 5096.231 of the Public Resources Code, payable from the Parklands Fund of 1984 170,850

Schedule:

- (1) 25.30.722.891--County of San Mateo, San Mateo County Court-house.
- (2) 25.30.722.892--City of Oakland, Oakland City Hall.
- (3) 25.30.722.893--City of San Francisco, San Francisco Civic Auditorium.
- (4) 25.30.722.894--City of Gilroy, Gilroy Old City Hall.
- (5) 25.30.722.895--County of Santa Cruz, Santa Cruz Valencia Hall.

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 that emergency repairs may be performed on units of the State Park System damaged by the earthquake, and to provide needed technical assistance and limited stabilization on historic buildings damaged by the earthquake, it is necessary that this act take effect immediately.

CHAPTER 8

An act to amend and supplement the Budget Act of 1989 by adding Items 3790-002-001, 3790-002-786, and 3790-101-722 to Section 2.00 thereof, relating to parks and historical resources, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with Secretary of State November 7, 1989.]

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

SECTION 1. The Legislature hereby finds and declares that the recent earthquake in northern California resulted in units of the State Park System and many historic structures being heavily damaged. It is the intent of the Legislature as follows:

(a) Notwithstanding any other provision of law, the funds appropriated by this act and any federal funds identified in subdivision (b) shall be made available expeditiously in order that public park facilities be repaired quickly, and necessary technical assistance and limited stabilization be immediately available to assist local government leaders in determining the future of the state's irreplaceable historic buildings.

(b) Notwithstanding any other provision of law, the state shall seek federal funds as those funds become available for earthquake relief for historic buildings, and the Legislature shall be notified pursuant to Section 28.00 of the Budget Act of 1989 (Chapter 93, Statutes of 1989) by the Department of Finance as funds become available to the Department of Parks and Recreation.

(c) Notwithstanding any other provision of law, the state bond funds from which amounts are appropriated by this act for earthquake relief for state and local parks shall be reimbursed from federal funds received by the state or local governments to the extent that:

(1) Federal relief funds are made available for these projects.

(2) These reimbursements do not jeopardize the tax-exempt status of the affected state bond funds.

SEC. 2. Notwithstanding any other provision of law, in order to expedite the Section 28.00 process referred to in subdivision (b) of Section 1 and to make federal funds available expeditiously, the 30-day waiting period required by subdivision (c) of Section 28.00 of the Budget Act of 1989 shall be waived for federal funds made available to the Department of Parks and Recreation for relief of historic buildings.

SEC. 3. Item 3790-002-001 is added to Section 2.00 of the Budget Act of 1989, to read:

| | |
|---|------------|
| 3790-002-001—For support of Department of Parks and Recreation | 0 |
| Schedule: | |
| (a) Emergency Earthquake Repair | 1,300,000 |
| (b) Amount payable from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988, Public Resources Code Section 5907 (b) (2) | —1,300,000 |

SEC. 4. Item 3790-002-786 is added to the Budget Act of 1989, to read:

| | |
|---|-----------|
| 3790-002-786—For support, Department of Parks and Recreation, for payment to Item 3790-002-001 from the California Wildlife, Coastal, and Park Land Conservation Fund of 1988, Public Resources Code Section 5907 (b) (2) | 1,300,000 |
|---|-----------|

SEC. 5. Item 3790-101-722 is added to Section 2.00 of the Budget Act of 1989, to read:

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM OF 1984

| | |
|---|---------|
| 3790-101-722—For local assistance, Department of Parks and Recreation, for historical preservation pursuant to paragraph (4) of subdivision (a) of Section 5096.231 of the Public Resources Code, payable from the Parklands Fund of 1984 | 170,850 |
|---|---------|

Schedule:

- (1) 25.30.722.891—County of San Mateo, San Mateo County Courthouse.
- (2) 25.30.722.892—City of Oakland, Oakland City Hall.
- (3) 25.30.722.893—City of San Francisco, San Francisco Civic Auditorium.
- (4) 25.30.722.894—City of Gilroy, Gilroy Old City Hall.
- (5) 25.30.722.895—County of Santa Cruz, Santa Cruz Valencia Hall.

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 that emergency repairs may be performed on units of the State Park System damaged by the earthquake, and to provide needed technical assistance and limited stabilization on historic buildings damaged by the earthquake, it is necessary that this act take effect immediately.

CHAPTER 9

An act relating to natural disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

I am deleting the \$19,400,000 appropriation contained in Senate Bill 11X.

The appropriation contained in this bill has already been provided for by the appropriation contained in Assembly Bill 37X.

With this deletion, I approve Senate Bill 11X

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. The sum of nineteen million four hundred thousand dollars (\$19,400,000) is hereby appropriated from the General Fund to the Department of Social Services for the 1989-90 fiscal year, in augmentation of Item 5180-001-001 of Section 2.00 of the Budget Act of 1989, to pay costs relating to the earthquake and aftershocks that commenced on October 17, 1989, pursuant to the following schedule:

(a) Ten million dollars (\$10,000,000) for the 25 percent state share of funding for federal grants under the federal individual and family grant program set forth in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended by P.L. 100-707).

(b) Five million dollars (\$5,000,000) to fund state supplemental individual and family grants under Chapter 5.8 (commencing with Section 13600) of Part 3 of Division 9 of the Welfare and Institutions Code.

(c) Four million four hundred thousand dollars (\$4,400,000) for administrative costs incurred by the department pursuant to the federal and state programs described in subdivisions (a) and (b), including administrative costs incurred by the department in assisting the Federal Emergency Management Agency to administer the federal individual and family grant program.

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

In order to provide services to the 1989 earthquake area as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 10

An act relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with Secretary of State November 7, 1989]

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

SECTION 1. There is hereby appropriated from the General Fund to the Director of Social Services, in augmentation of Item 5180-001-001 of Section 2.00 of the Budget Act of 1989, the sum of nineteen million four hundred thousand dollars (\$19,400,000), to be allocated according to the following schedule:

- (a) For administration costs of the federal Individual and Family Grant program, pursuant to Section 5178 of Title 42 of the United States Code and the state Individual and Family Supplemental Grant program, pursuant to Chapter 5.8 (commencing with Section 13600) of Part 3 of Division 9 of the Welfare and Institutions Code, including additional administration costs for assisting operations by the Federal Emergency Management Agency 4,400,000
- (b) The 25 percent state share of the federal Individual and Family Grant program grant costs 10,000,000
- (c) State Individual and Family Supplemental Grant program grant costs 5,000,000

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:

In order to provide state support for federal and state programs for the aid of victims of the 1989 earthquake, it is necessary for this act to take effect immediately.

CHAPTER 11

An act to add Section 8684 to, and to add Article 3.5 (commencing with Section 13540) to Chapter 1 of Part 6.7 of Division 3 of Title 2 of, and to add and repeal Section 8684 of, the Government Code, relating to disaster assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

I am deleting the \$1,000,000 appropriation contained in Senate Bill 12X
The appropriation contained in this bill has already been provided for by the
appropriation contained in Assembly Bill 40X

With this deletion, I approve Senate Bill 12X

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. The Legislature finds and declares that:

(a) Small businesses are a major source of jobs, innovation, and essential products and services in California.

(b) Small businesses in the Santa Cruz area and San Francisco Bay area suffered substantial and disproportionate damage from the October 17, 1989, earthquake and related aftershocks.

(c) Economic recovery from the earthquake necessitates both short and long-range programs, state assistance as well as local direction, and the effective use of existing public and private organizations dedicated to promoting job creation and economic development.

SEC. 2. The Legislature further finds and declares that:

(a) The northern California earthquake of October 17, 1989, has caused numerous small businesses to cease or dramatically curtail their operations.

(b) In the area impacted by this earthquake disaster, small businesses comprise the dominant source of employment and are vital to the economies of many of the affected communities.

(c) These small businesses can only continue to effectively operate with federal disaster assistance made available to mitigate damage and economic loss caused by that earthquake and its subsequent aftershocks.

(d) In many instances federal disaster assistance, such as Small Business Administration loans and loan guarantees, will not be made available in sufficient time to enable these businesses to continue operation and remain solvent.

(e) Without immediate interim financing assistance there is the likelihood that many of these businesses will incur irreparable harm and will ultimately fail.

(f) The failure of these businesses would have a deleterious effect on the economies of communities damaged by the earthquake and on the economy of the state as a whole.

SEC. 3. Section 8684 is added to the Government Code, to read:

(a) It is the intent of the Legislature:

(1) To provide the Governor with appropriate emergency powers in order to enable utilization of available emergency funding to provide guarantees for short-term, low interest loans to be made by commercial lending institutions, in connection with relief provided for the northern California earthquake of October 17, 1989, and incidents subsequent thereto, and resulting therefrom, in the affected area during the period of earthquake relief, for the purpose of supplying interim financing to enable small businesses to continue operations pending receipt of federal disaster assistance.

(2) That the Governor should utilize this authority to prevent business insolvencies and loss of employment in the area affected by the northern California earthquake of October 17, 1989.

(b) In addition to the allocations authorized by Section 8683, the Governor may allocate funds made available for the purposes of this chapter, in connection with relief provided for the northern California earthquake of October 17, 1989, and incidents subsequent thereto, and resulting therefrom, in the affected area during the period of earthquake relief, to the Small Business Expansion Fund for use by the Office of Small Business, pursuant to Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code, to make allocations of funds to small business development corporations as follows:

(1) To provide guarantees for short-term low interest loans to be made by commercial lending institutions for the purpose of providing interim financing to enable small businesses that have suffered actual physical damage or significant economic losses, as a result of the natural disaster for which funding under this section is made available, to continue or resume operations pending receipt of loans made or guaranteed by the federal Small Business Administration. The maximum amount of any loan guarantee funded under this section shall not exceed one hundred fifty thousand dollars (\$150,000). The loan guarantee shall not exceed 95 percent of the loan amount, except that the loan guarantees may be for 100 percent of the loan amount if the applicant can demonstrate that access to business records pertinent to the loan application has been precluded by official action prohibiting necessary reentry into the affected business premises. The loan so guaranteed shall be due and payable 12 months from the date the loan is made or on the date the proceeds of a loan made or guaranteed by the federal Small Business Administration with respect to the same damage or loss are made available to the borrower, whichever first occurs. Nothing in this section shall preclude the lender from charging reasonable administrative fees in connection with the loan.

(2) To provide guarantees for short term low interests loans, as provided in Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code, for small farms, nurseries, and agriculture-related enterprises which have suffered

actual physical damage or significant economic injury as a result of the northern California earthquake of October 17, 1989, or its subsequent aftershocks, but which are types of businesses that are ineligible for loans or loan guarantees of the federal Small Business Administration or Farmers Home Administration provided in connection with that disaster. Loan guarantees funded pursuant to this section shall not exceed one hundred fifty thousand dollars (\$150,000) and shall (A) be extended only to those individuals or entities which are unable to obtain credit elsewhere, (B) are intending to continue in the same business enterprise, (C) do not exceed 80 percent of production losses and 100 percent of structural losses, and (D) do not exceed 95 percent of the loan amount. The maximum term of the loan guarantee shall be 12 months. To the extent possible the terms of the loan guarantees, including requirements respecting the terms of the underlying loans, shall be consistent with loan-guarantee assistance provided to nonagricultural businesses in response to that natural disaster by the federal Small Business Administration.

(c) Allocations pursuant to this section shall, for purposes of all provisions of law, be deemed to be for extraordinary emergency or disaster response operation costs incurred by the Office of Small Business.

SEC. 4. Article 3.5 (commencing with Section 13540) is added to Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, to read:

Article 3.5. California Earthquake Emergency Grant Aid Program

13540. The department shall administer the California Earthquake Emergency Grant Aid Program for the general purpose of helping small businesses and local economies recover from the October 17, 1989, earthquake and related aftershocks.

13541. The department shall make grants from the California Economic Development Grant and Loan Fund to cities and counties, small business development corporations, small business development centers, and other nonprofit organizations, for the following specific purposes:

(a) To provide loan packaging assistance to small businesses who are attempting to qualify for small business administration loans, state loans, or private bank loans, for disaster relief.

(b) To provide counseling and technical assistance to small businesses in the areas of business planning and management, financial analyses, and cost recovery strategy.

(c) To provide bilingual services to business owners and their employees to ensure adequate access to all available disaster relief programs.

(d) To provide for the preparation of long-range economic development plans and revitalization strategies by communities

which suffered substantial economic disruption.

(e) To provide assistance to communities to develop marketing plans and disseminate information about economic and business opportunities in the region, such as tourism promotion and available business sites.

SEC. 5. The sum of one million dollars (\$1,000,000) is hereby appropriated from the Disaster Relief Fund to the California Economic Development Grant and Loan Fund for expenditure to carry out the purposes of Article 3.5 (commencing with Section 13540) of Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, as enacted 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:

In order that needed economic development grants may be made at the earliest possible time to cities and counties, small business development corporations, small business development centers, and other nonprofit organizations, in the Santa Cruz area and the San Francisco Bay area and to provide needed bridge loans to small businesses and alleviate economic disruption caused to small farms and nurseries, and agriculture-related businesses, all of which suffered damages from the October 17, 1989, earthquake and related aftershocks, it is necessary that this act take effect immediately.

CHAPTER 12

An act to add Section 8684 to, and to add Article 3.5 (commencing with Section 13540) to Chapter 1 of Part 6.7 of Division 3 of Title 2 of, the Government Code, relating to disaster assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989]

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

SECTION 1. The Legislature finds and declares that:

(a) Small businesses are a major source of jobs, innovation, and essential products and services in California.

(b) Small businesses in the Santa Cruz area and San Francisco Bay area suffered substantial and disproportionate damage from the October 17, 1989, earthquake and related aftershocks.

(c) Economic recovery from the earthquake necessitates both short and long-range programs, state assistance as well as local direction, and the effective use of existing public and private organizations dedicated to promoting job creation and economic

development.

SEC. 2. The Legislature further finds and declares that:

(a) The northern California earthquake of October 17, 1989, has caused numerous small businesses to cease or dramatically curtail their operations.

(b) In the area impacted by this earthquake disaster, small businesses comprise the dominant source of employment and are vital to the economies of many of the affected communities.

(c) These small businesses can only continue to effectively operate with federal disaster assistance made available to mitigate damage and economic loss caused by that earthquake and its subsequent aftershocks.

(d) In many instances federal disaster assistance, such as Small Business Administration loans and loan guarantees, will not be made available in sufficient time to enable these businesses to continue operation and remain solvent.

(e) Without immediate interim financing assistance there is the likelihood that many of these businesses will incur irreparable harm and will ultimately fail.

(f) The failure of these businesses would have a deleterious effect on the economies of communities damaged by the earthquake and on the economy of the state as a whole.

SEC. 3. Section 8684 is added to the Government Code, to read:

(a) It is the intent of the Legislature:

(1) To provide the Governor with appropriate emergency powers in order to enable utilization of available emergency funding to provide guarantees for short-term, low interest loans to be made by commercial lending institutions, in connection with relief provided for the northern California earthquake of October 17, 1989, and incidents subsequent thereto, and resulting therefrom, in the affected area during the period of earthquake relief, for the purpose of supplying interim financing to enable small businesses to continue operations pending receipt of federal disaster assistance.

(2) That the Governor should utilize this authority to prevent business insolvencies and loss of employment in the area affected by the northern California earthquake of October 17, 1989.

(b) In addition to the allocations authorized by Section 8683, the Governor may allocate funds made available for the purposes of this chapter, in connection with relief provided for the northern California earthquake of October 17, 1989, and incidents subsequent thereto, and resulting therefrom, in the affected area during the period of earthquake relief, to the Small Business Expansion Fund for use by the Office of Small Business, pursuant to Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code, to make allocations of funds to small business development corporations as follows:

(1) To provide guarantees for short-term low interest loans to be made by commercial lending institutions for the purpose of providing interim financing to enable small businesses that have

suffered actual physical damage or significant economic losses, as a result of the natural disaster for which funding under this section is made available, to continue or resume operations pending receipt of loans made or guaranteed by the federal Small Business Administration. The maximum amount of any loan guarantee funded under this section shall not exceed one hundred fifty thousand dollars (\$150,000). The loan guarantee shall not exceed 95 percent of the loan amount, except that the loan guarantees may be for 100 percent of the loan amount if the applicant can demonstrate that access to business records pertinent to the loan application has been precluded by official action prohibiting necessary reentry into the affected business premises. The loan so guaranteed shall be due and payable 12 months from the date the loan is made or on the date the proceeds of a loan made or guaranteed by the federal Small Business Administration with respect to the same damage or loss are made available to the borrower, whichever first occurs. Nothing in this section shall preclude the lender from charging reasonable administrative fees in connection with the loan.

(2) To provide guarantees for short term low interests loans, as provided in Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code, for small farms, nurseries, and agriculture-related enterprises which have suffered actual physical damage or significant economic injury as a result of the northern California earthquake of October 17, 1989, or its subsequent aftershocks, but which are types of businesses that are ineligible for loans or loan guarantees of the federal Small Business Administration or Farmers Home Administration provided in connection with that disaster. Loan guarantees funded pursuant to this section shall not exceed one hundred fifty thousand dollars (\$150,000) and shall (A) be extended only to those individuals or entities which are unable to obtain credit elsewhere, (B) are intending to continue in the same business enterprise, (C) do not exceed 80 percent of production losses and 100 percent of structural losses, and (D) do not exceed 95 percent of the loan amount. The maximum term of the loan guarantee shall be 12 months. To the extent possible the terms of the loan guarantees, including requirements respecting the terms of the underlying loans, shall be consistent with loan-guarantee assistance provided to nonagricultural businesses in response to that natural disaster by the federal Small Business Administration.

(c) Allocations pursuant to this section shall, for purposes of all provisions of law, be deemed to be for extraordinary emergency or disaster response operation costs incurred by the Office of Small Business.

SEC. 4. Article 3.5 (commencing with Section 13540) is added to Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, to read:

Article 3.5. California Earthquake Emergency Grant Aid Program

13540. The department shall administer the California Earthquake Emergency Grant Aid Program for the general purpose of helping small businesses and local economies recover from the October 17, 1989, earthquake and related aftershocks.

13541. The department shall make grants from the California Economic Development Grant and Loan Fund to cities and counties, small business development corporations, small business development centers, and other nonprofit organizations, for the following specific purposes:

(a) To provide loan packaging assistance to small businesses who are attempting to qualify for small business administration loans, state loans, or private bank loans, for disaster relief.

(b) To provide counseling and technical assistance to small businesses in the areas of business planning and management, financial analyses, and cost recovery strategy.

(c) To provide bilingual services to business owners and their employees to ensure adequate access to all available disaster relief programs.

(d) To provide for the preparation of long-range economic development plans and revitalization strategies by communities which suffered substantial economic disruption.

(e) To provide assistance to communities to develop marketing plans and disseminate information about economic and business opportunities in the region, such as tourism promotion and available business sites.

SEC. 5. The sum of one million dollars (\$1,000,000) is hereby appropriated from the Disaster Relief Fund to the California Economic Development Grant and Loan Fund for expenditure to carry out the purposes of Article 3.5 (commencing with Section 13540) of Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, as enacted 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:

In order that needed economic development grants may be made at the earliest possible time to cities and counties, small business development corporations, small business development centers, and other nonprofit organizations, in the Santa Cruz area and the San Francisco Bay area and to provide needed bridge loans to small businesses and alleviate economic disruption caused to small farms and nurseries, and agriculture-related businesses, all of which suffered damages from the October 17, 1989, earthquake and related aftershocks, it is necessary that this act take effect immediately.

CHAPTER 13

An act to add Article 7.7 (commencing with Section 16419) to Chapter 2 of Division 4 of Title 2 of the Government Code, and to amend Section 7102 of, and add Sections 6051.1, 6201.1, 6376, 12637, 43158, and 45156 to, the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989.]

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

SECTION 1. Article 7.7 (commencing with Section 16419) is added to Chapter 2 of Division 4 of Title 2 of the Government Code, to read:

Article 7.7. Disaster Relief Fund

16419. The Disaster Relief Fund is hereby established. Notwithstanding Section 13340, the fund is continuously appropriated without regard to fiscal years for purposes of funding disbursements made for response to and recovery from earthquakes, aftershocks, and any other related casualties. Moneys in the Disaster Relief Fund may, upon the direction of the Director of Finance, be transferred to the Special Fund for Economic Uncertainties to replenish that fund for disbursements regarding earthquakes, aftershocks, and any other related casualties. Disbursements from the Disaster Relief Fund and from the Special Fund for Economic Uncertainties incurred in responding to and recovering from earthquakes, aftershocks, and any other related casualties, shall not be expended to supplant federal funds otherwise available in the absence of state financial relief.

SEC. 2. Section 6051.1 is added to the Revenue and Taxation Code, to read:

6051.1. (a) Notwithstanding Section 6051, for the privilege of selling tangible personal property at retail a tax is hereby imposed upon all retailers at the rate of 5 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this state on and after the operative date of this subdivision.

(b) Subdivision (a) shall become operative on December 1, 1989, and shall cease to be operative on January 1, 1991.

(c) The rate prescribed by Section 6051 shall be applicable on and after the first day following the date subdivision (a) ceases to be operative pursuant to subdivision (b).

SEC. 3. Section 6201.1 is added to the Revenue and Taxation Code, to read:

6201.1. (a) Notwithstanding Section 6201, an excise tax is hereby

imposed on the storage, use, or other consumption in the state of tangible personal property purchased from any retailer on or after the operative date of this subdivision, for storage, use, or other consumption in this state at the rate of 5 percent of the sales price of the property on and after the operative date of this subdivision.

(b) Subdivision (a) shall become operative on December 1, 1989, and shall cease to be operative on January 1, 1991.

(c) The rate prescribed by Section 6201 shall be applicable on and after the first day following the date subdivision (a) ceases to be operative pursuant to subdivision (b).

SEC. 4. Section 6376 is added to the Revenue and Taxation Code, to read:

6376. (a) From December 1, 1989, to December 31, 1990, there are exempted from 5 percent of the taxes imposed by this part, the gross receipts from the sale of and the storage, use, or other consumption in this state of material, fixtures, and supplies if the sale, storage, use or other consumption in this state of the material, fixtures, or supplies are obligated pursuant to an engineering construction project contract or a building construction contract entered into for a fixed price prior to the effective date of this section.

(b) From December 1, 1989, to December 31, 1990, inclusive, there is exempted from 5 percent of the taxes imposed by this part, a lease of tangible personal property which is a continuing sale and purchase of that property for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the effective date of this section.

(c) For the purposes of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the right to terminate the contract or lease upon notice, whether or not that right is exercised.

SEC. 5. Section 7102 of the Revenue and Taxation Code is amended to read:

7102. The money in the fund shall, upon order of the Controller, be drawn therefrom for refunds under this part, and pursuant to Section 1793.25 of the Civil Code, or be transferred in the following manner:

(a) (1) All revenues, less refunds, derived under this part at the 4 $\frac{3}{4}$ -percent rate, including the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of motor vehicle fuel which would not have been received if the sales and use tax rate had been 5 percent and if motor vehicle fuel, as defined for purposes of the Motor Vehicle Fuel License Tax Law (Part 2 (commencing with Section 7301)), had been exempt from sales and use taxes, shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance and shall be transferred during each fiscal year to the Transportation Planning and Development Account in the State Transportation Fund for

appropriation pursuant to Section 99312 of the Public Utilities Code.

(2) All revenues, less refunds, due to the imposition of sales and use taxes on fuel, as defined for purposes of the Use Fuel Tax Law (Part 3 (commencing with Section 8601)), at the $4\frac{3}{4}$ -percent rate shall be transferred during each fiscal year to the Transportation Planning and Development Account for appropriation pursuant to Section 99312 of the Public Utilities Code.

(b) All revenues, less refunds, derived under this part at the $4\frac{3}{4}$ -percent rate, resulting from increasing, after December 31, 1989, the rate of the tax imposed pursuant to the Motor Vehicle Fuel License Tax Law on motor vehicle fuel, as defined for purposes of that law, shall be transferred during each fiscal year to the Transportation Planning and Development Account for appropriation pursuant to Section 99312 of the Public Utilities Code.

(c) All revenues, less refunds, derived under this part from a rate of more than $4\frac{3}{4}$ percent pursuant to Sections 6051.1 and 6201.1 shall be transferred to the Disaster Relief Fund created by Section 16419 of the Government Code.

(d) The balance shall be transferred to the General Fund.

(e) The estimate required by subdivisions (a) and (b) shall be based on taxable transactions occurring during a calendar year, and the transfers required by subdivision (a) shall be made during the fiscal year that commences during that same calendar year. Transfers required by paragraphs (1) and (2) of subdivisions (a) and (b) shall be made quarterly.

SEC. 6. Section 12637 is added to the Revenue and Taxation Code, to read:

12637. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 12258, 12287, 12307, 12631, and 12632. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 7. Section 43158 is added to the Revenue and Taxation Code, to read:

43158. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 43154, 43156, and 43201. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 8. Section 45156 is added to the Revenue and Taxation Code, to read:

45156. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred

notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 45152, 45154, and 45201. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 9. (a) The State Board of Equalization shall deliver a report to the Legislature on or before April 1, 1990, concerning retailers' compliance costs and burdens in implementing the temporary sales tax increase provided for by this act.

(b) The report shall include:

(1) Estimates of the direct and indirect costs of reprogramming cash registers.

(2) A report on the extent to which unavoidable delays in cash register reprogramming precluded the collection of sufficient sales tax revenues to meet tax liabilities.

(3) Identification of problems generally in implementing the tax increase, including, but not limited to, problems involving catalogue sales, layaways, and deliveries.

SEC. 10. (a) Appropriations to reimburse school districts, as defined pursuant to Section 41302.5 of the Education Code, or community college districts for losses incurred because of a natural disaster in accordance with the Natural Disaster Assistance Act shall not be considered any of the following within the meaning of either Section 8 of Article XVI of the California Constitution or Section 41202 of the Education Code:

(1) "Money applied by the state for the support of school districts and community college districts."

(2) "State General Fund revenues appropriated for school districts and community college districts."

(3) A part of "total allocations to school districts or community college districts from the State General Fund proceeds of taxes appropriated pursuant to Article XIII B.

(b) Revenues accruing to the Disaster Relief Fund shall not be considered "State General Fund Revenues which may be appropriated pursuant to Article XIII B" within the meaning of either Section 8 of Article XVI of the California Constitution or Section 41202 of the Education Code.

(c) The Legislature finds and declares that the treatment of revenues and expenditures in this act is necessitated by the extraordinary need to provide emergency financial assistance to those institutions and individuals affected by the October 17, 1989 earthquake in the San Francisco Bay area and its related aftershocks. Pursuant to the authority of subdivision (c) of Section 8 of Article XVI of the California Constitution, the Legislature hereby suspends for the 1989-90 fiscal year Section 8 of Article XVI of the California Constitution to the extent that its provisions conflict with this act with respect to disaster relief provided during the 1989-90 First Extraordinary Session. The Legislature further finds and declares

that this treatment of revenues and expenditures does not constitute a precedent for future state fiscal policy.

SEC. 11.

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 provide funding for timely relief in regard to injuries, damages, and losses suffered as a result of the earthquake, aftershocks, and any other related casualty occurring in northern California in October 1989, it is necessary that this act go into immediate effect.

CHAPTER 14

An act to add Article 7.7 (commencing with Section 16419) to Chapter 2 of Division 4 of Title 2 of the Government Code, and to amend Section 7102 of, and add Sections 6051.1, 6201.1, 6376, 12637, 43158, and 45156 to, the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989.]

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

SECTION 1. Article 7.7 (commencing with Section 16419) is added to Chapter 2 of Division 4 of Title 2 of the Government Code, to read:

Article 7.7. Disaster Relief Fund

16419. The Disaster Relief Fund is hereby established. Notwithstanding Section 13340, the fund is continuously appropriated without regard to fiscal years for purposes of funding disbursements made for response to and recovery from the earthquake, aftershocks, and any other related casualty. Moneys in the Disaster Relief Fund may, upon the direction of the Director of Finance, be transferred to the Special Fund for Economic Uncertainties to replenish that fund for disbursements regarding the earthquake, aftershocks, and any other related casualty. Disbursements from the Disaster Relief Fund and from the Special Fund for Economic Uncertainties incurred in responding to and recovering from the earthquake, aftershocks, and any other related casualty shall not be expended to supplant federal funds otherwise available in the absence of state financial relief.

SEC. 2. Section 6051.1 is added to the Revenue and Taxation

Code, to read:

6051.1. (a) Notwithstanding Section 6051, for the privilege of selling tangible personal property at retail a tax is hereby imposed upon all retailers at the rate of 5 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this state on and after the operative date of this subdivision.

(b) Subdivision (a) shall become operative on December 1, 1989, and shall cease to be operative on January 1, 1991.

(c) The rate prescribed by Section 6051 shall be applicable on and after the first day following the date subdivision (a) ceases to be operative pursuant to subdivision (b).

SEC. 3. Section 6201.1 is added to the Revenue and Taxation Code, to read:

6201.1. (a) Notwithstanding Section 6201, an excise tax is hereby imposed on the storage, use, or other consumption in the state of tangible personal property purchased from any retailer on or after the operative date of this subdivision, for storage, use, or other consumption in this state at the rate of 5 percent of the sales price of the property on and after the operative date of this subdivision.

(b) Subdivision (a) shall become operative on December 1, 1989, and shall cease to be operative on January 1, 1991.

(c) The rate prescribed by Section 6201 shall be applicable on and after the first day following the date subdivision (a) ceases to be operative pursuant to subdivision (b).

SEC. 4. Section 6376 is added to the Revenue and Taxation Code, to read:

6376. (a) From December 1, 1989 to December 31, 1990, there are exempted from 5 percent of the taxes imposed by this part, the gross receipts from the sale of and the storage, use, or other consumption in this state of material, fixtures, and supplies if the sale, storage, use or other consumption in this state of the material, fixtures, or supplies are obligated pursuant to an engineering construction project contract or a building construction contract entered into for a fixed price prior to the effective date of this section.

(b) From December 1, 1989 to December 31, 1990, inclusive, there is exempted from 5 percent of the taxes imposed by this part, a lease of tangible personal property which is a continuing sale and purchase of that property for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the effective date of this section.

(c) For the purposes of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the right to terminate the contract or lease upon notice, whether or not that right is exercised.

SEC. 5. Section 7102 of the Revenue and Taxation Code is amended to read:

7102. The money in the fund shall, upon order of the Controller,

be drawn therefrom for refunds under this part, and pursuant to Section 1793.25 of the Civil Code, or be transferred in the following manner:

(a) (1) All revenues, less refunds, derived under this part at the $4\frac{3}{4}$ -percent rate, including the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of motor vehicle fuel which would not have been received if the sales and use tax rate had been 5 percent and if motor vehicle fuel, as defined for purposes of the Motor Vehicle Fuel License Tax Law (Part 2 (commencing with Section 7301)), had been exempt from sales and use taxes, shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance and shall be transferred during each fiscal year to the Transportation Planning and Development Account in the State Transportation Fund for appropriation pursuant to Section 99312 of the Public Utilities Code.

(2) All revenues, less refunds, due to the imposition of sales and use taxes on fuel, as defined for purposes of the Use Fuel Tax Law (Part 3 (commencing with Section 8601)), at the $4\frac{3}{4}$ -percent rate shall be transferred during each fiscal year to the Transportation Planning and Development Account for appropriation pursuant to Section 99312 of the Public Utilities Code.

(b) All revenues, less refunds, derived under this part at the $4\frac{3}{4}$ -percent rate, resulting from increasing, after December 31, 1989, the rate of the tax imposed pursuant to the Motor Vehicle Fuel License Tax Law on motor vehicle fuel, as defined for purposes of that law, shall be transferred during each fiscal year to the Transportation Planning and Development Account for appropriation pursuant to Section 99312 of the Public Utilities Code.

(c) All revenues, less refunds, derived under this part from a rate of more than $4\frac{3}{4}$ percent pursuant to Sections 6051.1 and 6201.1 shall be transferred to the Disaster Relief Fund created by Section 16419 of the Government Code.

(d) The balance shall be transferred to the General Fund.

(e) The estimate required by subdivisions (a) and (b) shall be based on taxable transactions occurring during a calendar year, and the transfers required by subdivision (a) shall be made during the fiscal year that commences during that same calendar year. Transfers required by paragraphs (1) and (2) of subdivisions (a) and (b) shall be made quarterly.

SEC. 6. Section 12637 is added to the Revenue and Taxation Code, to read:

12637. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 12258, 12287, 12307, 12631, and 12632. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 7. Section 43158 is added to the Revenue and Taxation Code, to read:

43158. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 43154, 43156, and 43201. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 8. Section 45156 is added to the Revenue and Taxation Code, to read:

45156. If the board finds that a person's failure to make a timely return or payment was due to disaster, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person may be relieved of interest provided for by Sections 45152, 45154, and 45201. Any person seeking to be relieved of interest shall file with the board a statement under penalty of perjury setting forth the facts upon which he or she bases his or her claim for relief.

SEC. 9. (a) The State Board of Equalization shall deliver a report to the Legislature on or before April 1, 1990, concerning retailers' compliance costs and burdens in implementing the temporary sales tax increase provided for by this act.

(b) The report shall include:

(1) Estimates of the direct and indirect costs of reprogramming cash registers.

(2) A report on the extent to which unavoidable delays in cash register reprogramming precluded the collection of sufficient sales tax revenues to meet tax liabilities.

(3) Identification of problems generally in implementing the tax increase, including, but not limited to, problems involving catalogue sales, layaways, and deliveries.

SEC. 10. (a) Appropriations to reimburse school districts, as defined pursuant to Section 41302.5 of the Education Code, or community college districts for losses incurred because of a natural disaster in accordance with the Natural Disaster Assistance Act shall not be considered any of the following within the meaning of either Section 8 of Article XVI of the California Constitution or Section 41202 of the Education Code:

(1) "Monies applied by the state for the support of school districts and community college districts."

(2) "State General Fund revenues appropriated for school districts and community college districts."

(3) A part of "total allocations to school districts or community college districts from the State General Fund proceeds of taxes appropriated pursuant to Article XIII B."

(b) Revenues accruing to the Disaster Relief Fund shall not be considered "State General Fund revenues which may be

appropriated pursuant to Article XIII B” within the meaning of either Section 8 of Article XVI of the California Constitution or Section 41202 of the Education Code.

(c) The Legislature finds and declares that the treatment of revenues and expenditures in this act is necessitated by the extraordinary need to provide emergency financial assistance to those institutions and individuals affected by the October 17, 1989 earthquake in the San Francisco Bay Area and its related aftershocks. Pursuant to the authority of subdivision (c) of Section 8 of Article XVI of the California Constitution, the Legislature hereby suspends for the 1989-90 fiscal year Section 8 of Article XVI of the California Constitution to the extent that its provisions conflict with this act with respect to disaster relief provided during the 1989-90 First Extraordinary Session. The Legislature further finds and declares that this treatment of revenues and expenditures does not constitute a precedent for future state fiscal policy.

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 provide funding for timely relief in regard to injuries, damages, and losses suffered as a result of the earthquake, aftershocks, and any other related casualty occurring in northern California in October 1989, it is necessary that this act go into immediate effect.

CHAPTER 15

An act to amend Section 16418 of, and to add Sections 24304.8, 24304.9, and 24304.10 to, the Government Code, and to amend Sections 197, 197.1, 197.2, 197.3, 197.5, 197.6, 197.9, 198.1, 17207, and 24347.5 of the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 16418 of the Government Code is amended to read:

16418. (a) The Special Fund for Economic Uncertainties is hereby created in the State Treasury and is continuously appropriated for the purposes of this section. The contingency reserve for economic uncertainties established within the General Fund by Section 12.3 of the Budget Act of 1980 is hereby discontinued, and any balance in that reserve shall be transferred to

the Special Fund for Economic Uncertainties. This special fund represents a reserve fund within the meaning of Section 5 of Article XIII B of the California Constitution. Notwithstanding Sections 16310 and 16314, the Controller may transfer as necessary from the Special Fund 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 Controller shall transfer from the Special Fund for Economic Uncertainties to the unappropriated balance of the General Fund an amount necessary to eliminate any General Fund deficit as of the end of each fiscal year, commencing as of June 30, 1985. 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 Controller and the Director of Finance.

(c) Notwithstanding Section 13340, moneys in the Special Fund for Economic Uncertainties is hereby continuously appropriated without regard to fiscal years to the Director of Finance for the purpose of allocating funds for disaster relief pursuant to Chapter 5 (commencing with Section 194) and Chapter 6 (commencing with Section 197) of Part 1 of Division 1 of the Revenue and Taxation Code. However, any allocation made by the director pursuant to this subdivision shall not be made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

(d) For budgeting and accounting purposes, any appropriations heretofore or hereafter made specifically from the Special Fund for Economic Uncertainties, other than appropriations contained in this section, shall be deemed an appropriation from the General Fund. For year-end reporting purposes, the Controller shall add the balance in the Special Fund for Economic Uncertainties to the balance in the General Fund so as to show the total moneys then available for General Fund purposes.

(e) Notwithstanding Section 13340, there is hereby appropriated from the General Fund, without regard to fiscal years, for transfer by the Controller to the Special Fund for Economic Uncertainties as of the end of each fiscal year, the lesser of the following amount:

- (1) The unencumbered balance in the General Fund.
- (2) The difference between the state's "appropriations subject to limitation" for the fiscal year then ended and its "appropriation limit" as defined in Section 8 of Article XIII B of the California Constitution and established in the Budget Act for that fiscal year, as jointly estimated by the Legislative Analyst's office and the Department of Finance.

SEC. 2. Section 24304.8 is added to the Government Code, to read:

24304.8. Notwithstanding Sections 24300 and 24304, in counties of the 22nd class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 3. Section 24304.9 is added to the Government Code, to read:

24304.9. Notwithstanding Sections 24300 and 24304, in counties of the 29th class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 4. Section 24304.10 is added to the Government Code, to read:

24304.10. Notwithstanding Sections 24300 and 24304, in counties of the 30th class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 5. Section 197 of the Revenue and Taxation Code is amended to read:

197. As used in this chapter:

(a) "Eligible county" means a county which meets both of the following requirements:

(1) Has been proclaimed by the Governor to be in a state of disaster as a result of the earthquake and aftershocks which occurred in California during October 1989.

(2) Has adopted an ordinance providing property tax relief for earthquake, aftershock, and fire disaster victims as provided in Section 170.

(b) "Eligible property" means real property and any mobilehome, including any new construction which was completed or any change in ownership which occurred prior to October 17, 1989, which meets both of the following requirements:

(1) Is located in an eligible county.

(2) Has sustained substantial disaster damage due to the earthquake or aftershocks occurring during 1989, which earthquake and aftershocks resulted in the issuance of disaster proclamations by the Governor.

"Eligible property" does not include any real property or any mobilehome, whether or not it otherwise qualifies as eligible property, if that real property or mobilehome was purchased or otherwise acquired by a claimant for relief under this chapter after October 17, 1989.

(c) "Substantial disaster damage," as to real property located in a county declared to be a disaster by the Governor as a result of the earthquake and aftershocks occurring in October 1989, means, with respect to real property and any mobilehome which has received the homeowner's exemption or is eligible for the exemption as of March 1, 1989, damage amounting to at least 10 percent of its fair market value or five thousand dollars (\$5,000), whichever is less; and, with respect to other property, damage to the parcel of at least 20 percent of its fair market value immediately preceding the disaster causing the damage.

(d) "Fair market value" means "full cash value" or "fair market

value” as defined in Section 110.

(e) “Property tax deferral claim” means a claim filed by the owner of eligible property in conjunction with or in addition to the filing of an application for reassessment of that property pursuant to Section 170, which enables the owner to defer payment of the December 10, 1989, installment of taxes on property on the regular secured roll for the 1989-90 fiscal year, as provided in Section 197.1, or to defer payment of taxes on property on the supplemental roll for the 1989-90 fiscal year, as provided in Section 197.9.

SEC. 6. Section 197.1 of the Revenue and Taxation Code is amended to read:

197.1. (a) Any owner of eligible property who files on or before December 10, 1989, a claim for reassessment pursuant to Section 170 may apply to the county assessor to defer payment of the first installment of property taxes on the regular secured roll for the 1989-90 fiscal year with respect to that property which are due no later than December 10, 1989. If a timely claim is filed, the payment shall be deferred without penalty or interest until the assessor has reassessed the property and a corrected bill prepared pursuant to the provisions of Section 170 has been sent to the property owner. Taxes deferred pursuant to this section are due 30 days after receipt by the owner of the corrected tax bill and if unpaid thereafter are delinquent as provided in Section 2610.5 and shall be subject to the penalty provided by law.

(b) If, following reassessment pursuant to subdivision (a), the assessor determines that an owner who applied and was granted a deferral of property taxes did not file the claim in good faith, the owner shall be assessed a delinquency penalty for the nonpayment of the deferred taxes.

(c) The provisions of this section do not apply to property taxes paid through impound accounts.

SEC. 7. Section 197.2 of the Revenue and Taxation Code is amended to read:

197.2. On or before January 15, 1990, the tax collector of an eligible county shall certify to the Director of Finance the total amount of the first installment of property taxes for all eligible property on both the regular secured roll and the supplemental roll for the 1989-90 fiscal year which were deferred pursuant to Section 197.1.

SEC. 8. Section 197.3 of the Revenue and Taxation Code is amended to read:

197.3. If an eligible county has adopted an ordinance in accordance with Section 197.9, the tax collector shall certify to the Director of Finance on or before January 31, 1990, the total amount of supplemental roll property tax deferral claims submitted pursuant to Section 197.9 to the county by 5 p.m. on December 10, 1989.

SEC. 9. Section 197.5 of the Revenue and Taxation Code is amended to read:

197.5. On or before December 31, 1990, each eligible county shall

compute and remit to the Controller for deposit in the General Fund an amount equal to the amount allocated to it by the Controller pursuant to Section 197.4, less the amount of its property tax revenue lost in the 1989-90 fiscal year with respect to eligible properties as a result of the reassessment pursuant to Section 170 of that property. If the amount computed pursuant to this section for an eligible county is less than zero, the Controller shall allocate that amount to the county.

SEC. 10. Section 197.6 of the Revenue and Taxation Code is amended to read:

197.6. On or before December 31, 1990, each eligible county which has adopted an ordinance in accordance with Section 197.9, shall compute and remit to the Controller for deposit in the General Fund an amount equal to the amount allocated to it by the Controller pursuant to Section 197.4, less the amount of its supplemental roll property tax revenue lost in the 1989-90 fiscal year with respect to eligible properties as the result of reassessment pursuant to Section 170 of that property. If the amount computed pursuant to this section for an eligible county is less than zero, the Controller shall allocate that amount to the county.

SEC. 11. Section 197.9 of the Revenue and Taxation Code is amended to read:

197.9. Each eligible county may adopt an ordinance to permit the deferral of unpaid nondelinquent 1989-90 fiscal year supplemental roll taxes on eligible property reassessed pursuant to Chapter 3.5 (commencing with Section 75) of Part 0.5 if the owner files a claim for deferral on or before December 10, 1989, with the assessor. Taxes deferred pursuant to this section shall be due on the last day of the month following the month in which the corrected bill is mailed or the delinquent date of the first installment of the original bill, whichever is later.

SEC. 12. Section 198.1 of the Revenue and Taxation Code is amended to read:

198.1. Any eligible county may adopt an ordinance providing for the temporary postponement of the April 10, 1990, installment of taxes on property on the regular secured roll for the 1989-90 fiscal year until December 10, 1990, and, notwithstanding any other provision of this chapter, the further postponement of the December 10, 1989, installment of taxes on property on the regular secured roll for the 1988-89 fiscal year until December 10, 1990. The state shall provide no reimbursement payments to local jurisdictions for the postponement of property taxes pursuant to this section.

SEC. 13. Section 17207 of the Revenue and Taxation Code is amended to read:

17207. (a) For disaster losses resulting from (1) forest fire or any other related casualty occurring in 1985 in California, (2) from storm, flooding, or any other related casualty occurring in 1986 in California, (3) any loss sustained during 1987 as a result of a forest fire or any other related casualty, (4) from earthquake, aftershock, or any other

related casualty occurring in 1987 in California, or (5) from earthquake aftershock, or any other related casualty occurring in 1989 in California, which qualify for treatment under Section 165(i) of the Internal Revenue Code, to the extent that those losses, as computed pursuant to Section 165(a) of the Internal Revenue Code, as modified by Section 17206, exceed the taxable income of the year of loss or, if the election under Section 165(i) of the Internal Revenue Code is made, the taxable income of the year preceding the loss, then that "excess loss", at the election of the taxpayer, may be carried to other taxable years as provided in subdivision (b).

(b) For losses covered by Sections 165(c) (1) and 165(c) (2) of the Internal Revenue Code, relating to trade or business losses, losses resulting from transactions entered into for profit, and for losses covered by Section 165(c) (3) of the Internal Revenue Code, relating to personal casualty losses, the "excess loss" may be carried forward to each of the five taxable years following the year the loss is claimed. However, if there is any "excess loss" remaining after the five-year period, then 50 percent of that "excess loss" may be carried forward to each of the next 10 taxable years.

(c) The entire amount of any "excess loss" as defined in subdivision (a) shall be carried to the earliest of the taxable years to which, by reason of subdivision (b), the loss may be carried. The portion of the loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of "excess loss" over the sum of the taxable income for each of the prior taxable years to which that "excess loss" may be carried.

(d) The provisions of this section and Section 165(i) of the Internal Revenue Code shall be applicable to any of the following losses sustained in any county or city in this state which was proclaimed by the Governor to be in a state of disaster:

(1) Any loss sustained during February 1986 as a result of storm, flooding, or any other related casualty.

(2) Any loss sustained during 1987 as a result of forest fire or any other related casualty.

(3) Any loss sustained during October 1987 as the result of earthquake, aftershock, or any other related casualty.

(4) Any loss sustained during October 1989 as the result of earthquake, aftershock, or any other related casualty.

(e) Losses described in this section may not be taken into account in computing a net operating loss deduction under Section 17276.

SEC. 14. Section 24347.5 of the Revenue and Taxation Code is amended to read:

24347.5. (a) In lieu of Section 24347, for disaster losses resulting (1) from forest fire or any other related casualty occurring in 1985 in California, (2) from storm, flooding, or any other related casualty occurring in 1986 in California, (3) any loss sustained during 1987 as a result of a forest fire or any other related casualty, (4) from earthquake, aftershock, or any other related casualty occurring in October, 1987, or (5) from earthquake, aftershock, or any related

casualty occurring in October 1989 in this state, a deduction is allowed pursuant to Section 165(i) of the Internal Revenue Code.

(b) To the extent that losses under subdivision (a) exceed the net income of the year of loss or, if the election under Section 165(i) of the Internal Revenue Code is made, the net income of the year preceding the loss, then that "excess loss", at the election of the taxpayer, may be carried forward to each of the five income years following the income year the loss is claimed. However, if there is any "excess loss" remaining after the five-year period, then 50 percent of that "excess loss" may be carried forward to each of the next 10 income years.

(c) The entire amount of any "excess loss" as defined in subdivision (b) shall be carried to the earliest of the income years to which, by reason of subdivision (b), the loss may be carried. The portion of the loss which shall be carried to each of the other income years shall be the excess, if any, of the amount of "excess loss" over the sum of the net income for each of the prior income years to which that "excess loss" may be carried.

(d) The provisions of this section and Section 165(i) of the Internal Revenue Code shall be applicable to any of the following losses sustained in any county or city in this state which was proclaimed by the Governor to be in a state of disaster:

(1) Any loss sustained during February 1986, as a result of storm, flooding, or any other related casualty.

(2) Any loss sustained during 1987 as a result of forest fire or any other related casualty.

(3) Any loss sustained during October 1987, as the result of earthquake, aftershock, or any other related casualty.

(4) Any loss sustained during October 1989, as the result of earthquake, aftershock, or any other related casualty.

(e) Any corporation subject to the provisions of Section 25101 or 25101.15 that has disaster losses pursuant to this section, shall determine the "excess loss" to be carried to other income years under the principles specified in Section 25108 relating to net operating losses.

(f) Losses described in this section may not be taken into account in computing a net operating loss deduction under Section 24416.

SEC. 15. To the extent that there is any conflict between Sections 197 and 198.1, inclusive, of the Revenue and Taxation Code, as amended by this act, and Chapter 5 (commencing with Section 194) of Part 1 of Division 1 of the Revenue and Taxation Code, it is the intent of the Legislature that the former shall prevail over the latter.

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 promptly provide vitally necessary relief and facilitate recovery from the heavy damage to lives and property inflicted by the earthquakes which took place in California in October of 1989,

and to permit the more efficient operation of county government as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 16

An act to amend Section 16418 of, and to add Sections 24304.8, 24304.9, and 24304.10 to, the Government Code, and to amend Sections 197, 197.1, 197.2, 197.3, 197.5, 197.6, 197.9, 198.1, 17207, and 24347.5 of the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 16418 of the Government Code is amended to read:

16418. (a) The Special Fund for Economic Uncertainties is hereby created in the State Treasury and is continuously appropriated for the purposes of this section. The contingency reserve for economic uncertainties established within the General Fund by Section 12.3 of the Budget Act of 1980 is hereby discontinued, and any balance in that reserve shall be transferred to the Special Fund for Economic Uncertainties. This special fund represents a reserve fund within the meaning of Section 5 of Article XIII B of the California Constitution. Notwithstanding Sections 16310 and 16314, the Controller may transfer as necessary from the Special Fund 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 Controller shall transfer from the Special Fund for Economic Uncertainties to the unappropriated balance of the General Fund an amount necessary to eliminate any General Fund deficit as of the end of each fiscal year, commencing as of June 30, 1985. 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 Controller and the Director of Finance.

(c) Notwithstanding Section 13340, moneys in the Special Fund for Economic Uncertainties is hereby continuously appropriated without regard to fiscal years to the Director of Finance for the purpose of allocating funds for disaster relief pursuant to Chapter 5 (commencing with Section 194) and Chapter 6 (commencing with

Section 197) of Part 1 of Division 1 of the Revenue and Taxation Code. However, any allocation made by the director pursuant to this subdivision shall not be made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

(d) For budgeting and accounting purposes, any appropriations heretofore or hereafter made specifically from the Special Fund for Economic Uncertainties, other than appropriations contained in this section, shall be deemed an appropriation from the General Fund. For year-end reporting purposes, the Controller shall add the balance in the Special Fund for Economic Uncertainties to the balance in the General Fund so as to show the total moneys then available for General Fund purposes.

(e) Notwithstanding Section 13340, there is hereby appropriated from the General Fund, without regard to fiscal years, for transfer by the Controller to the Special Fund for Economic Uncertainties as of the end of each fiscal year, the lesser of the following amount:

(1) The unencumbered balance in the General Fund.

(2) The difference between the state's "appropriations subject to limitation" for the fiscal year then ended and its "appropriation limit" as defined in Section 8 of Article XIII B of the California Constitution and established in the Budget Act for that fiscal year, as jointly estimated by the Legislative Analyst's office and the Department of Finance.

SEC. 2. Section 24304.8 is added to the Government Code, to read:

24304.8. Notwithstanding Sections 24300 and 24304, in counties of the 22nd class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 3. Section 24304.9 is added to the Government Code, to read:

24304.9. Notwithstanding Sections 24300 and 24304, in counties of the 29th class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 4. Section 24304.10 is added to the Government Code, to read:

24304.10. Notwithstanding Sections 24300 and 24304, in counties of the 30th class, the board of supervisors, by ordinance, may consolidate the duties of the county offices of assessor and recorder.

SEC. 5. Section 197 of the Revenue and Taxation Code is amended to read:

197. As used in this chapter:

(a) "Eligible county" means a county which meets both of the following requirements:

(1) Has been proclaimed by the Governor to be in a state of disaster as a result of the earthquake and aftershocks which occurred in California during October 1989.

(2) Has adopted an ordinance providing property tax relief for earthquake, aftershock, and fire disaster victims as provided in

Section 170.

(b) "Eligible property" means real property and any mobilehome, including any new construction which was completed or any change in ownership which occurred prior to October 17, 1989, which meets both of the following requirements:

- (1) Is located in an eligible county.
- (2) Has sustained substantial disaster damage due to the earthquake or aftershocks occurring during 1989, which earthquake and aftershocks resulted in the issuance of disaster proclamations by the Governor.

"Eligible property" does not include any real property or any mobilehome, whether or not it otherwise qualifies as eligible property, if that real property or mobilehome was purchased or otherwise acquired by a claimant for relief under this chapter after October 17, 1989.

(c) "Substantial disaster damage," as to real property located in a county declared to be a disaster by the Governor as a result of the earthquake and aftershocks occurring in October 1989, means, with respect to real property and any mobilehome which has received the homeowner's exemption or is eligible for the exemption as of March 1, 1989, damage amounting to at least 10 percent of its fair market value or five thousand dollars (\$5,000), whichever is less; and, with respect to other property, damage to the parcel of at least 20 percent of its fair market value immediately preceding the disaster causing the damage.

(d) "Fair market value" means "full cash value" or "fair market value" as defined in Section 110.

(e) "Property tax deferral claim" means a claim filed by the owner of eligible property in conjunction with or in addition to the filing of an application for reassessment of that property pursuant to Section 170, which enables the owner to defer payment of the December 10, 1989, installment of taxes on property on the regular secured roll for the 1989-90 fiscal year, as provided in Section 197.1, or to defer payment of taxes on property on the supplemental roll for the 1989-90 fiscal year, as provided in Section 197.9.

SEC. 6. Section 197.1 of the Revenue and Taxation Code is amended to read:

197.1. (a) Any owner of eligible property who files on or before December 10, 1989, a claim for reassessment pursuant to Section 170 may apply to the county assessor to defer payment of the first installment of property taxes on the regular secured roll for the 1989-90 fiscal year with respect to that property which are due no later than December 10, 1989. If a timely claim is filed, the payment shall be deferred without penalty or interest until the assessor has reassessed the property and a corrected bill prepared pursuant to the provisions of Section 170 has been sent to the property owner. Taxes deferred pursuant to this section are due 30 days after receipt by the owner of the corrected tax bill and if unpaid thereafter are delinquent as provided in Section 2610.5 and shall be subject to the

penalty provided by law.

(b) If, following reassessment pursuant to subdivision (a), the assessor determines that an owner who applied and was granted a deferral of property taxes did not file the claim in good faith, the owner shall be assessed a delinquency penalty for the nonpayment of the deferred taxes.

(c) The provisions of this section do not apply to property taxes paid through impound accounts.

SEC. 7. Section 197.2 of the Revenue and Taxation Code is amended to read:

197.2. On or before January 15, 1990, the tax collector of an eligible county shall certify to the Director of Finance the total amount of the first installment of property taxes for all eligible property on both the regular secured roll and the supplemental roll for the 1989-90 fiscal year which were deferred pursuant to Section 197.1.

SEC. 8. Section 197.3 of the Revenue and Taxation Code is amended to read:

197.3. If an eligible county has adopted an ordinance in accordance with Section 197.9, the tax collector shall certify to the Director of Finance on or before January 31, 1990, the total amount of supplemental roll property tax deferral claims submitted pursuant to Section 197.9 to the county by 5 p.m. on December 10, 1989.

SEC. 9. Section 197.5 of the Revenue and Taxation Code is amended to read:

197.5. On or before December 31, 1990, each eligible county shall compute and remit to the Controller for deposit in the General Fund an amount equal to the amount allocated to it by the Controller pursuant to Section 197.4, less the amount of its property tax revenue lost in the 1989-90 fiscal year with respect to eligible properties as a result of the reassessment pursuant to Section 170 of that property. If the amount computed pursuant to this section for an eligible county is less than zero, the Controller shall allocate that amount to the county.

SEC. 10. Section 197.6 of the Revenue and Taxation Code is amended to read:

197.6. On or before December 31, 1990, each eligible county which has adopted an ordinance in accordance with Section 197.9, shall compute and remit to the Controller for deposit in the General Fund an amount equal to the amount allocated to it by the Controller pursuant to Section 197.4, less the amount of its supplemental roll property tax revenue lost in the 1989-90 fiscal year with respect to eligible properties as the result of reassessment pursuant to Section 170 of that property. If the amount computed pursuant to this section for an eligible county is less than zero, the Controller shall allocate that amount to the county.

SEC. 11. Section 197.9 of the Revenue and Taxation Code is amended to read:

197.9. Each eligible county may adopt an ordinance to permit the

deferral of unpaid nondelinquent 1989-90 fiscal year supplemental roll taxes on eligible property reassessed pursuant to Chapter 3.5 (commencing with Section 75) of Part 0.5 if the owner files a claim for deferral on or before December 10, 1989, with the assessor. Taxes deferred pursuant to this section shall be due on the last day of the month following the month in which the corrected bill is mailed or the delinquent date of the first installment of the original bill, whichever is later.

SEC. 12. Section 198.1 of the Revenue and Taxation Code is amended to read:

198.1. Any eligible county may adopt an ordinance providing for the temporary postponement of the April 10, 1990, installment of taxes on property on the regular secured roll for the 1989-90 fiscal year until December 10, 1990, and, notwithstanding any other provision of this chapter, the further postponement of the December 10, 1989, installment of taxes on property on the regular secured roll for the 1988-89 fiscal year until December 10, 1990. The state shall provide no reimbursement payments to local jurisdictions for the postponement of property taxes pursuant to this section.

SEC. 13. Section 17207 of the Revenue and Taxation Code is amended to read:

17207. (a) For disaster losses resulting from (1) forest fire or any other related casualty occurring in 1985 in California, (2) from storm, flooding, or any other related casualty occurring in 1986 in California, (3) any loss sustained during 1987 as a result of a forest fire or any other related casualty, (4) from earthquake, aftershock, or any other related casualty occurring in 1987 in California, or (5) from earthquake aftershock, or any other related casualty occurring in 1989 in California, which qualify for treatment under Section 165(i) of the Internal Revenue Code, to the extent that those losses, as computed pursuant to Section 165(a) of the Internal Revenue Code, as modified by Section 17206, exceed the taxable income of the year of loss or, if the election under Section 165(i) of the Internal Revenue Code is made, the taxable income of the year preceding the loss, then that "excess loss", at the election of the taxpayer, may be carried to other taxable years as provided in subdivision (b).

(b) For losses covered by Sections 165(c)(1) and 165(c)(2) of the Internal Revenue Code, relating to trade or business losses, losses resulting from transactions entered into for profit, and for losses covered by Section 165(c)(3) of the Internal Revenue Code, relating to personal casualty losses, the "excess loss" may be carried forward to each of the five taxable years following the year the loss is claimed. However, if there is any "excess loss" remaining after the five-year period, then 50 percent of that "excess loss" may be carried forward to each of the next 10 taxable years.

(c) The entire amount of any "excess loss" as defined in subdivision (a) shall be carried to the earliest of the taxable years to which, by reason of subdivision (b), the loss may be carried. The portion of the loss which shall be carried to each of the other taxable

years shall be the excess, if any, of the amount of "excess loss" over the sum of the taxable income for each of the prior taxable years to which that "excess loss" may be carried.

(d) The provisions of this section and Section 165(i) of the Internal Revenue Code shall be applicable to any of the following losses sustained in any county or city in this state which was proclaimed by the Governor to be in a state of disaster:

(1) Any loss sustained during February 1986 as a result of storm, flooding, or any other related casualty.

(2) Any loss sustained during 1987 as a result of forest fire or any other related casualty.

(3) Any loss sustained during October 1987 as the result of earthquake, aftershock, or any other related casualty.

(4) Any loss sustained during October 1989 as the result of earthquake, aftershock, or any other related casualty.

(e) Losses described in this section may not be taken into account in computing a net operating loss deduction under Section 17276.

SEC. 14. Section 24347.5 of the Revenue and Taxation Code is amended to read:

24347.5. (a) In lieu of Section 24347, for disaster losses resulting (1) from forest fire or any other related casualty occurring in 1985 in California, (2) from storm, flooding, or any other related casualty occurring in 1986 in California, (3) any loss sustained during 1987 as a result of a forest fire or any other related casualty, (4) from earthquake, aftershock, or any other related casualty occurring in October, 1987, or (5) from earthquake, aftershock, or any related casualty occurring in October 1989 in this state, a deduction is allowed pursuant to Section 165(i) of the Internal Revenue Code.

(b) To the extent that losses under subdivision (a) exceed the net income of the year of loss or, if the election under Section 165(i) of the Internal Revenue Code is made, the net income of the year preceding the loss, then that "excess loss", at the election of the taxpayer, may be carried forward to each of the five income years following the income year the loss is claimed. However, if there is any "excess loss" remaining after the five-year period, then 50 percent of that "excess loss" may be carried forward to each of the next 10 income years.

(c) The entire amount of any "excess loss" as defined in subdivision (b) shall be carried to the earliest of the income years to which, by reason of subdivision (b), the loss may be carried. The portion of the loss which shall be carried to each of the other income years shall be the excess, if any, of the amount of "excess loss" over the sum of the net income for each of the prior income years to which that "excess loss" may be carried.

(d) The provisions of this section and Section 165(i) of the Internal Revenue Code shall be applicable to any of the following losses sustained in any county or city in this state which was proclaimed by the Governor to be in a state of disaster:

(1) Any loss sustained during February 1986, as a result of storm,

flooding, or any other related casualty.

(2) Any loss sustained during 1987 as a result of forest fire or any other related casualty.

(3) Any loss sustained during October 1987, as the result of earthquake, aftershock, or any other related casualty.

(4) Any loss sustained during October 1989, as the result of earthquake, aftershock, or any other related casualty.

(e) Any corporation subject to the provisions of Section 25101 or 25101.15 that has disaster losses pursuant to this section, shall determine the "excess loss" to be carried to other income years under the principles specified in Section 25108 relating to net operating losses.

(f) Losses described in this section may not be taken into account in computing a net operating loss deduction under Section 24416.

SEC. 15. To the extent that there is any conflict between Sections 197 and 198.1, inclusive, of the Revenue and Taxation Code, as amended by this act, and Chapter 5 (commencing with Section 194) of Part 1 of Division 1 of the Revenue and Taxation Code, it is the intent of the Legislature that the former shall prevail over the latter.

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 promptly provide vitally necessary relief and facilitate recovery from the heavy damage to lives and property inflicted by the earthquakes which took place in California in October of 1989, and to permit the more efficient operation of county government as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 17

An act to add Section 66532 of, and to add and repeal Section 14524.3 of, the Government Code, and to add Section 162.5 to, to add Article 4.8 (commencing with Section 179) to, and to add and repeal Article 8 (commencing with Section 229) of, Chapter 1 of Division 1 of, the Streets and Highways Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

I am deleting the appropriations of \$84,800,000 contained in Assembly Bill 38X. The appropriations contained in this bill have already been provided for by the appropriations contained in Senate Bill 36X.

With this deletion, I approve Assembly Bill 38X.

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. Section 14524.3 is added to the Government Code, to read:

14524.3. Notwithstanding any other provision of law, the Director of Transportation may postpone the statutory dates for the adoption of fund estimates, the submittal of proposed state transportation improvement programs, and the adoption of the state transportation improvement program for up to 90 days.

This section shall become inoperative on June 1, 1990, and, as of January 1, 1991, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1991, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 2. Section 66532 is added to the Government Code, to read:

66532. The commission shall develop an emergency transportation system management plan which defines the continuing emergency services required during reconstruction of highway facilities which have been rendered inoperable by the earthquake.

It is the intent of the legislature that funding shall be provided for those services by subsequent actions of the Legislature.

SEC. 3. Section 162.5 is added to the Streets and Highways Code, to read:

162.5. (a) The department shall develop revised seismic standards for earthquake resistance to be utilized in the design and construction of new state highways and bridges, and for the retrofit of existing highways and bridges.

(b) In the development of those standards, the department shall do all of the following:

(1) Thoroughly investigate and analyze the structural damage to highways and bridges resulting from the October 17, 1989, Loma Prieta earthquake, and utilize the experience of that earthquake in the development of revised standards.

(2) Incorporate in those standards, state of the art technology for designing and constructing highways and bridges to withstand extreme seismic activity, utilizing, where appropriate, the available technology and methodology from all engineering and scientific disciplines, including state of the art assessment tools and computer modeling techniques. Where appropriate, the department shall study and incorporate technologies utilized in other countries and proven technologies and accomplishments from other fields, such as those used in the design and construction of high-rise structures.

(3) Maintain contact and communication, and exchange information with, persons and organizations concerned with seismic engineering issues.

(c) The department shall continue to revise and update the standards periodically, so that they reflect the department's latest findings.

(d) Upon completing the development of revised seismic

standards, and whenever those standards are updated, the department shall make the standards, including the supporting data, available to all other public agencies in this state which are engaged in the design, construction, or inspection of streets, roads, highways, and bridges.

SEC. 4. Article 4.8 (commencing with Section 179) is added to Chapter 1 of Division 1 of the Streets and Highways Code, to read:

Article 4.8. Seismic Safety Retrofit Projects

179. There is hereby created the Seismic Safety Retrofit Account in the State Transportation Fund.

179.1. Funds in the account shall be available, when appropriated by the Legislature, solely for seismic retrofits of existing publicly owned bridges, including, but not limited to, bridges on the state highway system and county and city road systems.

Funds shall be available to assess statewide seismic retrofit needs on publicly owned bridges, for research and development of solutions to structural seismic deficiencies, and for projects to address those deficiencies on publicly owned bridges.

179.2. Allocations for seismic safety projects, from whatever source funded, are not subject to Section 188 or 188.8.

179.3. (a) The department shall be the lead agency for inspection of publicly owned bridges throughout the state, except for those bridges not on the state highway system in the Counties of Los Angeles and Santa Clara, in which cases the respective counties shall be the lead agency.

(b) The appropriate lead agency shall inspect all publicly owned bridges for which it is the lead agency and shall assess the need for seismic retrofit work, taking into account the structural deficiencies which surfaced following the Sylmar, Whittier, and 1989 Loma Prieta earthquakes.

(c) For each bridge for which it is determined that seismic structural deficiencies exist, the lead agency shall develop a retrofit project to be funded from the account.

(d) Funds shall be allocated by the director to the department, or the local agency, as the case may be, whose bridge is to be retrofitted. Of the funds appropriated by subdivision (a) of Section 8 of the act adding this section to the code, sixty million dollars (\$60,000,000) shall be allocated to the department for the state retrofit program and to meet matching requirements for any federal funds available for that purpose. The sum of twenty million dollars (\$20,000,000) shall be allocated to local agencies, for expenditure on retrofit projects indentified by them pursuant to subdivision (b). Of the amount allocated to local agencies, highest priority shall be given to identifying and retrofitting bridges found to be seismically deficient.

(e) For purposes of this section, "bridges" includes pedestrian bridges and rail transit bridges.

179.4. The department and the Counties of Los Angeles and

Santa Clara shall immediately proceed to implement this article by developing an inspection schedule for all affected bridges. The director shall establish a priority list for retrofit projects based on the results of bridge inspections and assessments. All deficient bridges shall be retrofitted by December 31, 1991.

179.5. An accelerated program of research and development shall be undertaken by the department, as necessary, to develop engineering solutions to seismic structural deficiencies.

179.6. The department shall report monthly to the commission on the implementation of this article. The commission shall monitor the department's progress, review each report prepared by the department, and attach its comments and recommendations prior to submittal of the monthly report to the Legislature.

SEC. 5. Article 8 (commencing with Section 229) is added to Chapter 1 of Division 1 of the Streets and Highways Code, to read:

Article 8. Emergency Repair of Transportation Facilities

229. The Legislature finds and declares as follows:

(a) It is the intent of the Legislature through enactment of this article to expedite emergency repair of highways damaged by the earthquake which occurred on October 17, 1989, and its aftershocks, and to facilitate permit processes necessary to commence essential repair work.

(b) It is the intent of the Legislature to ensure that this repair work be commenced and completed as quickly as possible in order to restore transportation facilities to their former use.

(c) It is the intent of the Legislature that the department and the parties with whom it contracts for repair work make every effort to minimize the impacts of such repair work on the public and the environment while making repairs as expeditiously as possible.

(d) It is the intent of the Legislature that any agency issuing a permit for repair work performed pursuant to this article shall issue the permit as expeditiously as possible to restore transportation facilities to their former use.

230. For purposes of this article, "project" means any activity undertaken for the emergency repair or restoration of any highway damaged by the October 17, 1989 earthquake which meets all of the following conditions:

(a) The project is within existing rights of way.

(b) The project does not increase highway capacity, except where widening of lanes and shoulders is necessary to comply with current engineering and design standards.

(c) The project does not involve involuntary condemnation of property.

(d) The project does not add, or contribute to, any additional lanes.

(e) If the project requires acquisition of an owner-occupied unit or a rental unit occupied by a low- or moderate-income household

as defined in Section 50079.5 of the Health and Safety Code, other than by means prohibited under subdivision (c), the department shall provide displaced households with transitional housing or other temporary relocation benefits, and thereafter with comparable permanent housing at comparable monthly housing costs within 12 months of the acquisition. For the purposes of this subdivision, "occupied" means occupancy on October 17, 1989.

(f) A contract for repair is entered into before June 1, 1990.

(g) For the highways designated as Interstate 280, 480, and 101, the project is limited to emergency repair work on the existing structure and at the existing location.

(h) For the highways designated as Interstate 280, 480, or 880, if the project includes temporary closure of city or county streets or roads, the closure is approved by the city or county within which the street or road is located and the department conducts a local public hearing process involving the affected city council and county board of supervisors and the affected neighborhoods, identifying the impacts on the community which result from the emergency replacement facility and reasonable mitigation measures of those impacts. For that purpose, those impacts shall include, but not be limited to, local traffic and pedestrian circulation and street closures, haul routes, traffic signal timing and maintenance, noise abatement, access to adjacent property, and landscaping.

(i) The project is one of the following:

| | Rte | Post Mile | Location Description | Type of Work |
|-----|-----|-----------|---|---|
| (1) | 880 | 32.2-34.3 | Cypress Street Viaduct 24th St. to 32nd St. | At Grade Highway |
| (2) | 280 | 4.0 | S/B at Jct. Rte. 101 Structure Approach | Level Pavement at Box Culvert and Bridge Approach |
| (3) | 280 | 7.6 | N/B Rte. 280 at 4th St. Offramp | Repave Approach |
| (4) | 17 | 0.0-6.0 | Santa Cruz Co. Line to Santa Cruz Ave. U.C. | Repair Pavement and Median Barrier |
| (5) | 17 | 0.0-9.0 | Santa Cruz Co. Line to Lark Ave | Remove Humps, Fill Cracks and Pave Various Locations to Open Highway |
| (6) | 152 | 0.0-3.8 | Santa Cruz Co. Line to 3.8 Mi. E. | Slides and Slipout at Var. Locations Remove Slide Material and Pave |
| (7) | 280 | 14.1 | Foothill to Magdalena | Pavement Repair |
| (8) | 17 | 0.0-12.6 | Route 1 to Santa Clara County Line | Remove Humps, Fill Cracks and Pave Various Locations |

| | | | | |
|------|-----|---------------|---|---|
| (9) | 17 | 6.0-12.6 | 0.5 Mi. North of Granite Creek Road to Santa Clara County Line | Repair Pavement and Median Barrier Grouting |
| (10) | 17 | 12.56.0 | Summit Drive (Route 35) | Slide Removal and Grind Off Hump Both Sides of Highway |
| (11) | 17 | 9.1-10.0 | Near Laurel Rd. | Slide Removal N. of Laurel Curve |
| (12) | 152 | 3.7-8.3 | Carlton Road to Santa Clara Co. Line | Remove Slide Material and Pave at Various Locations |
| (13) | 236 | 7.3 | So. of Big Basin State Park | Pavement Repair |
| (14) | 101 | R0.8 | Sargent B.O.H. | Repair Pavement |
| (15) | 1 | 14.0 and 46.0 | | Repair Pavement |
| (16) | 280 | | Southern Viaduct | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| | | | China Basin | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| | | | Alemanly Interchange | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (17) | 480 | | Terminal Separation | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (18) | 101 | | Central Viaduct | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (19) | 1 | 1.59 | Struve Slough | Replace Bridge |
| (20) | 80 | | Port of Oakland O.C. | Repair Bridge, Column and Bearings |
| (21) | 101 | 92/101 | | Repair Hinge |
| (22) | 80 | | Bay Bridge | Replace Floor Beams and Earthquake Restrainers |
| (23) | 880 | 32.4 | Cypress Street Ramps | Ramps-Temp. Connectors to At Grade Expressway |
| (24) | 980 | 0.01 | SB Conn. O.C. | Repair Outrigger |

231. Any project subject to this article shall be deemed to be a project for purposes of paragraph (3) of subdivision (b) of Section 21080 of the Public Resources Code.

232. There is hereby created an ad hoc earthquake emergency permit review panel which shall consist of the Secretary of Business,

Transportation and Housing, the Secretary of Environmental Affairs, and the Secretary of the Resources Agency. The earthquake emergency permit review panel shall hear and approve or deny appeals for time extensions from permitting agencies requested pursuant to Section 233, and shall hear and approve or deny appeals from the department requested pursuant to Section 234.

233. Notwithstanding any other provision of law, within 15 working days of receiving an application for a permit from the department for any project subject to this article, a permitting agency shall issue the permit with any conditions the permitting agency deems necessary or shall deny the permit. If the permitting agency fails to act upon the permit within 15 working days, the permit shall be deemed approved, unless the earthquake emergency permit review panel grants a time extension pursuant to Section 232. Any permitting agency affected by this article may adopt procedures for expedited permits. If the permitting agency is unable to issue or deny a permit within 15 working days, it may file an appeal for a time extension with the earthquake emergency review panel established under Section 232.

234. (a) If the permitting agency denies a permit, or the department determines that a permit issued pursuant to Section 233 imposes unreasonable conditions which would lead to a significant delay in repair or restoration of a project specified in Section 230, the department may file an appeal with the earthquake emergency review panel established under Section 232.

(b) Notwithstanding any other provision of law, if, at a duly noticed public meeting, the earthquake emergency review panel reviews a permit or a denial of a permit for which the department has filed an appeal pursuant to Section 234, and finds that the project is necessary for the preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution, the earthquake emergency review panel may waive the permit, amend any condition established by the permit, or issue a permit which has been denied by the permitting agency.

235. This article shall remain in effect until June 1, 1990, and on that date is inoperative and is repealed unless a later enacted statute, which is enacted before June 1, 1990, deletes or extends that date.

SEC. 5.5 (a) Notwithstanding any other provision of law, the expenditure of funds from the Disaster Relief Fund or federal emergency relief funds for response to, and recovery from, the October 17, 1989, earthquake and its related aftershocks are not subject to the requirements of Sections 188, 188.8, and 825 of the Streets and Highways Code.

(b) Notwithstanding any other provision of law, the funds in the Disaster Relief Fund or federal emergency relief funds available for response to, and recovery from, the October 17, 1989, earthquake and its related aftershocks are not subject to allocation by the commission.

SEC. 6. Notwithstanding Section 17610 of the Government Code,

if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 7. The sum of eighty million dollars (\$80,000,000) is hereby transferred from the Disaster Relief Fund to the Seismic Safety Retrofit Account in the State Transportation Fund.

SEC. 8. The sum of eight-four million eight hundred thousand dollars (\$84,800,000) is hereby appropriated or reappropriated as follows:

(a) Eighty million dollars (\$80,000,000) from the Seismic Safety Retrofit Account in the State Transportation Fund to the Director of Transportation for allocation for the purposes of Article 4.8 (commencing with Section 179) of Chapter 1 of Division 1, of the Streets and Highways Code.

(b) One million dollars (\$1,000,000) from the Disaster Relief Fund to the department for purposes of Section 162.5 of the Streets and Highways Code.

(c) Three million eight hundred thousand dollars (\$3,800,000) of the amount previously appropriated for transit capital improvements by Chapter 1232 of the Statutes of 1989 as follows:

(1) Two million dollars (\$2,000,000) to the department to sustain emergency ferry services made necessary by the earthquake.

(2) One million five hundred thousand dollars (\$1,500,000) to the Metropolitan Transportation Commission for allocation to transit operators for continuation of emergency services.

(3) Three hundred thousand dollars (\$300,000) to the Santa Cruz County Metropolitan Transit District for emergency transit services made necessary by the quake.

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 major northern California earthquake which occurred on October 17, 1989, and its aftershocks caused severe damage and destruction to essential highways, roads, and bridges. These highways, roads, and bridges, in many cases, constitute the primary means of transportation in the San Francisco Bay area. In order to expedite the emergency repair of transportation facilities and to facilitate permit processes necessary to commence essential repair work, and to protect persons using the highways from personal injury and to ensure the uninterrupted conduct of commerce in the state,

it is necessary that this act take effect immediately.

CHAPTER 18

An act to add Section 66532 to, and to add and repeal Section 14524.3 of, the Government Code, and to add Section 162.5 to, to add Article 4.8 (commencing with Section 179) to, and to add and repeal Article 8 (commencing with Section 229) of, Chapter 1 of Division 1 of, the Streets and Highways Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 14524.3 is added to the Government Code, to read:

14524.3. Notwithstanding any other provision of law, the Director of Transportation may postpone the statutory dates for the adoption of fund estimates, the submittal of proposed state transportation improvement programs, and the adoption of the state transportation improvement program for up to 90 days.

This section shall become inoperative on June 1, 1990, and, as of January 1, 1991, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1991, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 2. Section 66532 is added to the Government Code, to read:
66532. The commission shall develop an emergency transportation system management plan which defines the continuing emergency services required during reconstruction of highway facilities which have been rendered inoperable by the earthquake.

It is the intent of the legislature that funding shall be provided for those services by subsequent actions of the Legislature.

SEC. 3. Section 162.5 is added to the Streets and Highways Code, to read:

162.5. (a) The department shall develop revised seismic standards for earthquake resistance to be utilized in the design and construction of new state highways and bridges, and for the retrofit of existing highways and bridges.

(b) In the development of those standards, the department shall do all of the following:

(1) Thoroughly investigate and analyze the structural damage to highways and bridges resulting from the October 17, 1989, Loma Prieta earthquake, and utilize the experience of that earthquake in the development of revised standards.

(2) Incorporate in those standards, state of the art technology for designing and constructing highways and bridges to withstand extreme seismic activity, utilizing, where appropriate, the available technology and methodology from all engineering and scientific disciplines, including state of the art assessment tools and computer modeling techniques. Where appropriate, the department shall study and incorporate technologies utilized in other countries and proven technologies and accomplishments from other fields, such as those used in the design and construction of high-rise structures.

(3) Maintain contact and communication, and exchange information with, persons and organizations concerned with seismic engineering issues.

(c) The department shall continue to revise and update the standards periodically, so that they reflect the department's latest findings.

(d) Upon completing the development of revised seismic standards, and whenever those standards are updated, the department shall make the standards, including the supporting data, available to all other public agencies in this state which are engaged in the design, construction, or inspection of streets, roads, highways, and bridges.

SEC. 4. Article 4.8 (commencing with Section 179) is added to Chapter 1 of Division 1 of the Streets and Highways Code, to read:

Article 4.8. Seismic Safety Retrofit Projects

179. There is hereby created the Seismic Safety Retrofit Account in the State Transportation Fund.

179.1. Funds in the account shall be available, when appropriated by the Legislature, solely for seismic retrofits of existing publicly owned bridges, including, but not limited to, bridges on the state highway system and county and city road systems.

Funds shall be available to assess statewide seismic retrofit needs on publicly owned bridges, for research and development of solutions to structural seismic deficiencies, and for projects to address those deficiencies on publicly owned bridges.

179.2. Allocations for seismic safety projects, from whatever source funded, are not subject to Section 188 or 188.8.

179.3. (a) The department shall be the lead agency for inspection of publicly owned bridges throughout the state, except for those bridges not on the state highway system in the Counties of Los Angeles and Santa Clara, in which cases the respective counties shall be the lead agency.

(b) The appropriate lead agency shall inspect all publicly owned bridges for which it is the lead agency and shall assess the need for seismic retrofit work, taking into account the structural deficiencies which surfaced following the Sylmar, Whittier, and 1989 Loma Prieta earthquakes.

(c) For each bridge for which it is determined that seismic

structural deficiencies exist, the lead agency shall develop a retrofit project to be funded from the account.

(d) Funds shall be allocated by the director to the department, or the local agency, as the case may be, whose bridge is to be retrofitted. Of the funds appropriated by subdivision (a) of Section 8 of the act adding this section to the code, sixty million dollars (\$60,000,000) shall be allocated to the department for the state retrofit program and to meet matching requirements for any federal funds available for that purpose. The sum of twenty million dollars (\$20,000,000) shall be allocated to local agencies, for expenditure on retrofit projects indentified by them pursuant to subdivision (b). Of the amount allocated to local agencies, highest priority shall be given to identifying and retrofitting bridges found to be seismically deficient.

(e) For purposes of this section, "bridges" includes pedestrian bridges and rail transit bridges.

179.4. The department and the Counties of Los Angeles and Santa Clara shall immediately proceed to implement this article by developing an inspection schedule for all affected bridges. The director shall establish a priority list for retrofit projects based on the results of bridge inspections and assessments. All deficient bridges shall be retrofitted by December 31, 1991.

179.5. An accelerated program of research and development shall be undertaken by the department, as necessary, to develop engineering solutions to seismic structural deficiencies.

179.6. The department shall report monthly to the commission on the implementation of this article. The commission shall monitor the department's progress, review each report prepared by the department, and attach its comments and recommendations prior to submittal of the monthly report to the Legislature.

SEC. 5. Article 8 (commencing with Section 229) is added to Chapter 1 of Division 1 of the Streets and Highways Code, to read:

Article 8. Emergency Repair of Transportation Facilities

229. The Legislature finds and declares as follows:

(a) It is the intent of the Legislature through enactment of this article to expedite emergency repair of highways damaged by the earthquake which occurred on October 17, 1989, and its aftershocks, and to facilitate permit processes necessary to commence essential repair work.

(b) It is the intent of the Legislature to ensure that this repair work be commenced and completed as quickly as possible in order to restore transportation facilities to their former use.

(c) It is the intent of the Legislature that the department and the parties with whom it contracts for repair work make every effort to minimize the impacts of such repair work on the public and the environment while making repairs as expeditiously as possible.

(d) It is the intent of the Legislature that any agency issuing a permit for repair work performed pursuant to this article shall issue

the permit as expeditiously as possible to restore transportation facilities to their former use.

230. For purposes of this article, "project" means any activity undertaken for the emergency repair or restoration of any highway damaged by the October 17, 1989, earthquake which meets all of the following conditions:

- (a) The project is within existing rights-of-way.
- (b) The project does not increase highway capacity, except where widening of lanes and shoulders is necessary to comply with current engineering and design standards.
- (c) The project does not involve involuntary condemnation of property.
- (d) The project does not add, or contribute to, any additional lanes.
- (e) If the project requires acquisition of an owner-occupied unit or a rental unit occupied by a low- or moderate-income household as defined in Section 50079.5 of the Health and Safety Code, other than by means prohibited under subdivision (c), the department shall provide displaced households with transitional housing or other temporary relocation benefits, and thereafter with comparable permanent housing at comparable monthly housing costs within 12 months of the acquisition. For the purposes of this subdivision, "occupied" means occupancy on October 17, 1989.
- (f) A contract for repair is entered into before June 1, 1990.
- (g) For the highways designated as Interstate 280, 480, and 101, the project is limited to emergency repair work on the existing structure and at the existing location.
- (h) For the highways designated as Interstate 280, 480, or 880, if the project includes temporary closure of city or county streets or roads, the closure is approved by the city or county within which the street or road is located and the department conducts a local public hearing process involving the affected city council and county board of supervisors and the affected neighborhoods, identifying the impacts on the community which result from the emergency replacement facility and reasonable mitigation measures of those impacts. For that purpose, those impacts shall include, but not be limited to, local traffic and pedestrian circulation and street closures, haul routes, traffic signal timing and maintenance, noise abatement, access to adjacent property, and landscaping.
- (i) The project is one of the following:

| | Rte | Post Mile | Location Description | Type of Work |
|-----|-----|-----------|--|---|
| (1) | 880 | 32.2-34.3 | Cypress Street Viaduct 24th St to 32nd St | At Grade Highway |
| (2) | 280 | 4.0 | S/B at Jct. Rte. 101 Structure Approach | Level Pavement at Box Culvert and Bridge Approach |
| (3) | 280 | 7.6 | N/B Rte. 280 at 4th St. Offramp | Repave Approach |

| | | | | |
|------|-----|---------------|--|--|
| (4) | 17 | 0.0-6.0 | Santa Cruz Co. Line to Santa Cruz Ave. U.C. | Repair Pavement and Median Barrier |
| (5) | 17 | 0.0-9.0 | Santa Cruz Co. Line to Lark Ave | Remove Humps, Fill Cracks and Pave Various Locations to Open Highway |
| (6) | 152 | 0.0-3.8 | Santa Cruz Co. Line to 3.8 Mi. E. | Slides and Slipout at Var. Locations. Remove Slide Material and Pave |
| (7) | 280 | 14.1 | Foothill to Magdalena | Pavement Repair |
| (8) | 17 | 0.0-12.6 | Route 1 to Santa Clara County Line | Remove Humps, Fill Cracks and Pave Various Locations |
| (9) | 17 | 6.0-12.6 | 0.5 Mi. North of Granite Creek Road to Santa Clara County Line | Repair Pavement and Median Barrier Grouting |
| (10) | 17 | 12.56.0 | Summit Drive (Route 35) | Slide Removal and Grind Off Hump Both Sides of Highway |
| (11) | 17 | 9.1-10.0 | Near Laurel Rd. | Slide Removal N. of Laurel Curve |
| (12) | 152 | 3.7-8.3 | Carlton Road to Santa Clara Co. Line | Remove Slide Material and Pave at Various Locations |
| (13) | 236 | 7.3 | So. of Big Basin State Park | Pavement Repair |
| (14) | 101 | R0.8 | Sargent B.O.H. | Repair Pavement |
| (15) | 1 | 14.0 and 46.0 | | Repair Pavement |
| (16) | 280 | | Southern Viaduct | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| | | | China Basin | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| | | | Alemanly Interchange | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (17) | 480 | | Terminal Separation | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (18) | 101 | | Central Viaduct | Repairs, Retrofit and Rehabilitation to Open to Traffic |
| (19) | 1 | 1.59 | Struve Slough | Replace Bridge |

| | | | | |
|------|-----|--------|----------------------|--|
| (20) | 80 | | Port of Oakland O.C. | Repair Bridge, Column and Bearings |
| (21) | 101 | 92/101 | | Repair Hinge |
| (22) | 80 | | Bay Bridge | Replace Floor Beams and Earthquake Restrainers |
| (23) | 880 | 32.4 | Cypress Street Ramps | Ramps-Temp. Connectors to At Grade Expressway |
| (24) | 980 | 0.01 | SB Conn. O.C. | Repair Outrigger |

231. Any project subject to this article shall be deemed to be a project for purposes of paragraph (3) of subdivision (b) of Section 21080 of the Public Resources Code.

232. There is hereby created an ad hoc earthquake emergency permit review panel which shall consist of the Secretary of Business, Transportation and Housing, the Secretary of Environmental Affairs, and the Secretary of the Resources Agency. The earthquake emergency permit review panel shall hear and approve or deny appeals for time extensions from permitting agencies requested pursuant to Section 233, and shall hear and approve or deny appeals from the department requested pursuant to Section 234.

233. Notwithstanding any other provision of law, within 15 working days of receiving an application for a permit from the department for any project subject to this article, a permitting agency shall issue the permit with any conditions the permitting agency deems necessary or shall deny the permit. Any permitting agency affected by this article may adopt procedures for expedited permits. If the permitting agency fails to act upon the permit within 15 working days, the permit shall be deemed approved, unless the earthquake emergency permit review panel grants a time extension pursuant to Section 232. If the permitting agency is unable to issue or deny a permit within 15 working days, it may file an appeal for a time extension with the earthquake emergency review panel established under Section 232.

234. (a) If the permitting agency denies a permit, or the department determines that a permit issued pursuant to Section 233 imposes unreasonable conditions which would lead to a significant delay in repair or restoration of a project specified in Section 230, the department may file an appeal with the earthquake emergency review panel established under Section 232.

(b) Notwithstanding any other provision of law, if, at a duly noticed public meeting, the earthquake emergency review panel reviews a permit or a denial of a permit for which the department has filed an appeal pursuant to Section 234, and finds that the project is necessary for the preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution, the earthquake emergency review panel may waive the permit, amend any condition established by the permit, or issue a permit which has been denied by the permitting agency.

235. This article shall remain in effect until June 1, 1990, and on that date is inoperative and is repealed unless a later enacted statute, which is enacted before June 1, 1990, deletes or extends that date.

SEC. 5.5. (a) Notwithstanding any other provision of law, the expenditure of funds from the Disaster Relief Fund or federal emergency relief funds for response to, and recovery from, the October 17, 1989, earthquake and its related aftershocks are not subject to the requirements of Sections 188, 188.8, and 825 of the Streets and Highways Code.

(b) Notwithstanding any other provision of law, the funds in the Disaster Relief Fund or federal emergency relief funds available for response to, and recovery from, the October 17, 1989, earthquake and its related aftershocks are not subject to allocation by the commission.

SEC. 6. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 7. The sum of eighty million dollars (\$80,000,000) is hereby transferred from the Disaster Relief Fund to the Seismic Safety Retrofit Account in the State Transportation Fund.

SEC. 8. The sum of eighty-four million eight hundred thousand dollars (\$84,800,000) is hereby appropriated or reappropriated as follows:

(a) Eighty million dollars (\$80,000,000) from the Seismic Safety Retrofit Account in the State Transportation Fund to the Director of Transportation for allocation for the purposes of Article 4.8 (commencing with Section 179) of Chapter 1 of Division 1, of the Streets and Highways Code.

(b) One million dollars (\$1,000,000) from the Disaster Relief Fund to the department for purposes of Section 162.5 of the Streets and Highways Code.

(c) Three million eight hundred thousand dollars (\$3,800,000) of the amount previously appropriated for transit capital improvements by Chapter 1232 of the Statutes of 1989 as follows:

(1) Two million dollars (\$2,000,000) to the department to sustain emergency ferry services made necessary by the earthquake.

(2) One million five hundred thousand dollars (\$1,500,000) to the Metropolitan Transportation Commission for allocation to transit operators for continuation of emergency services.

(3) Three hundred thousand dollars (\$300,000) to the Santa Cruz

County Metropolitan Transit District for emergency transit services made necessary by the quake.

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:

The major northern California earthquake which occurred on October 17, 1989, and its aftershocks caused severe damage and destruction to essential highways, roads, and bridges. These highways, roads, and bridges, in many cases, constitute the primary means of transportation in the San Francisco Bay area. In order to expedite the emergency repair of transportation facilities and to facilitate permit processes necessary to commence essential repair work, and to protect persons using the highways from personal injury and to ensure the uninterrupted conduct of commerce in the state, it is necessary that this act take effect immediately.

CHAPTER 19

An act to amend Section 12.30 of Chapter 93 of the Statutes of 1989, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989.]

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

SECTION 1. Section 12.30 of Chapter 93 of the Statutes of 1989 is amended to read:

Sec. 12.30. (a) There is hereby appropriated from the General Fund for transfer to the Special Fund for Economic Uncertainties by the Controller, upon order of the Director of Finance, an amount necessary to bring this special fund up to the amount stated in Final Change Book for the 1989-90 fiscal year ending balance in the Special Fund for Economic Uncertainties, as of July 1, 1989. The amount so transferred shall be reduced by the amount of excess revenues subject to Section 2 of Article XIII B of the California Constitution, as determined by the Director of Finance.

(b) For the purpose of calculating the "appropriations subject to limitation" as defined in Section 8 of Article XIII B of the California Constitution, the appropriations shall be deemed limited to the lesser of the following amounts:

- (1) The amounts stated in this act or
- (2) The amount encumbered or expended as of June 30, 1989, against each appropriation. The amount of the appropriations expended or encumbered shall be determined on the basis of the State of California Preliminary Annual Report—Accrual Basis. Any

subsequent adjustments shall be determined jointly by the Controller and the Director of Finance.

(c) Of the amount appropriated to the Special Fund for Economic Uncertainties, the Director of Finance may allocate a sufficient amount, not to exceed ten million dollars (\$10,000,000), to the Department of Forestry and Fire Protection for emergency fire suppression for the 1989-90 fiscal year.

(d) Of the amount appropriated to the Special Fund for Economic Uncertainties, the Director of Finance may allocate a sufficient amount, not to exceed forty million dollars (\$40,000,000), for emergency or disaster response operation costs incurred by state or local agencies for the 1989-90 fiscal year. These allocations would be made as a result of a state of emergency proclamation by the Governor.

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 funding for timely relief in regard to injuries, damages, and losses suffered as a result of the earthquake, aftershocks, and any other related casualty occurring in northern California in October 1989, it is necessary that this act go into immediate effect.

CHAPTER 20

An act to amend Section 12.30 of Chapter 93 of the Statutes of 1989, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989.]

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

SECTION 1. Section 12.30 of Chapter 93 of the Statutes of 1989 is amended to read:

Sec. 12.30. (a) There is hereby appropriated from the General Fund for transfer to the Special Fund for Economic Uncertainties by the Controller, upon order of the Director of Finance, an amount necessary to bring this special fund up to the amount stated in Final Change Book for the 1989-90 fiscal year ending balance in the Special Fund for Economic Uncertainties, as of July 1, 1989. The amount so transferred shall be reduced by the amount of excess revenues subject to Section 2 of Article XIII B of the California Constitution, as determined by the Director of Finance.

(b) For the purpose of calculating the "appropriations subject to limitation" as defined in Section 8 of Article XIII B of the California

Constitution, the appropriations shall be deemed limited to the lesser of the following amounts:

(1) The amounts stated in this act or

(2) The amount encumbered or expended as of June 30, 1989, against each appropriation. The amount of the appropriations expended or encumbered shall be determined on the basis of the State of California Preliminary Annual Report—Accrual Basis. Any subsequent adjustments shall be determined jointly by the Controller and the Director of Finance.

(c) Of the amount appropriated to the Special Fund for Economic Uncertainties, the Director of Finance may allocate a sufficient amount, not to exceed \$10,000,000, to the Department of Forestry and Fire Protection for emergency fire suppression for the 1989-90 fiscal year.

(d) Of the amount appropriated to the Special Fund for Economic Uncertainties, the Director of Finance may allocate a sufficient amount, not to exceed \$40,000,000, for emergency or disaster response operation costs incurred by state or local agencies for the 1989-90 fiscal year. These allocations would be made as a result of a state of emergency proclamation by the Governor.

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 funding for timely relief in regard to injuries, damages, and losses suffered as a result of the earthquake, aftershocks, and any other related casualty occurring in northern California in October 1989, it is necessary that this act go into immediate effect.

CHAPTER 21

An act to add Part 8 (commencing with Section 997) to Division 3.6 of Title 1 of the Government Code, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

I am deleting the \$30,000,000 appropriation contained in Senate Bill 45X
The appropriation contained in this bill has already been provided for by the
appropriation contained in Assembly Bill 45X
With this deletion, I approve Senate Bill 45X.

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. Part 8 (commencing with Section 997) is added to Division 3.6 of Title 1 of the Government Code, to read:

**PART 8. SAN FRANCISCO-OAKLAND BAY BRIDGE AND
I-880 CYPRESS STRUCTURE DISASTER RELIEF**

997. The Legislature finds and declares that, in order to aid the victims of the collapse of the San Francisco-Oakland Bay Bridge and the I-880 Cypress structure caused by the October 17, 1989, earthquake, it is necessary to create a special fund for payment of personal property, personal injury, and death claims arising from that disaster.

It is the purpose of this part to compensate personal injury or death victims of the Bay Bridge and I-880 Cypress structure collapse without regard to legal liability, fault, or responsibility, and without the necessity of litigation against the State of California or its agencies, officers, or employees. It is the further intent of the Legislature that all valid claims shall be paid fairly and promptly. Nothing in this part shall be construed as an admission of legal liability, responsibility, or fault on the part of the State of California or any of its agencies, officers or employees.

997.1. (a) Any person may file an application with the State Board of Control for compensation based on personal property loss, personal injury, or death, including noneconomic loss, arising from the Bay Bridge or I-880 Cypress structure collapse caused by the October 17, 1989, earthquake. Any application made pursuant to this section shall be presented to the board no later than April 18, 1990, on forms prescribed and provided by the board, except that a late claim may be presented to the board pursuant to the procedure specified by Section 911.4. Each presented application shall be verified under penalty of perjury and shall contain all of the following information:

(1) The name of the injured party or in the event of loss of life, the name and age of the decedent and the names and ages of heirs as defined in subdivision (b) of Section 377 of the Code of Civil Procedure.

(2) An authorization permitting the board to obtain relevant medical and employment records.

(3) A brief statement describing when, where, and how the injury or death occurred.

(4) A statement as to whether the applicant wishes to apply for emergency relief provided pursuant to Section 997.2.

(b) Upon receipt of an application, the board shall evaluate the application and may require the applicant to submit additional information or documents which are necessary to verify and evaluate

the application. The board shall resolve an application within six months from the date of presentation of the application unless this period of time is extended by mutual agreement between the board and the applicant. Any application which is not resolved within this resolution period shall be deemed denied.

(c) Following resolution of an application, if the applicant desires to pursue additional remedies otherwise provided by this division, the applicant shall file a court action within six months of the mailing date of the board's rejection or denial of the application or the applicant's rejection of the board's offer.

(d) Any claim pursuant to Part 3 (commencing with Section 900) made before or after the effective date of this part for personal property loss, personal injury, or death resulting from the collapse of the Bay Bridge or the I-880 Cypress structure against the State of California, its agencies, officers, or employees, shall be deemed to be an application under this part and subject to the provisions set forth in this part. Additionally, any application made pursuant to this part shall be deemed to be in compliance with Part 3 (commencing with Section 900).

(e) Notwithstanding any other provision of law, resolution of applications pursuant to the provisions of this part is a condition precedent to the filing of any action for personal property loss, personal injury, or death resulting from the collapse of the Bay Bridge or the I-880 Cypress structure in any court of the State of California against the State of California, its agencies, officers, or employees. Any suit filed by an applicant in any court of this state against the State of California or its agencies, officers, or employees shall be stayed pending resolution of the application.

997.2. The application of any individual who was injured as a result of the collapse of the Bay Bridge or I-880 Cypress structure caused by the October 17, 1989, earthquake, and any surviving spouse, child, dependent adult offspring, or dependent parent of any individual killed as a result of that collapse, may include a request for emergency payment. Upon the determination that the applicant is eligible, the board or its designee shall award emergency payments in the following amounts:

| | |
|---|----------------|
| Death of spouse | \$50,000 |
| Death of parent by dependent minor | \$50,000 |
| Death of parent by dependent adult offspring | \$50,000 |
| Death of adult offspring by dependent parent | \$25,000 |
| Death of dependent minor | \$25,000 |
| Loss of income and medical expenses incurred by injured person | up to \$25,000 |

The maximum award to members of an immediate family pursuant to this section based on any one death shall not exceed two hundred thousand dollars (\$200,000). If the aggregate amount of individual payments for members of an immediate family pursuant

to this section would otherwise exceed this amount, each individual shall share in this maximum amount proportionately.

Payments made pursuant to this section shall constitute an offset against any amounts received under Section 997.3 as well as any amount which may be received from the state as a result of litigation in the courts of this state. Payments made pursuant to this section shall not constitute an admission of liability nor be admissible as evidence in any court action.

No attorney or other representative shall accept any fee or other compensation for representing any applicant under Section 997.2 unless the compensation is authorized by a superior court upon a finding of exceptional circumstances.

997.3. (a) If the board determines that an applicant pursuant to this part is eligible for compensation, and upon receipt of all information it deems necessary to evaluate the applicant's loss, the board shall make an offer in an amount it deems to be just compensation, subject to the approval of the Director of Finance. The board shall appoint a person to facilitate the settlement process provided in this section, provided that the presiding judge of the Alameda County Superior Court may reject any appointment within 30 days of notice of the appointment.

(b) The offer shall be made to the applicant in writing who shall either accept or reject the offer in writing within 30 days of receipt thereof. Failure to respond to the offer shall be deemed a rejection. If the applicant accepts the offer, all other legal remedies are waived as against the State of California and its agencies, officers, and employees. If the applicant rejects the offer, all other legal remedies may be pursued against the State of California or its agencies, officers, or employees as otherwise provided in this division.

997.4. For the purpose of computing the time limits applicable to the date of the accrual of a cause of action against any party, other than the State of California, to a court action related to the facts giving rise to a claim subject to this part, the date of accrual of a cause of action shall be deemed to be the mailing date of the board's rejection or denial of an application or the applicant's rejection of an offer, notwithstanding any other date of accrual that might otherwise have been applicable.

997.5. There is hereby created within the State Treasury the San Francisco-Oakland Bay Bridge and I-880 Cypress Structure Disaster Fund for the purpose of paying, pursuant to this part, personal property, personal injury, and death claims against the State of California or its agencies, officers, or employees, arising from the collapse of the San Francisco-Oakland Bay Bridge and the I-880 Cypress structure on October 17, 1989. Notwithstanding Section 13440, moneys in the fund are continuously appropriated to the Department of Finance without regard to fiscal years for the purpose of paying awards made pursuant to this part.

997.6. The board may adopt regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2

to implement this part. The adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2, regulations adopted by the office in order to implement this section shall not be subject to the review and approval of the Office of Administrative Law. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 2. (a) Subdivision (d) of Section 1253 of the Unemployment Insurance Code shall not apply to an unemployed individual who files his or her application for benefits with the Director of Employment Development between October 15, 1989, and December 2, 1989, inclusive, if the claimant either resides in or was most recently employed in either of the following:

(1) An area identified by the Federal Disaster Assistance Administration as a major disaster area in connection with the October 17, 1989, Loma Prieta Earthquake.

(2) An area identified by a Governor's declaration of a state of emergency in connection with the October 17, 1989, Loma Prieta Earthquake.

(b) Benefits paid as a result of this act shall not be charged to employer reserve accounts, except as provided in paragraph (4) of subdivision (e) of Section 1026 of the Unemployment Insurance Code.

(c) The director shall submit to the Governor and to the chairpersons of the appropriate policy committees in the Legislature copies of the final report to the United States Secretary of Labor concerning disaster unemployment assistance required to be submitted pursuant to Section 625.19 of Title 20 of the Code of Federal Regulations.

(d) The director shall, by February 1, 1990, recommend to the Governor and the Legislature an appropriate procedure to permit the temporary waiver of unemployment benefit eligibility rules in the wake of disasters whose character directly affects employment within the area or areas where effects of the disaster are felt. In the process of formulating these recommendations, the department shall consider whether a procedure of circumscribed standing authority vested in the director appears workable or desirable and whether statutory criteria would strengthen the process by which requests for Governor-declared eligibility rule waivers (pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code)) can be made, and any other approaches which, in light of experience gained pursuant to this act, appear suitable for more expeditiously addressing the needs of persons thrust out of work by a disaster. The recommendations shall include a discussion of all legal, operational, or practical issues which are suggested by the experience of the department with the Loma Prieta earthquake, the Whittier-Narrows

earthquake of 1987, or other disasters of recent occurrence.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution 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. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 4. The sum of thirty million dollars (\$30,000,000) is hereby transferred from the Special Fund for Economic Uncertainties to the San Francisco-Oakland Bay Bridge and I-880 Cypress Structure Disaster Fund for purposes of this act. It is the intent of the Legislature that this amount constitutes only an initial appropriation and not a permanent limit on the amount of funds available for purposes of this act.

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

In order to provide essential relief to victims of the San Francisco-Oakland Bay Bridge and I-880 Cypress structure collapse caused by the earthquake on October 17, 1989, and to assist persons who are unemployed in the regions affected by that earthquake as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 22

An act to add Part 8 (commencing with Section 997) to Division 3.6 of Title 1 of the Government Code, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Part 8 (commencing with Section 997) is added to Division 3.6 of Title 1 of the Government Code, to read:

PART 8. SAN FRANCISCO-OAKLAND BAY BRIDGE AND I-880 CYPRESS STRUCTURE DISASTER RELIEF

997. The Legislature finds and declares that, in order to aid the victims of the collapse of the San Francisco-Oakland Bay Bridge and

the I-880 Cypress structure caused by the October 17, 1989, earthquake, it is necessary to create a special fund for payment of personal property, personal injury, and death claims arising from that disaster.

It is the purpose of this part to compensate personal injury or death victims of the Bay Bridge and I-880 Cypress structure collapse without regard to legal liability, fault, or responsibility, and without the necessity of litigation against the State of California or its agencies, officers, or employees. It is the further intent of the Legislature that all valid claims shall be paid fairly and promptly. Nothing in this part shall be construed as an admission of legal liability, responsibility, or fault on the part of the State of California or any of its agencies, officers or employees.

997.1. (a) Any person may file an application with the State Board of Control for compensation based on personal property loss, personal injury, or death, including noneconomic loss, arising from the Bay Bridge or I-880 Cypress structure collapse caused by the October 17, 1989, earthquake. Any application made pursuant to this section shall be presented to the board no later than April 18, 1990, on forms prescribed and provided by the board, except that a late claim may be presented to the board pursuant to the procedure specified by Section 911.4. Each presented application shall be verified under penalty of perjury and shall contain all of the following information:

(1) The name of the injured party or in the event of loss of life, the name and age of the decedent and the names and ages of heirs as defined in subdivision (b) of Section 377 of the Code of Civil Procedure.

(2) An authorization permitting the board to obtain relevant medical and employment records.

(3) A brief statement describing when, where, and how the injury or death occurred.

(4) A statement as to whether the applicant wishes to apply for emergency relief provided pursuant to Section 997.2.

(b) Upon receipt of an application, the board shall evaluate the application and may require the applicant to submit additional information or documents which are necessary to verify and evaluate the application. The board shall resolve an application within six months from the date of presentation of the application unless this period of time is extended by mutual agreement between the board and the applicant. Any application which is not resolved within this resolution period shall be deemed denied.

(c) Following resolution of an application, if the applicant desires to pursue additional remedies otherwise provided by this division, the applicant shall file a court action within six months of the mailing date of the board's rejection or denial of the application or the applicant's rejection of the board's offer.

(d) Any claim pursuant to Part 3 (commencing with Section 900) made before or after the effective date of this part for personal

property loss, personal injury, or death resulting from the collapse of the Bay Bridge or the I-880 Cypress structure against the State of California, its agencies, officers, or employees, shall be deemed to be an application under this part and subject to the provisions set forth in this part. Additionally, any application made pursuant to this part shall be deemed to be in compliance with Part 3 (commencing with Section 900).

(e) Notwithstanding any other provision of law, resolution of applications pursuant to the provisions of this part is a condition precedent to the filing of any action for personal property loss, personal injury, or death resulting from the collapse of the Bay Bridge or the I-880 Cypress structure in any court of the State of California against the State of California, its agencies, officers, or employees. Any suit filed by an applicant in any court of this state against the State of California or its agencies, officers, or employees shall be stayed pending resolution of the application.

997.2. The application of any individual who was injured as a result of the collapse of the Bay Bridge or I-880 Cypress structure caused by the October 17, 1989, earthquake, and any surviving spouse, child, dependent adult offspring, or dependent parent of any individual killed as a result of that collapse, may include a request for emergency payment. Upon the determination that the applicant is eligible, the board or its designee shall award emergency payments in the following amounts:

| | |
|---|----------------|
| Death of spouse | \$50,000 |
| Death of parent by dependent minor | \$50,000 |
| Death of parent by dependent adult offspring | \$50,000 |
| Death of adult offspring by dependent parent | \$25,000 |
| Death of dependent minor | \$25,000 |
| Loss of income and medical expenses incurred by injured person | up to \$25,000 |

The maximum award to members of an immediate family pursuant to this section based on any one death shall not exceed two hundred thousand dollars (\$200,000). If the aggregate amount of individual payments for members of an immediate family pursuant to this section would otherwise exceed this amount, each individual shall share in this maximum amount proportionately.

Payments made pursuant to this section shall constitute an offset against any amounts received under Section 997.3 as well as any amount which may be received from the state as a result of litigation in the courts of this state. Payments made pursuant to this section shall not constitute an admission of liability nor be admissible as evidence in any court action.

No attorney or other representative shall accept any fee or other compensation for representing any applicant under Section 997.2 unless the compensation is authorized by a superior court upon a finding of exceptional circumstances.

997.3. (a) If the board determines that an applicant pursuant to this part is eligible for compensation, and upon receipt of all information it deems necessary to evaluate the applicant's loss, the board shall make an offer in an amount it deems to be just compensation, subject to the approval of the Director of Finance. The board shall appoint a person to facilitate the settlement process provided in this section, provided that the presiding judge of the Alameda County Superior Court may reject any appointment within 30 days of notice of the appointment.

(b) The offer shall be made to the applicant in writing who shall either accept or reject the offer in writing within 30 days of receipt thereof. Failure to respond to the offer shall be deemed a rejection. If the applicant accepts the offer, all other legal remedies are waived as against the State of California and its agencies, officers, and employees. If the applicant rejects the offer, all other legal remedies may be pursued against the State of California or its agencies, officers, or employees as otherwise provided in this division.

997.4. For the purpose of computing the time limits applicable to the date of the accrual of a cause of action against any party, other than the State of California, to a court action related to the facts giving rise to a claim subject to this part, the date of accrual of a cause of action shall be deemed to be the mailing date of the board's rejection or denial of an application or the applicant's rejection of an offer, notwithstanding any other date of accrual that might otherwise have been applicable.

997.5. There is hereby created within the State Treasury the San Francisco-Oakland Bay Bridge and I-880 Cypress Structure Disaster Fund for the purpose of paying, pursuant to this part, personal property, personal injury, and death claims against the State of California or its agencies, officers, or employees, arising from the collapse of the San Francisco-Oakland Bay Bridge and the I-880 Cypress structure on October 17, 1989. Notwithstanding Section 13440, moneys in the fund are continuously appropriated to the Department of Finance without regard to fiscal years for the purpose of paying awards made pursuant to this part.

997.6. The board may adopt regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 to implement this part. The adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2, regulations adopted by the office in order to implement this section shall not be subject to the review and approval of the Office of Administrative Law. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 2. (a) Subdivision (d) of Section 1253 of the Unemployment Insurance Code shall not apply to an unemployed individual who files his or her application for benefits with the

Director of Employment Development between October 15, 1989, and December 2, 1989, inclusive, if the claimant either resides in or was most recently employed in either of the following:

(1) An area identified by the Federal Disaster Assistance Administration as a major disaster area in connection with the October 17, 1989, Loma Prieta Earthquake.

(2) An area identified by a Governor's declaration of a state of emergency in connection with the October 17, 1989, Loma Prieta Earthquake.

(b) Benefits paid as a result of this act shall not be charged to employer reserve accounts, except as provided in paragraph (4) of subdivision (e) of Section 1026 of the Unemployment Insurance Code.

(c) The director shall submit to the Governor and to the chairpersons of the appropriate policy committees in the Legislature copies of the final report to the United States Secretary of Labor concerning disaster unemployment assistance required to be submitted pursuant to Section 625.19 of Title 20 of the Code of Federal Regulations.

(d) The director shall, by February 1, 1990, recommend to the Governor and the Legislature an appropriate procedure to permit the temporary waiver of unemployment benefit eligibility rules in the wake of disasters whose character directly affects employment within the area or areas where effects of the disaster are felt. In the process of formulating these recommendations, the department shall consider whether a procedure of circumscribed standing authority vested in the director appears workable or desirable and whether statutory criteria would strengthen the process by which requests for Governor-declared eligibility rule waivers (pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code)) can be made, and any other approaches which, in light of experience gained pursuant to this act, appear suitable for more expeditiously addressing the needs of persons thrust out of work by a disaster. The recommendations shall include a discussion of all legal, operational, or practical issues which are suggested by the experience of the department with the Loma Prieta earthquake, the Whittier-Narrows earthquake of 1987, or other disasters of recent occurrence.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution 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. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 4. The sum of thirty million dollars (\$30,000,000) is hereby

transferred from the Special Fund for Economic Uncertainties to the San Francisco-Oakland Bay Bridge and I-880 Cypress Structure Disaster Fund for purposes of this act. It is the intent of the Legislature that this amount constitutes only an initial appropriation and not a permanent limit on the amount of funds available for purposes of this act.

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

In order to provide essential relief to victims of the San Francisco-Oakland Bay Bridge and I-880 Cypress structure collapse caused by the earthquake on October 17, 1989, and to assist persons who are unemployed in the regions affected by that earthquake as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 23

An act to amend Section 8680.2 of, and to add Sections 8680.25 and 8686.1 to, and to add Section 8686.1 to, the Government Code, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989. Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 8680.2 of the Government Code is amended to read:

8680.2. "Local agency" means any city, city and county, county, county office of education, community college district, school district, or special district.

SEC. 1.5. Section 8680.25 is added to the Government Code, to read:

8680.25. "Local agency" also means any private nonprofit organization which operates a private nonprofit facility, as defined in paragraph (9) of Section 5122 of Title 42 of the United States Code, on a nondiscriminatory basis. This section shall apply only with respect to disaster assistance associated with the October 17, 1989, earthquake.

SEC. 2. Section 8686.1 is added to the Government Code, to read:

8686.1. Notwithstanding Section 8686, no funds allocated pursuant to this chapter to any eligible private nonprofit organization shall exceed five million dollars (\$5,000,000) in state funds.

SEC. 3. Notwithstanding Section 14581 of the Public Resources Code, until July 1, 1990, money received by certified community

conservation corps pursuant to paragraph (1) of subdivision (a) of Section 14581 of the Public Resources Code, not to exceed a total of one million five hundred thousand dollars (\$1,500,000), may be expended for disaster assistance activities associated with the October 17, 1989, earthquake pursuant to Chapter 7.5 (commencing with Section 8680) of Division 1 of Title 2 of the Government Code.

This section shall remain in effect only until July 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before July 1, 1990, deletes or extends that date.

SEC. 4. Any money received as reimbursement by certified community conservation corps from any source for earthquake relief activities funded from the Redemption Bonus Account in the California Beverage Container Recycling Fund pursuant to Section 3 of this act shall be repaid to the Redemption Bonus Account.

SEC. 4.5. Section 8686.1 is added to the Government Code, to read:

8686.1. Notwithstanding Section 8686, for purposes of Section 8680.25, if available funding is insufficient to pay all eligible claims, no private nonprofit organization shall receive more than five million dollars (\$5,000,000).

This act is an urgency statute necessary for the immediate preservation of 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 disaster relief to deserving nonprofit corporations at the earliest time possible for repair and restoration costs associated with the 1989 earthquake and to provide urgently needed earthquake relief assistance, it is necessary that this act take effect immediately.

CHAPTER 24

An act to amend Sections 8680.2, 8680.4, 8680.5, and 8680.8 of, and to add Section 8686.1 to, the Government Code, relating to natural disaster assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor November 6, 1989 Filed with
Secretary of State November 7, 1989]

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

SECTION 1. Section 8680.2 of the Government Code is amended to read:

8680.2. "Local agency" means any city, city and county, county, county office of education, community college district, school district, special district, or a private nonprofit organization which operates a private nonprofit facility, as defined in paragraph (9) of

Section 5122 of Title 42 of the United States Code, on a nondiscriminatory basis.

SEC. 2. Section 8680.4 of the Government Code is amended to read:

8680.4. "Project" means the repair or restoration, or both, other than normal maintenance, or the replacement of, real property of a local agency used for essential governmental services, including, but not limited to, buildings, levees, flood control works, channels, irrigation works, city streets, county roads, bridges, and other public works, that are damaged or destroyed by a natural disaster. "Project" also includes those activities and expenses allowed under subdivisions (a), (c), and (d) of Section 8685. Except as provided in Section 8686.3, the completion of all or part of a project prior to application for funds pursuant to this chapter shall not disqualify the project or any part thereof.

SEC. 3. Section 8680.5 of the Government Code is amended to read:

8680.5. "Project application" means the written application made by a local agency to the director for state financial assistance, which shall include: (a) in the case of a public facilities project, all damage to public real property which resulted from a natural disaster within the total jurisdiction of the local agency making application; or (b) in the case of a street and highway project, all damage to streets and highways which resulted from a natural disaster within the total jurisdiction of the local agency making application; or (c) other activities and expenses as allowed in Section 8685.

SEC. 4. Section 8680.8 of the Government Code is amended to read:

8680.8. "State agency" means the Department of Transportation, the Department of Water Resources, the Department of General Services, the Department of Health, the Department of Finance, or other state agency or office including, but not limited to, the University of California. The Department of Transportation's area of responsibility concerns streets, roads, bridge and mass transit repairs. The Department of Water Resources' area of responsibility concerns dams, levees, flood control works, channels, irrigation works, and other similar projects. The Department of General Services' area of responsibility concerns buildings, sewer, water systems, and district road and access facility construction, alteration, repair and improvement thereof, and all other projects. The director shall assign applications to the appropriate agencies for investigation.

SEC. 5. Section 8686.1 is added to the Government Code, to read:

8686.1. Notwithstanding Section 8686, if available funding is insufficient to pay all eligible claims, no private nonprofit organization shall receive more than five million dollars (\$5,000,000).

SEC. 6. Notwithstanding Section 14581 of the Public Resources Code, until July 1, 1990, money received by certified community conservation corps pursuant to paragraph (1) of subdivision (a) of

Section 14581 of the Public Resources Code, not to exceed a total of one million five hundred thousand dollars (\$1,500,000), may be expended for disaster assistance activities associated with the October 17, 1989, earthquake pursuant to Chapter 7.5 (commencing with Section 8680) of Division 1 of Title 2 of the Government Code.

This section shall remain in effect only until July 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before July 1, 1990, deletes or extends that date.

SEC. 7. Any money received as reimbursement by certified community conservation corps from any source for earthquake relief activities funded from the Redemption Bonus Account in the California Beverage Container Recycling Fund pursuant to Section 6 of this act shall be repaid to the Redemption Bonus Account.

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 provide increased financial assistance as soon as possible for property damaged or destroyed by the October 17, 1989 Loma Prieta Earthquake, it is necessary that this act take effect immediately.

CHAPTER 25

An act relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1990 Filed with
Secretary of State July 3, 1990.]

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

SECTION 1. It is the intent of the Legislature that this act provide assistance to school districts that suffered losses as a result of the October 17, 1989, earthquake, by enabling each of those school districts to receive the "longer day" incentive funding each would have received if the district had been able to operate its schools for the minimum annual instructional time required by statute as a condition of that funding.

SEC. 2. A district which is prevented from maintaining its schools during a fiscal year for at least the minimum annual instructional time set forth in Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code because of the October 17, 1989, earthquake, which fact shall be demonstrated to the satisfaction of the Superintendent of Public Instruction by the affidavits of the members of the governing board of the school district and the county superintendent of schools, shall receive the same apportionment from the State School Fund as it would have

received had it not been prevented from maintaining its schools for at least the minimum instructional time required pursuant to Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code.

The district shall make up the lost instructional time no later than June 30, 1991. The superintendent may waive, for any sufficient reason, all, or a portion, of the requirements to make up the lost instructional time due to the October 17, 1989, earthquake.

SEC. 3. Section 2 shall become inoperative on July 1, 1991, and, as of January 1, 1992, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1992, deletes or extends the dates on which it becomes inoperative and is repealed.

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

In order that this act may take effect during the 1989-90 school year so that relief may be provided to the schools affected by the October 17, 1989, earthquake, it is necessary that this bill take effect immediately.

CHAPTER 26

An act to add Section 33670.8 to, to add and repeal Sections 33458.5, 33501.7, and 33670.9 of, to repeal Article 14.2 (commencing with Section 33476) of Chapter 4 of Part 1 of Division 24 of, and to add and repeal Article 14.2 (commencing with Section 33477) of Chapter 4 of Part 1 of Division 24 of, the Health and Safety Code, relating to redevelopment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 18, 1990 Filed with
Secretary of State July 18, 1990]

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

SECTION 1. Section 33458.5 is added to the Health and Safety Code, to read:

33458.5. With respect to amendment of redevelopment plans within the Cities of Santa Cruz and Watsonville, the otherwise applicable provisions of this chapter shall be modified as follows:

(a) The notice provided for in Section 33452 need be published only once at least 10 days prior to the hearing referred to in that section.

(b) The requirement of Section 33453 that after agency hearings, if the agency recommends substantial changes affecting the general plan, those changes shall be submitted to the planning commission for its report and recommendation, shall not apply to the

amendment of any redevelopment plan which does not involve a change of an applicable zoning ordinance or the granting of a variance therefrom adopted by the Cities of Santa Cruz and Watsonville pursuant to this section.

(c) The preliminary report required by Section 33344.5 need not be reported and sent to each affected taxing entity and neither the county nor any other affected taxing entity may call for the creation of a fiscal review committee pursuant to Section 33353. However, prior to the adoption of an ordinance amending a redevelopment plan pursuant to this section, the Redevelopment Agency of the City of Santa Cruz and the County of Santa Cruz, and the Redevelopment Agency of the City of Watsonville and the County of Santa Cruz, shall have approved and executed an agreement to alleviate the financial burden or detriment that may be caused by that amendment.

(d) The provisions of Sections 33347 and 33454 requiring submission of the redevelopment plan to the planning commission for its report and recommendation shall not apply to the amendment of any redevelopment plan adopted by the City of Santa Cruz or the City of Watsonville pursuant to this section.

SEC. 2. Article 14.2 (commencing with Section 33476) of Chapter 4 of Part 1 of Division 24 of the Health and Safety Code is repealed.

SEC. 3. Article 14.2 (commencing with Section 33477) is added to Chapter 4 of Part 1 of Division 24 of the Health and Safety Code, to read:

**Article 14.2. Merger of Redevelopment Project Areas in the
Cities of Santa Cruz and Watsonville**

33477. With respect to the merger of redevelopment projects within the Cities of Santa Cruz and Watsonville, the otherwise applicable provisions of this chapter shall be modified as follows:

(a) Neither the county nor any other affected taxing entity may call for the creation of a fiscal review committee as provided for in this chapter. However, prior to the adoption of an ordinance approving an amendment to a redevelopment plan merging redevelopment project areas pursuant to this section, the Redevelopment Agency of the City of Santa Cruz and the County of Santa Cruz, and the Redevelopment Agency of the City of Watsonville and the County of Santa Cruz, shall have approved and executed an agreement to alleviate the financial burden or detriment that may be caused by any of the merged redevelopment projects.

(b) The provisions of Section 33458.5 concerning amendments to redevelopment plans shall also apply to any merger carried out under this section.

SEC. 4. Section 33501.7 is added to the Health and Safety Code, to read:

33501.7. Notwithstanding Section 33500 of the Health and Safety Code, no action attacking or otherwise questioning the validity of a

redevelopment plan adopted, amended, or merged in accordance with the provisions of Sections 33458.5, 33477, and 33670.9 or any of the findings or determinations of the Cities of Santa Cruz, Oakland, or Watsonville or their redevelopment agencies in connection with the adoption, amendment, or merger, shall be brought prior to the adoption of the plan, or the approval of the amendment or merger of the project area or at any time after 30 days after the date of approval of the ordinance adopting or amending the plan.

SEC. 5. Section 33670.8 is added to the Health and Safety Code, to read:

33670.8. (a) With respect to the allocation of taxes pursuant to Section 33670 in redevelopment project areas within the incorporated City of Santa Cruz, which were already approved on October 17, 1989, the otherwise applicable provisions of this part shall be modified as specified in this subdivision.

For the purpose of determining the portion of taxes to be paid annually to the Redevelopment Agency of the City of Santa Cruz pursuant to Sections 33328, 33670, and 33675 for any redevelopment project which was approved on or before October 17, 1989, "assessment roll ... last equalized" and "base-year assessment roll" mean the last equalized assessment roll determined pursuant to subdivision (a) of Section 33670 reduced by the same amount as the amount of reduction in the current assessment roll determined pursuant to Section 170 of the Revenue and Taxation Code.

(b) With respect to the allocation of taxes pursuant to Section 33670 in redevelopment project areas within the incorporated City of Watsonville, which were already approved on October 17, 1989, the otherwise applicable provisions of this part shall be modified as specified in this subdivision.

For the purpose of determining the portion of taxes to be paid annually to the Redevelopment Agency of the City of Watsonville pursuant to Sections 33328, 33670, and 33675 for any redevelopment project which was approved on or before October 17, 1989, "assessment roll ... last equalized" and "base-year assessment roll" mean the last equalized assessment roll determined pursuant to subdivision (a) of Section 33670 reduced by the same amount as the amount of reduction in the current assessment roll determined pursuant to Section 170 of the Revenue and Taxation Code.

(c) In claiming an allocation of taxes pursuant to Section 33675, as adjusted pursuant to subdivision (b), the redevelopment agency of the City of Watsonville shall consider the economic impact of the allocation on other agencies which have sustained substantial disaster damage and shall negotiate and enter into an agreement with the County of Santa Cruz to avoid further economic hardship.

(d) Within 30 days after receipt of a notice from the Assessor of the County of Santa Cruz establishing the adjustment in the assessment roll pursuant to subdivision (b), the Redevelopment Agency of the City of Watsonville may elect not to be subject to this section by giving written notice of its decision to the County of Santa

Cruz. Notwithstanding an election by the Redevelopment Agency of the City of Watsonville not to be subject to this section pursuant to this subdivision, it shall still reimburse the County of Santa Cruz for its cost of revising the property tax assessment rolls and allocations.

(e) Subdivisions (a) and (b) shall apply to allocation of taxes levied on the 1990 and subsequent equalized assessment rolls, upon the request of the redevelopment agencies of the Cities of Santa Cruz and Watsonville, and those agencies shall reimburse the County of Santa Cruz for its cost of revising the property tax assessment rolls and allocations.

(f) The county assessor shall certify to the county auditor and the director of finance of each city which includes a redevelopment project subject to this section when the total sum of the assessed value of the taxable property in each redevelopment project subject to this section as shown upon each current year's equalized assessment roll becomes equal to the total sum of the assessed value of the taxable property in each redevelopment project as shown upon the assessment roll last equalized before October 17, 1989, adjusted by the change in the Consumer Price Index for the San Francisco/Oakland Metropolitan Area between 1989 and the date of the certification pursuant to this subdivision. On the July 1 following the date of certification and each July 1 thereafter, the county assessor shall increase the total sum of the assessed value of the taxable property in each redevelopment project as shown upon the assessment roll adjusted pursuant to subdivision (a) or (b) by 10 percent of the difference between the total sum of the assessed value of the taxable property in each redevelopment project determined pursuant to subdivision (a) of Section 33670 and the total sum of the assessed value of the taxable property in each redevelopment project as adjusted pursuant to subdivision (a) or (b), until the two total assessed values are equal, and shall report this adjusted value to the county auditor or other county officials charged with the responsibility of allocating taxes pursuant to Sections 33670 and 33675, who shall use this assessed value in determining the portion of taxes to be paid annually to the redevelopment agency subject to this section.

For purposes of this subdivision only, in the event that any redevelopment project area within the incorporated area of the City of Santa Cruz already approved on October 17, 1989, is amended to add territory to the project area, the assessed value of taxable property in the territory added shall be computed separately and the county assessor shall not take the assessed value into account in determining when the total sum of the assessed value of the taxable property in the redevelopment project becomes equal to the total sum of the assessed value of the taxable property as shown on the assessment roll last equalized prior to October 17, 1989, as adjusted pursuant to this subdivision.

(g) With respect to an area added to a redevelopment project by the Cities of Santa Cruz or Watsonville pursuant to Sections 33458.5

and 33477, the terms "assessment roll" and "last equalized assessment roll" as used in Section 33670 shall mean and refer to the assessment roll as reduced in accordance with the provisions of subdivision (b) of Section 170 of the Revenue and Taxation Code.

SEC. 6. Section 33670.9 is added to the Health and Safety Code, to read:

33670.9. With respect to the adoption of the redevelopment plan for an area of the City of Oakland known as West Oakland, including the neighborhoods in the general vicinity of Cypress Street and not previously designated as a redevelopment area, all of which is a disaster area, proclaimed by the Governor, based upon the earthquake of October 17, 1989, and its aftershocks, the provisions of Chapter 4 (commencing with Section 33300) and Chapter 6 (commencing with Section 33600) shall be modified as follows:

(a) For the purposes of Sections 33328, 33670, and 33675, and for the purposes of the allocation of taxes pursuant to Section 33670 and the provisions of any such disaster area redevelopment plan, "assessment roll ... last equalized" and "base-year assessment roll" means the assessment roll as reduced in accordance with the provisions of subdivision (b) of Section 170 of the Revenue and Taxation Code.

(b) The disaster area redevelopment plan may be approved and adopted pursuant to the Community Redevelopment Financial Assistance and Disaster Project Law (Part 1.5 (commencing with Section 34000)), and shall be exempted from all the procedural and other requirements for which exemptions are allowed by Section 34013, and from all other procedural requirements which are directly related to those exemptions and which could interfere with the speedy adoption of the disaster area redevelopment plan.

(c) In adopting a disaster area redevelopment plan pursuant to this section, the City of Oakland shall be exempt from the provisions of Sections 33328, 33353 to 33353.6, inclusive, and subdivisions (e) to (k), inclusive, of Section 33352. These sections are deemed to impose procedural requirements which are directly related to the exemptions set out in Section 34013 within the meaning of subdivision (b) of this section, but they are not intended to be an exhaustive list of all of the directly related requirements.

(d) Notwithstanding any other exemption granted by this section, the City of Oakland shall, prior to the adoption of a redevelopment plan, conduct at least two public meetings on the proposed plan for West Oakland residents and property owners. The City of Oakland shall also cause to be organized a citizens' advisory committee comprised of residents and property owners of the project area which shall advise the agency on development strategy and plans and other matters which affect the residents of the project area. The citizens' advisory committee shall remain in existence at least three years.

(e) The adoption of a redevelopment plan pursuant to this section is limited to a plan which does not involve a change of an applicable

zoning ordinance or the granting of a variance therefrom.

SEC. 7. The adoption of a redevelopment plan for the area known as West Oakland pursuant to this act shall not preclude any of the transportation alternatives presently under study by the Department of Transportation for a permanent replacement of the Interstate 880 Cypress viaduct.

SEC. 8. Notwithstanding Section 33676 of the Health and Safety Code, an affected school and community college district, in the area known as West Oakland, or in the City of Watsonville, shall be allocated, in addition to the portion of taxes allocated to the affected taxing agency pursuant to subdivision (a) of Section 33670 of the Health and Safety Code, all or any portion of the tax revenues allocated to the agency pursuant to subdivision (b) of Section 33670 of the Health and Safety Code attributable to one or both of the following:

(a) Increases in the rate of tax imposed for the benefit of the taxing agency which levy occurs after the tax year in which the ordinance adopting the redevelopment plan becomes effective.

(b) Increases in the assessed value of the taxable property in the redevelopment project area, as the assessed value is established by the assessment roll last equalized prior to the effective date of the ordinance adopting the redevelopment plan pursuant to subdivision (a) of Section 33670 of the Health and Safety Code, which are, or otherwise would be, calculated annually pursuant to subdivision (f) of Section 110.1 of the Revenue and Taxation Code.

SEC. 9. The provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not be applicable to the redevelopment plans for disaster-related projects adopted, amended, or merged by the Cities of Santa Cruz or Watsonville pursuant to the provisions of Sections 33459 and 33477 of the Health and Safety Code and the redevelopment plan adopted by the City of Oakland pursuant to Section 33670.9 of the Health and Safety Code.

SEC. 10. Notwithstanding Section 21090 of the Public Resources Code and Section 15180 of the State CEQA Guidelines (Chapter 3 (commencing with Section 15000) of Title 14 of the California Code of Regulations), each project that implements the redevelopment plans adopted, amended, or merged pursuant to Sections 33459 and 33477 of the Health and Safety Code, or adopted pursuant to Section 33670.9 of the Health and Safety Code, shall be subject to the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

SEC. 11. Sections 1 to 4, inclusive, and 6 to 9, inclusive, of this act shall remain in effect only until June 30, 1992, and as of that date are repealed, unless a later enacted chapter, which is chaptered before June 30, 1992, deletes or extends that date.

SEC. 12. Sections 1 to 10, inclusive, of this act, applicable only to the Cities of Santa Cruz, Watsonville, and Oakland are necessary to provide immediate assistance to the disaster area damaged by the

October 17, 1989, earthquake. The problems created by that disaster are such that a general law cannot be made applicable.

SEC. 13. No reimbursement shall be made from the State Mandates Claims Fund pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code for costs mandated by the state pursuant to this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Part 7 (commencing with Section 17500) and any other provisions of law. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 14. This act shall become operative on July 1, 1990.

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:

Portions of the Cities of Santa Cruz and Watsonville damaged by the October 17, 1989, earthquake lie within previously adopted redevelopment project areas. As a result of the damage to real property within each of these project areas, the assessed value of real property within each project area has been reassessed to a lower value. Consequently, no tax increment revenues will be payable to the Redevelopment Agency to make payments on existing indebtedness, or to assist with the public costs of rebuilding the project areas after the earthquake. In order to avoid defaults on existing indebtedness and to permit the Redevelopment Agency to assist with the public cost of rebuilding, it is necessary to reduce the base year assessed value for each redevelopment project. The City of Oakland needs to be exempted from statutory requirements which could interfere with the vitally necessary adoption of its disaster area redevelopment plan at the earliest possible time.

Therefore, this act must take effect immediately.

CHAPTER 27

An act to add and repeal Section 41601.1 to the Education Code, relating to disaster assistance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1990. Filed with
Secretary of State July 26, 1990.]

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

SECTION 1. Section 41601.1 is added to the Education Code, to read:

41601.1. (a) In consideration of the long-term enrollment loss suffered by the Pajaro Valley Unified School District as a result of the October 17, 1989 earthquake, that district's second principal apportionment for the 1989-90 school year shall be calculated as if its average daily attendance equaled 97.8 percent of its average daily attendance for its second school month of that school year. The increase in the average daily attendance calculated for the second principal apportionment for the Pajaro Valley Unified School District for the 1989-90 school year pursuant to this section shall not apply to the calculation of the enrollment for that district for purposes of Section 14022.3 of the Education Code and subdivision (b) of Section 8 of Article XVI of the California Constitution.

(b) In the 1989-90 fiscal year the Pajaro Valley Unified School District shall be precluded from using the average daily attendance calculation afforded to districts under Section 46392 and, in the 1990-91 fiscal year, it shall be precluded from using the average daily attendance calculation afforded to districts under paragraph (1) of subdivision (a) of Section 42238.5 and instead it shall use its current year average daily attendance for the 1990-91 fiscal year.

(c) This section shall remain in effect only until September 1, 1991, and as of that date is repealed.

SEC. 2. Due to the unique circumstances concerning the Pajaro Valley Unified School District and to the long-term enrollment loss it suffered as a result of the October 17, 1989 earthquake, 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. 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 necessary apportionments to school districts that suffered a loss in average daily attendance due to the October 17, 1989 earthquake, without delay, it is necessary that this act go into effect immediately.

CHAPTER 28

An act to amend Section 66532 of the Government Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 13, 1990. Filed with
Secretary of State August 14, 1990]

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

SECTION 1. The Legislature finds and declares as follows:

(a) On Tuesday, October 17, 1989, an earthquake of the magnitude of 7.0 on the Richter Scale caused grave damage in the San Francisco Bay area.

(b) A one and one-quarter mile segment of State Highway Route 880 in Oakland (the Cypress Street Viaduct) collapsed, causing great loss of life and rendering the highway impassable for an undetermined length of time for the approximately 186,000 commuters who use it daily.

(c) The Embarcadero Freeway and State Highway Route 280 in San Francisco were damaged to an extent necessitating their closure for an undetermined length of time.

(d) Highway 17 connecting Santa Cruz County with Santa Clara County and other San Francisco Bay area destinations, and arterial bridges in Santa Cruz County were severely damaged, requiring the institution of emergency and continuing congestion relief bus service jointly by Santa Clara County and Santa Cruz transportation agencies.

(e) These events make it evident that an emergency transportation system management plan is needed to address the immediate problems, known and unknown, of traveling in and around the San Francisco Bay area as a result of the October 17, 1989, earthquake. The continuing emergency transportation needs have been documented in the report prepared by the Metropolitan Transportation Commission pursuant to Chapter 18 of the 1989-90 First Extraordinary Session.

(f) Due to the ongoing need for the transportation services specified in the Metropolitan Transportation Commission's Emergency Transportation System Management Plan and the declared intent of the Federal Emergency Management Agency (FEMA) to cease emergency service funding as of December 31, 1989, it is the intent of the Legislature to provide continued funding for the emergency services beyond the period of FEMA's commitment.

SEC. 2. Section 66532 of the Government Code is amended to read:

66532. The commission shall develop an emergency transportation system management plan which defines the continuing emergency services required during reconstruction of highway facilities which have been rendered inoperable by the earthquake.

The plan shall be in effect for the period of time needed to restore the damaged sections of State Route 880 in the County of Alameda and State Route 280 and the Embarcadero Freeway in the City and County of San Francisco.

It is the intent of the Legislature that funding shall be provided for those services by subsequent actions of the Legislature.

SEC. 3. (a) Notwithstanding any other provision of law, the funds appropriated to the Metropolitan Transportation Commission by Section 4 shall be allocated by it to the Department of Transportation, to operators as defined in Section 99210 of the Public Utilities Code, and to other transit entities with which the commission contracts, for ongoing operating and capital costs associated with the provision of emergency bus, rail, and ferry transit services, including possible rail service across the Dumbarton Bridge, and public information programs which the commission deems necessary for implementation of the plan developed pursuant to Section 66532 of the Government Code. The commission may also allocate funds to transportation agencies in San Benito, Monterey, and Santa Cruz Counties for operating and capital costs associated with emergency bus and rail transit services provided as a result of earthquake damage in those counties, including interregional bus service provided between Santa Clara County and Santa Cruz on Highway 17, as determined by the commission. In allocating the funds, the commission shall take into account federal emergency funding made available for transportation purposes in the area within the jurisdiction of the commission and federal matching fund requirements.

(b) Emergency services funded pursuant to subdivision (a) shall be subject to the annual audit for each entity receiving funds. The audits shall be made available to the commission not later than 180 days following the end of the fiscal year in which the funds were received. The commission may grant an extension of 90 days for submission of the audit, as it deems necessary.

(c) The Metropolitan Transportation Commission shall make every effort to assist applicable public agencies in securing federal disaster relief aid made available for transportation purposes.

(d) No funds allocated pursuant to this section shall be made available for services provided after December 31, 1990. It is the intent of the Legislature, in adopting this subdivision, that continuation of these services beyond December 31, 1990, be supported by other existing revenue sources which are available to transit operators and other transit entities.

SEC. 4. The sum of three million one hundred fifteen thousand dollars (\$3,115,000) is hereby appropriated to the Controller from the Disaster Relief Fund established by Section 16419 of the Government Code for allocation to the Metropolitan Transportation Commission for the purposes of Section 3 of this act.

SEC. 5. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to 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 that an emergency transportation system management plan may be developed and implemented to effectively deal with disruptions resulting from the damage and destruction of transportation facilities caused by the earthquake of October 17, 1989, and to fund emergency transportation services necessitated by that earthquake, at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 29

An act to amend Section 53313.5 of the Government Code, relating to community facilities districts, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature. Filed with
Secretary of State August 28, 1990]

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

SECTION 1. Section 53313.5 of the Government Code is amended to read:

53313.5. A community facilities district may also finance the purchase, construction, expansion, improvement, or rehabilitation of any real or other tangible property with an estimated useful life of five years or longer or may finance planning and design work which is directly related to the purchase, construction, expansion, or rehabilitation of any real or tangible property. The facilities need not be physically located within the district. A district may not lease out facilities which it has financed except pursuant to a lease agreement or annexation agreement entered into prior to January 1, 1988. A district may only finance the purchase of facilities whose construction has been completed, as determined by the legislative body, before the resolution of formation to establish the district is adopted pursuant to Section 53325.1, except that a district may finance the purchase of facilities completed after the adoption of the resolution of formation if the facility was constructed as if it had been constructed under the direction and supervision, or under the authority of, the local agency. For example, a community facilities district may finance facilities, including, but not limited to, the following:

(a) Local park, recreation, parkway, and open-space facilities.
(b) Elementary and secondary schoolsites and structures provided that the facilities meet the building area and cost standards established by the State Allocation Board.

(c) Libraries.

(d) Child care facilities, including costs of insuring the facilities against loss, liability insurance in connection with the operation of the facility, and other insurance costs relating to the operation of the facilities, but excluding all other operational costs. However, the proceeds of bonds issued pursuant to this chapter shall not be used to pay these insurance costs.

(e) The district may also finance the construction or undergrounding of natural gas pipeline facilities, telephone lines, facilities for the transmission or distribution of electrical energy, and cable television lines to provide access to those services to customers who do not have access to those services or to mitigate existing visual blight. The district may enter into an agreement with a public utility to utilize those facilities to provide a particular service and for the conveyance of those facilities to the public utility. If the facilities are conveyed to the public utility, the agreement shall provide for a refund by the public utility to the district or improvement area thereof for the cost of the facilities. Any reimbursement made to the district shall be utilized to reduce or minimize the special tax levied within the district or improvement area, or to construct or acquire additional facilities within the district or improvement area, as specified in the resolution of formation.

(f) The district may also pay in full all amounts necessary to eliminate any fixed special assessment liens or to repay or defease any indebtedness secured by any tax, fee, charge, or assessment levied within the area of a community facilities district or may pay debt service on that indebtedness.

(g) Any other governmental facilities which the legislative body creating the community facilities district is authorized by law to contribute revenue to, or construct, own, or operate. However, the district shall not operate or maintain or, except as otherwise provided in subdivision (d), have any ownership interest in any facilities for the transmission or distribution of natural gas, telephone service, or electrical energy.

(h) (1) A district may also pay for the following:

(A) Work deemed necessary to bring buildings, including privately owned buildings, into compliance with seismic safety standards or regulations. Only work certified as necessary to comply with seismic safety standards or regulations by local building officials may be financed. No project involving the dismantling of an existing building and its replacement by a new building, nor the construction of a new or substantially new building may be financed pursuant to this subparagraph. Work on qualified historical buildings or structures shall be done in accordance with the State Historical Building Code (Part 2.7 (commencing with Section 18950) of

Division 13 of the Health and Safety Code).

(B) In addition, within counties designated by the President of the United States as disaster areas, a district may also pay for any work deemed necessary to reconstruct, repair, shore up, or replace any building damaged or destroyed by the earthquake which occurred on October 17, 1989, or by its aftershocks. Work may be financed pursuant to this subparagraph only on buildings identified in a resolution of intention to establish a community facilities district adopted prior to October 17, 1994.

(2) Work on privately owned buildings, including reconstruction or replacement of privately owned buildings pursuant to this subdivision, may only be financed by a tax levy if all of the votes cast on the question of levying the tax, vote in favor of levying the tax. Any district created to finance seismic safety work on privately owned buildings, including reconstruction or replacement of privately owned buildings pursuant to this subdivision, shall consist only of lots or parcels on which the legislative body finds that the buildings to be worked on, reconstructed, or replaced, pursuant to this subdivision, are located or were located before being damaged or destroyed by the October 17, 1989, earthquake or its aftershocks.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution 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. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

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

In order to permit community facilities districts to finance the repair and reconstruction of buildings damaged or destroyed by the earthquake which occurred on October 17, 1989, it is necessary that this act take immediate effect.

CHAPTER 30

An act to add Sections 5536.27 and 6706 to the Business and Professions Code, relating to liability, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 19, 1990. Filed with Secretary of State September 20, 1990.]

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

SECTION 1. Section 5536.27 is added to the Business and Professions Code, to read:

5536.27. (a) An architect who voluntarily, without compensation or expectation of compensation, provides structural inspection services at the scene of a declared national, state, or local emergency caused by a major earthquake at the request of a public official, public safety officer, or city or county building inspector acting in an official capacity shall not be liable in negligence for any personal injury, wrongful death, or property damage caused by the architect's good faith but negligent inspection of a structure used for human habitation or a structure owned by a public entity for structural integrity or nonstructural elements affecting life and safety.

The immunity provided by this section shall apply only for an inspection that occurs within 30 days of the earthquake.

Nothing in this section shall provide immunity for gross negligence or willful misconduct.

(b) As used in this section:

(1) "Architect" has the meaning given by Section 5500.

(2) "Public safety officer" has the meaning given in Section 3301 of the Government Code.

(3) "Public official" means a state or local elected officer.

SEC. 2. Section 6706 is added to the Business and Professions Code, to read:

6706. (a) An engineer who voluntarily, without compensation or expectation of compensation, provides structural inspection services at the scene of a declared national, state, or local emergency caused by a major earthquake at the request of a public official, public safety officer, or city or county building inspector acting in an official capacity shall not be liable in negligence for any personal injury, wrongful death, or property damage caused by the engineer's good faith but negligent inspection of a structure used for human habitation or owned by a public entity for structural integrity or nonstructural elements affecting life and safety.

The immunity provided by this section shall apply only for an inspection that occurs within 30 days of the earthquake.

Nothing in this section shall provide immunity for gross negligence or willful misconduct.

(b) As used in this section:

(1) "Engineer" means a person registered under this chapter as a professional engineer, including any of the branches thereof.

(2) "Public safety officer" has the meaning given in Section 3301 of the Government Code.

(3) "Public official" means a state or local elected officer.

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 encourage the prompt inspection of potentially dangerous structures, it is necessary for this act to take effect immediately.

CHAPTER 31

An act relating to earthquake safety, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 20, 1990 Filed with
Secretary of State September 21, 1990]

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

SECTION 1. For the purposes of the Earthquake Safety and Public Buildings Rehabilitation Bond Act of 1990 (Chapter 12.47 (commencing with Section 8878.50) of Division 1 of Title 2 of the Government Code), and in accordance with subdivision (d) of Section 8878.55 of the Government Code, there is hereby appropriated one hundred forty thousand dollars (\$140,000) from the Earthquake Safety and Public Buildings Rehabilitation Fund of 1990 to the Seismic Safety Commission for use during the 1990-91 fiscal year for the purpose of establishing guidelines for the administration and disbursement of funds.

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 immediate commencement of the Proposition 122 earthquake hazards research program to begin so that research can be completed prior to and applied to the seismic retrofit of state and local government buildings and facilities, it is essential that this act take immediate effect.

CHAPTER 32

An act relating to economic development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 22, 1990 Filed with
Secretary of State September 24, 1990]

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

SECTION 1. (a) The sum of two million five hundred fifty-three thousand dollars (\$2,553,000) is hereby appropriated from the Disaster Relief Fund, pursuant to the purposes stated in Chapter 14 of the Statutes of 1989, First Extraordinary Session, to the Department of Commerce in order to fund the 25 percent local match required for eligibility for United States Department of Commerce Economic Development Administration grants for the five projects specified in subdivision (b). It is the intent of this act that these projects receive funding to pay the local match for these federal grants awarded to areas that sustained damage in the Loma Prieta earthquake to help mitigate the job loss or create new job opportunities.

(b) The five projects to be funded pursuant to this act are as follows:

(1) County of Santa Cruz jailhouse project, six hundred forty thousand dollars (\$640,000).

(2) City of Santa Cruz parking structure, six hundred forty thousand dollars (\$640,000).

(3) Santa Cruz County Port District retaining wall, two hundred forty-five thousand dollars (\$245,000).

(4) City of Hollister sewer lines, five hundred thousand dollars (\$500,000).

(5) City of Watsonville parking structure, five hundred twenty-eight thousand dollars (\$528,000).

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:

In order that important projects may be undertaken by local agencies in the area damaged by the Loma Prieta earthquake as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 33

An act to amend Section 8680.2 of, to amend and repeal Section 8680.25 of, and to repeal Section 8686.1, as added by Chapter 23 of the Statutes of the 1989-90 First Extraordinary Session, of, the Government Code, relating to disaster relief.

[Approved by Governor September 22, 1990. Filed with Secretary of State September 24, 1990.]

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

SECTION 1. Section 8680.2 of the Government Code is amended to read:

8680.2. "Local agency" means any city, city and county, county, county office of education, community college district, school district, or special district.

SEC. 2. Section 8680.25 of the Government Code is amended to read:

8680.25. For purposes of disaster assistance associated with the October 17, 1989, earthquake, a private nonprofit organization which is eligible for disaster assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 100-707, 42 U.S.C. Sec. 5121 and following) shall also be eligible for, and may receive, state assistance in the manner described for other applicants under this chapter subject to the limitations specified in Section 8686.1. This section shall apply only with respect to disaster assistance associated with the October 17, 1989, earthquake and to private nonprofit organizations which have filed with the Office of Emergency Services, in accordance with the final deadline established by that office, a notice of interest as defined in Section 206.202(c) of Title 44 of the United States Code of Federal Regulations.

This section shall remain in effect only until January 1, 1992, and as of that date is repealed.

SEC. 3. The repeal of Section 8680.25 of the Government Code pursuant to Section 2 of this act, shall not affect assistance under the Natural Disaster Assistance Act, Chapter 7.5 (commencing with Section 8680) of Division 1 of Title 2 of the Government Code, to any private nonprofit organization which has filed with the Office of Emergency Services a timely notice of interest, as described in Section 8680.25 of the Government Code.

SEC. 4. Section 8686.1 of the Government Code, as added by Section 2 of Chapter 23 of the Statutes of the 1989-90 First Extraordinary Session, is repealed.

SEC. 5. Section 8686.1 of the Government Code, as added by Section 4.5 of Chapter 23 of the Statutes of the 1989-90 First Extraordinary Session, is repealed.

CHAPTER 34

An act to add Section 15054.1 to the Health and Safety Code, relating to seismic safety, and making an appropriation therefor.

[Approved by Governor September 22, 1990. Filed with Secretary of State September 24, 1990]

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

SECTION 1. The Legislature finds and declares all of the following:

(a) Existing law provides for the protection of patients housed in hospitals and health care facilities who are unable to protect themselves in the event of a natural disaster. Because of this, and the need for providing services to the public after a disaster, hospitals have been required to be designed and constructed to resist insofar as practical, the forces generated by earthquake, gravity, and winds.

(b) The delivery of health care services is changing and services that were traditionally provided solely by hospitals are now provided in other settings as well.

SEC. 2. Section 15054.1 is added to the Health and Safety Code, to read:

15054.1. The Office of Statewide Health Planning and Development, in cooperation with the California Seismic Safety Commission, Emergency Medical Services Authority, State Department of Health Services, State Fire Marshal, the office of the State Architect, and representatives from the health care industry shall design a policy study identifying health care services required during and after a disaster and seismic standards for those services, and a financial strategy which would enable identified settings to meet those standards. The design of the study shall include an assessment of the capacity, efficacy, and demand for medical services provided in nonhospital settings following a disaster.

SEC. 3. The sum of twenty-five thousand dollars (\$25,000) is hereby appropriated from the Hospital Building Account of the Architecture Public Building Fund to the Office of Statewide Health Planning and Development to design the study described in Section 2 of this act.

CHAPTER 35

An act to add Section 22238.1 to the Education Code, to add Section 20218 to the Government Code, relating to public retirement systems.

[Approved by Governor September 22, 1990 Filed with
Secretary of State September 24, 1990.]

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

SECTION 1. Section 22238.1 is added to the Education Code, to read:

22238.1. The board may, subject to and consistent with its fiduciary duty, establish a program utilizing the retirement fund to assist currently employed members and retirants who are victims of a natural disaster to obtain loans from the retirement fund for the sole purpose of repairing or rebuilding their homes which have been damaged by a natural disaster. In order to qualify for such a loan, the home of the member or retirant shall have been damaged by a natural disaster and the home shall have been in an area that has been declared a disaster area in a proclamation of the Governor of a state of emergency affecting the area in which the member or retirant resides.

The board may loan any amount of money, up to and including 100 percent of the current appraised value of a home of a member or retirant. However, 5 percent of the loan may, at the discretion of the board, be secured by the contributions of the member who requests the loan.

The board may, under such conditions as it may deem prudent, require that a member or retirant pledge other assets as collateral for a loan.

The board shall establish terms for the termination of loans made pursuant to this section upon the separation of members from service, to ensure, in the case of any default, that the system shall not suffer any loss and to provide, as a condition of retirement, for alternative security. The board may impose such other terms and conditions as the board may determine appropriate.

The Legislature hereby reserves full power and authority to change, revise, limit, expand, or repeal the loan program authorized by this section.

SEC. 2. Section 20218 is added to the Government Code, to read:

20218. The board may, subject to and consistent with its fiduciary duty, establish a program utilizing the retirement fund to assist currently employed members and annuitants who are victims of a natural disaster to obtain loans from the retirement fund for the sole purpose of repairing or rebuilding their homes which have been damaged by a natural disaster. In order to qualify for such a loan the home of the member or annuitant shall have been damaged by a

natural disaster and the home shall have been in an area that has been declared a disaster area in a proclamation of the Governor of a state of emergency affecting the area in which the member or annuitant resides.

The board may loan any amount of money, up to and including 100 percent of the costs of repairing or rebuilding a home of a member or annuitant. However, 5 percent of the loan shall be secured by the contributions of the member who requests the loan.

The board may, under such conditions as it may deem prudent, require that a member or annuitant pledge other assets as collateral for a loan.

The board shall establish terms for the termination of loans made pursuant to this section upon the separation of members from service, to ensure, in the case of any default, that the system shall not suffer any loss, and to provide, as a condition of retirement, for alternative security. The board may impose such other terms and conditions as the board may determine appropriate.

The Legislature hereby reserves full power and authority to change, revise, limit, expand, or repeal the loan program authorized by this section.

CHAPTER 36

An act to add Sections 5536.5, 6788, and 7028.16 to the Business and Professions Code, and to add Section 670 to the Penal Code, relating to crimes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 22, 1990 Filed with
Secretary of State September 24, 1990]

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

SECTION 1. Section 5536.5 is added to the Business and Professions Code, to read:

5536.5. Any person who violates subdivision (a) of Section 5536 in connection with the offer or performance of architectural services for the repair of damage to a residential or nonresidential structure caused by a natural disaster for which a state of emergency is proclaimed by the Governor pursuant to Section 8625 of the Government Code, or for which an emergency or major disaster is declared by the President of the United States, shall be punished by a fine up to ten thousand dollars (\$10,000), or by imprisonment in the state prison for 16 months, or for two or three years, or by both the fine and imprisonment, or by a fine up to one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding one year, or by both the fine and imprisonment.

SEC. 2. Section 6788 is added to the Business and Professions

Code, to read:

6788. Any person who violates any provision of subdivisions (a) to (i), inclusive, of Section 6787 in connection with the offer or performance of engineering services for the repair of damage to a residential or nonresidential structure caused by a natural disaster for which a state of emergency is proclaimed by the Governor pursuant to Section 8625 of the Government Code, or for which an emergency or major disaster is declared by the President of the United States, shall be punished by a fine up to ten thousand dollars (\$10,000), or by imprisonment in the state prison for 16 months, or for two or three years, or by both the fine and imprisonment, or by a fine up to one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding one year, or by both the fine and imprisonment.

SEC. 3. Section 7028.16 is added to the Business and Professions Code, to read:

7028.16. Any person who engages in the business or act in the capacity of a contractor, without having a license therefor, in connection with the offer or performance of repairs to a residential or nonresidential structure for damage caused by a natural disaster for which a state of emergency is proclaimed by the Governor pursuant to Section 8625 of the Government Code, or for which an emergency or major disaster is declared by the President of the United States, shall be punished by a fine up to ten thousand dollars (\$10,000), or by imprisonment in the state prison for 16 months, or for two or three years, or by both the fine and imprisonment, or by a fine up to one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding one year, or by both the fine and imprisonment.

SEC. 4. Section 670 is added to the Penal Code, to read:

670. (a) Any person who violates Section 7158 or 7159 of, or subdivision (b), (c), (d), or (e) of Section 7161 of, the Business and Professions Code or Section 470, 484, 487, or 532 of this code as part of a plan or scheme to defraud an owner or lessee of a residential or nonresidential structure in connection with the offer or performance of repairs to the structure for damage caused by a natural disaster specified in subdivision (b), shall be subject to the penalties and enhancements specified in subdivisions (c) and (d). The existence of any fact which would bring a person under this section shall be alleged in the information or indictment and either admitted by the defendant in open court, or found to be true by the jury trying the issue of guilt or by the court where guilt is established by a plead of guilty or nolo contendere or by trial by the court sitting without a jury.

(b) This section applies to natural disasters for which a state of emergency is proclaimed by the Governor pursuant to Section 8625 of the Government Code or for which an emergency or major disaster is declared by the President of the United States.

(c) The maximum or prescribed amounts of fines for offenses

subject to this section shall be doubled. If the person has been previously convicted of a felony offense specified in subdivision (a), the person shall receive a one-year enhancement in addition to, and to run consecutively to, the term of imprisonment for any felony otherwise prescribed by this subdivision.

(d) Additionally, the court shall order any person sentenced pursuant to this section to make full restitution to the victim or to make restitution to the victim based on the person's ability to pay, as defined in subdivision (b) of Section 1203.1b. The payment of the restitution ordered by the court pursuant to this subdivision shall be made a condition of any probation granted by the court for an offense punishable under this section. Notwithstanding any other provision of law, the period of probation shall be at least five years or until full restitution is made to the victim, whichever first occurs.

(f) Notwithstanding any other provision of law, the prosecuting agency shall be entitled to recover its costs of investigation and prosecution from any fines imposed for a conviction under this section.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for those costs which may be incurred by a local agency or school district 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. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to 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 protect victims of the October 17, 1989, northern California earthquake from repair frauds, and in order to prevent unlicensed contractors, engineers, and architects from victimizing persons suffering property damage caused by the northern California earthquake of October 17, 1989, without delay, it is necessary that this act take effect immediately.

CHAPTER 37

An act to add Sections 7204.02 and 7271.05 to, and to add and repeal Sections 7204.01, 7204.03, and 7271.03 of, the Revenue and Taxation Code, relating to earthquake assistance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 25, 1990. Filed with Secretary of State September 25, 1990]

I am reducing the appropriation contained in Section 6 of Senate Bill No. 30X from ten million dollars (\$10,000,000) to three million dollars (\$3,000,000).

This bill would appropriate \$10,000,000 for a loan program designed to assist counties and cities that may have suffered a reduction of sales tax revenue due to the Loma Prieta Earthquake of October 17, 1989.

I believe that the reduced appropriation will be adequate to fund loans pursuant to this program. Given our current fiscal situation, this reduction will ensure that the General Fund is not unnecessarily restricted in a time of limited resources.

The demands placed on budget resources require all of us to set priorities. With legislation I will be signing and the Budget enacted in July 1990, more than \$54 billion in state funds will be appropriated this fiscal year. This amount is more than adequate to provide the necessary essential services provided for by State Government. It is not necessary to put additional pressure on taxpayer funds for programs that fall beyond the priorities currently provided

With this reduction, I approve Senate Bill 30X

GEORGE DEUKMEJIAN, Governor

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

SECTION 1. Section 7204.01 is added to the Revenue and Taxation Code, to read:

7204.01. (a) With regard to transmittals pursuant to Section 7204 to each city, county, and city and county within the disaster area designated by the President of the United States as a result of the earthquake of October 17, 1989, the State Board of Equalization shall calculate the difference between the transmittals to each city, county, and city and county for the fourth calendar quarter of 1989 and the first calendar quarter of 1990 and the corresponding transmittals for the fourth calendar quarter of 1988 and the first calendar quarter of 1989. The State Board of Equalization shall, on or before January 1, 1991, notify each city, county, and city and county of the amounts of the differences and certify the amounts to the Controller.

(b) Within 10 days after the first notification pursuant to subdivision (a), the legislative body of a city, county, or city and county which received amounts which are less than the amounts received for the last calendar quarter of 1988 and the first calendar quarter of 1989, may request the Controller to transmit, from the Earthquake Disaster Revenue Stabilization Assistance Fund established pursuant to Section 7204.03, the amounts of the differences, provided the total amount requested is no less than ten thousand dollars (\$10,000). Requests submitted pursuant to this subdivision shall be submitted on or before December 1, 1991, and

shall include findings adopted by the legislative body that the amount of the difference is directly attributable to the earthquake of October 17, 1989.

(c) Within 10 days of receiving a request pursuant to subdivision (b), the Controller shall transmit the requested amount.

(d) Notwithstanding any other provision of this section, if the Controller determines that the amount of sales tax revenue received by the State of California in the fourth calendar quarter of 1989 and the first calendar quarter of 1990 is less than the amount received in the corresponding quarters of the immediately preceding calendar year, the Controller shall reduce the amounts transmitted pursuant to subdivision (c) in proportion to that reduction.

(e) This section shall remain in effect only until January 1, 1992, and as of that date is repealed.

SEC. 2. Section 7204.02 is added to the Revenue and Taxation Code, to read:

7204.02. (a) On or before March 1, 1992, the Controller shall calculate the total amount that has been transmitted to each city, county, and city and county pursuant to Section 7204.01, and shall provide those calculations to the State Board of Equalization.

(b) Beginning on July 1, 1992, and for each year thereafter to July 1, 1997, inclusive, the State Board of Equalization shall reduce the amounts that would otherwise be transmitted to each affected city, county, and city and county pursuant to Section 7204 by an amount sufficient to recover one-fifth of the amount transmitted to the city, county, or city and county pursuant to subdivision (c) of Section 7204.01, plus interest after January 1, 1992, or the other applicable date, at the annual rate of 3½ percent. The board shall distribute the reductions in transmittals over the fiscal year in the manner it determines to be least disruptive to each affected city, county, and city and county.

(c) The board shall transmit the amounts withheld from each affected city, county, and city and county, and the interest amounts pursuant to subdivision (b) to the Special Fund for Economic Uncertainties.

SEC. 3. Section 7204.03 is added to the Revenue and Taxation Code, to read:

7204.03. (a) The Earthquake Disaster Revenue Stabilization Assistance Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, the fund is continuously appropriated, without regard to fiscal years, for the purposes of the transmittals required pursuant to Sections 7204.01 and 7271.03.

(b) This section shall remain in effect only until January 1, 1992, and as of that date is repealed.

(c) Any moneys remaining in the Earthquake Disaster Revenue Stabilization Assistance Fund at the time of its repeal shall revert to the Special Fund for Economic Uncertainties.

SEC. 4. Section 7271.03 is added to the Revenue and Taxation

Code, to read:

7271.03. (a) With regard to transmittals pursuant to Section 7271 to the Santa Cruz Metropolitan Transit District, the State Board of Equalization shall calculate the difference between the transmittals to that district for the fourth calendar quarter of 1989 and the first calendar quarter of 1990 and the corresponding transmittals for the fourth calendar quarter of 1988 and the first calendar quarter of 1989. The State Board of Equalization shall, on or before January 1, 1991, notify the Santa Cruz Metropolitan Transit District of the amounts of the differences and certify those amounts to the Controller.

(b) Within 10 days after the first notification pursuant to subdivision (a), the governing body of the Santa Cruz Metropolitan Transit District, if that district has received total amounts less than corresponding amounts received for the the fourth calendar quarter of 1988 and the first calendar quarter of 1989, may request the Controller to transmit, from the Earthquake Disaster Revenue Stabilization Assistance Fund established pursuant to Section 7204.03, the amounts of the differences, provided that the total amount requested is no less than ten thousand dollars (\$10,000). Requests submitted pursuant to this subdivision shall be submitted on or before December 1, 1991, and shall include findings by the district's governing body that the amounts of the differences are directly attributable to the earthquake of October 17, 1989.

(c) Within 10 days of receiving a request pursuant to subdivision (b), the Controller shall transmit the requested amount.

(d) Notwithstanding any other provision of this section, if the Controller determines that the amount of sales tax revenue received by the State of California in the fourth calendar quarter of 1989 and the first calendar quarter of 1990 is less than the amount received in the corresponding quarters of the immediately preceding calendar year, the Controller shall reduce the amounts transmitted pursuant to subdivision (c) in proportion to that reduction.

(e) This section shall remain in effect only until January 1, 1992, and as of that date is repealed.

SEC. 5. Section 7271.05 is added to the Revenue and Taxation Code, to read:

7271.05. (a) On or before March 1, 1992, the Controller shall calculate the total amount that has been transmitted to the Santa Cruz Metropolitan Transit District pursuant to Section 7271.03, and provide those calculations to the State Board of Equalization.

(b) Beginning on July 1, 1992, and for each year thereafter to July 1, 1997, inclusive, the State Board of Equalization shall reduce the amounts that would otherwise be transmitted to the Santa Cruz Metropolitan Transit District pursuant to Section 7271 by an amount sufficient to recover one-fifth of the amount transmitted to that district pursuant to subdivision (c) of Section 7271.03, plus interest after January 1, 1992, or the other applicable date, at the annual rate of 3½ percent. The board shall distribute the reductions in transmittals over the fiscal year in the manner it determines to be

least disruptive to the district.

(c) The board shall transmit the amounts withheld from the Santa Cruz Metropolitan Transit District and the interest amounts pursuant to subdivision (b) to the Special Fund for Economic Uncertainties.

SEC. 6. The sum of ten million dollars (\$10,000,000) is hereby transferred from the Special Fund for Economic Uncertainties to the Earthquake Disaster Revenue Stabilization Assistance Fund created pursuant to 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 to provide prompt financial assistance to those cities, counties, cities and counties, and districts which were severely damaged by the earthquake, aftershocks, or related events commencing in northern California on October 17, 1989, it is necessary that this act go into immediate effect.

CONCURRENT RESOLUTION

1989-90

FIRST EXTRAORDINARY SESSION

1989-90 RESOLUTION CHAPTER

RESOLUTION CHAPTER 1

Senate Concurrent Resolution No. 1—Relative to the Joint Rules for the 1989-90 First Extraordinary Session.

[Filed with Secretary of State November 3, 1989.]

WHEREAS, The Senate and the Assembly have not adopted Temporary Joint Rules for the 1989-90 Regular Session; and

WHEREAS, Until joint rules are adopted for the 1989-90 Regular Session, under parliamentary law, Senate and Assembly matters covered by the joint rules are governed by usages and customs (see Mason, Manual of Legislative Procedure (1979 Edition), Section 39); and

WHEREAS, In this regard, the primary determinant of Senate and Assembly usages and customs on these matters are the joint rules in effect for the preceding session (see Mason, Manual of Legislative Procedure (1979 Edition), Section 39); and

WHEREAS, The Temporary Joint Rules of the Senate and Assembly for the 1987-88 Regular Session are the joint rules in effect for the preceding session; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Temporary Joint Rules of the Senate and Assembly for the 1987-88 Regular Session, except Joint Rules 51, 54, 55, 61, and the provision of Joint Rule 62(a) requiring that notice of a hearing of a bill be published in the Daily File, shall govern relations between the Senate and Assembly for the 1989-90 First Extraordinary Session.