

AMENDED IN SENATE JUNE 29, 2002

AMENDED IN SENATE JUNE 24, 2002

AMENDED IN ASSEMBLY JUNE 6, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 3000**

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**Introduced by Committee on Budget (Oropeza (Chair), Aroner, Cardenas, Cardoza, Cedillo, Diaz, Dutra, Firebaugh, Horton, Keeley, Simitian, Steinberg, Vargas, and Wright)**

March 4, 2002

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An act to amend Sections 7342 and 17591 of the Business and Professions Code, to amend Section 1540 of the Code of Civil Procedure, to amend Section 37220.6 of, and to add and repeal Section 37220.8 of, the Education Code, to amend Sections 910.4, 915.2, 935.7, 7299.4, 7299.6, 10205, 13103.5, *13915*, 14612, 15323.5, 16429.1, 16475, 16475.5, 16724.6, 16727, 16731.6, ~~and 17311~~ *17551, 17558.5, 17561, 17562, and 17564* of, to amend, repeal, and add Section 12439 of, to add Sections ~~14011.50~~, 14612.5, 14669.21, 15320, 15364.725, 15605.5, and 16320 to, and to add and repeal Section 68087 of, the Government Code, to amend Sections 18909, 18913, 18937, 18938, 18942, and 18943 of the Health and Safety Code, to add Section 12907 to the Insurance Code, to amend Sections 62.5, 142, 142.3, and 1777.5 of, and to repeal Section 142.6 of, the Labor Code, to amend Sections 830.5, 1203.1d, 6045.8, and 13601 of, to add Section 2933.3 to, and to add and repeal Section 1465.7 of, the Penal Code, to amend Sections 309.5 and 3340 of the Public Utilities Code, to amend Sections 13563, 19521, and 40016 of, and to add Section 30018 to, the Revenue and Taxation Code, to amend Section 13260 of the Water Code, and to

amend Section 3053 of, and to add Section 3055 to, the Welfare and Institutions Code, relating to state and local government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 3000, as amended, Committee on Budget. State and local government.

(1) Existing law provides for the licensing and regulation of persons engaged in barbering and cosmetology by the Bureau of Barbering and Cosmetology of the Department of Consumer Affairs. Existing law establishes the conditions for issuance of a license by the bureau.

This bill would require the bureau to issue the license on the same day as an applicant satisfactorily passes the examination.

(2) Existing law prohibits certain unfair business practices, including certain advertising practices. Existing law, effective January 1, 2003, requires the Attorney General to maintain a “do not call” list, containing the telephone numbers and ZIP Codes of residential or wireless telephone subscribers who do not wish to receive unsolicited and unwanted telephone calls from telephone solicitors and prohibits solicitors from calling those numbers, subject to certain exceptions. Existing law requires fees paid in connection with the “do not call” list to be deposited in the Special Telephone Solicitors Fund, including a fee charged by the Attorney General to subscribers, which may not exceed \$1 on a triennial basis.

This bill would provide that this fee may not exceed \$5 on a triennial basis.

(3) Existing law provides for the payment of interest at specified rates on the amount of unclaimed property claims, overpayments of estate taxes, and overpayments of corporation taxes.

This bill would provide that the interest rate shall be the lesser of 5% or the bond equivalent rate of 13-week United States Treasury bills, as specified.

(4) Existing law creates the Cesar Chavez Day of Service and Learning program and authorizes the California Commission on Improving Life Through Service to make grants to local and state operated Americorps or Conservation Corps programs that submit proposals to engage pupils through their schools and school districts in community service that qualifies as instructional time on Cesar Chavez



Day and that honors the life and work of Cesar Chavez, and makes an annual appropriation of \$5,000,000 for these purposes.

This bill instead would provide that the Governor's Office on Service and Volunteerism shall administer the program. The bill also would authorize the Governor's Office on Service and Volunteerism to make grants to community-based organizations that have a capacity to design and implement high quality service and learning opportunities to pupils in kindergarten and in grades 1 to 12, inclusive.

(5) Existing law establishes the holidays to which state employees in the executive branch of government, including the Legislative Counsel and the employees of the Legislative Counsel Bureau, are entitled.

This bill would require that the Legislative Counsel and the employees of the Legislative Counsel Bureau observe any holiday to which the Legislative Counsel and the employees of the Legislative Counsel Bureau are entitled and that is also observed by the Legislature on the same day that the holiday is observed by the Legislature.

(6) The existing Tort Claims Act provides for the liability and immunity of a governmental entity for its acts or omissions that cause harm to persons. Existing law provides that any claim for money or damages against the state or local agency is required to be presented to the State Board of Control, in the case of a claim made against the state, or a local board, in the case of a claim made against a local agency, within a specified period of time. Existing law permits the appropriate board to provide forms specifying the information required to be contained in the claim and specifies the circumstances under which a claim is deemed to have been presented in conformity with law.

This bill would instead require the appropriate board to provide those forms and would require each claim made against the public entity to be presented using those forms, as specified. By requiring a board of a local agency to provide those forms, the bill would impose a state-mandated local program.

Existing law requires a claim to be acted on within 45 days after the claim has been presented. Existing law specifies that a claim is deemed to have been presented and received at the time it is deposited in the United States mail system.

This bill would provide that any period of notice and any duty to respond after receipt of service of a claim, amendment, application, or notice is extended for a specified period of days depending upon



whether the place of address is within California, the United States, or outside the United States.

Existing law permits the Department of Transportation to adjust and pay any claim against the department if, among other things, the amount paid is \$1,000 or less.

This bill would increase that applicable amount to \$5,000 or less.

Other provisions of existing law have renamed the State Board of Control the Victim Compensation and Government Claims Board.

This bill would amend the references to the State Board of Control in the Tort Claims Act to refer to the Victim Compensation and Government Claims Board.

(7) The Dymally-Alatorre Bilingual Services Act requires each state agency to conduct a survey of its local offices every 2 years regarding their public contact positions and the provision of bilingual services as specified. Existing law also requires the State Personnel Board to compile the results of the survey, and provide it in a report to the Legislature every 2 years.

This bill would require the survey to include additional information, as specified. The bill would require each state agency to conduct an assessment and to develop and update an implementation plan that complies with the act. The bill would require the implementation plan to include specified information regarding the agency's procedures used to implement the act. The bill would revise and expand the duties of the State Personnel Board with regard to the surveys and implementation plans, and the report required to be submitted by the board.

~~(8) Existing law requires the Department of General Services to perform various functions with respect to state real property.~~

~~This bill would authorize the Director of General Services to sell, lease, or exchange specified real property in the City of Santa Clara.~~

~~(9) Existing law requires the Controller, commencing July 1, 2001, to abolish any state position that was vacant continuously for 6 consecutive monthly pay periods during the period between July 1 and June 30 of the preceding fiscal year. Existing law also requires that positions that were continuously vacant for 6 consecutive monthly pay periods during a fiscal year because of a hiring freeze in effect during part or all of that period be abolished unless the Director of Finance is notified of the need for, and approves of, the continuance of the positions. Existing law provides that the only exceptions to abolishment under these provisions are positions exempt from civil service or~~



instructional and instruction-related positions authorized for the California State University. Existing law also imposes upon the Controller reporting requirements related to these provisions.

This bill would, operative July 1, 2002, repeal and reenact these provisions. The bill would specify that the 6 consecutive monthly pay periods need not occur within a single fiscal year. The bill would also permit the Director of Finance to authorize the reestablishment of positions abolished under these provisions for certain additional reasons, would require the Controller to reestablish positions if specified criteria are met, would modify the Controller's reporting requirements, and would impose specified reporting requirements on each state department, as defined.

~~(10)~~

(9) Existing law requires the Department of Finance to prepare an annual audit report examining any expenditures made pursuant to allocations authorized to be made from the Transportation Investment Fund pursuant to specified provisions of the California Constitution, and to make the report available to the public and submit it to both houses of the Legislature.

This bill, instead, would authorize the department to perform audits, as it deems necessary, of the allocations or expenditures made in accordance with those constitutional provisions, and would require that any audit performed be reported to both houses of the Legislature. It would also make a technical, nonsubstantive change.

~~(11)~~

(10) Existing law requires the Department of General Services to commit itself to 2 specified categories of services, and sets forth the conditions pursuant to which the director of the department, notwithstanding existing statutes and regulations, is required or authorized, among other things, to transfer funds, provide relief from accountability for debts, procure goods from the private sector even though the goods may be available through the Prison Industry Authority, certify funds for the payment of specified legal settlements and tort claims, and approve specified departmental forms in lieu of the Director of Finance.

Existing law also exempts state agencies from using the Office of State Publishing for their printing needs and requires state agencies, when soliciting bids for printing services from the private sector, to solicit a bid from the Office of State Publishing when the project is anticipated to cost more than \$5,000.



Existing law provides that these provisions become inoperative on the effective date of the Budget Act of 2002, or June 30, 2002, whichever occurs later, and are repealed on January 1, 2003.

This bill would provide that these provisions shall remain operative only until the effective date of the Budget Act of 2003, or June 30, 2003, whichever occurs later, and as of January 1, 2004, are repealed.

Existing law permits the state to enter into personal services contracts only when specified criteria are met.

This bill would provide that for state printing procurement purposes, printing is not considered a personal service contract.

~~(12)~~

(11) Existing law authorizes the Director of General Services to hire, lease, lease-purchase, or lease with the option to purchase any real or personal property for the use of any state agency, if the director deems the hiring or leasing is in the best interests of the state.

This bill would authorize the director to acquire, develop, design, and construct a regional criminal justice laboratory, necessary infrastructure, and related parking on the California State University's Los Angeles campus. The director would also be authorized to enter into a long-term ground lease, for 75 years, with the Trustees of the California State University for the land, within the Los Angeles campus, upon which the project would be constructed. This bill would authorize the State Public Works Board to issue lease revenue bonds, negotiable notes, or negotiable bond anticipation notes, not to exceed \$92,000,000 plus additional specified sums, for the acquisition, development, design, and construction of the project. The board and the Office of Criminal Justice Planning would be authorized to borrow funds for project costs from the Pooled Money Investment Account or from any other appropriate source. This bill would provide that if the authorized bonds are not sold, the Office of Criminal Justice Planning shall commit a sufficient amount of its support appropriation to repay any loans made for the project.

This bill would authorize the Office of Criminal Justice Planning to execute a contract with the board for the lease of the regional crime laboratory facilities that are financed with the proceeds of the board's bonds. This bill would also authorize the Office of Criminal Justice Planning, with the consent of the board and the Department of General Services, to enter into contracts and subleases with specified parties for the use, maintenance, and operation of the regional crime laboratory facilities. This bill would require the Department of General Services



to assign the ground lease to the Los Angeles Regional Crime Laboratory Facility Authority, or its successor agency, once the specified bonds or notes have been paid in full.

~~(13)~~

(12) Existing law generally sets forth the duties of the Technology, Trade, and Commerce Agency in developing and implementing various programs for the promotion of economic opportunities in the state.

This bill would require the agency to develop an agency-wide strategic plan covering a minimum of five years, and to include specified components, in order to better integrate program efforts and to highlight current state priorities. It would require the agency to ensure that short-term plans for programs within the agency are aligned with the agency-wide strategic plan, and, commencing February 15, 2003, to report annually to specified committees of the Legislature on its progress in implementing a strategic approach to its planning.

~~(14)~~

(13) Existing law creates within state government the Technology, Trade, and Commerce Agency and requires it to maintain regional offices in specified locations in the state, including the greater San Diego area. Under existing law, the San Diego regional office is required at least annually to make recommendations to the Governor and Legislature to improve the economic status of the San Diego border area.

This bill would authorize, rather than require, the agency to maintain regional offices in these specified locations. The bill would additionally authorize the agency to maintain regional offices in other areas of the state. The bill would also require the San Diego regional office to submit as appropriate rather than annually.

Existing law provides for the establishment of international trade and investment offices and the administration of those offices by the International Trade and Investment Division within the Technology, Trade, and Commerce Agency.

This bill would require the proponent of any new international trade and investment office to submit a proposed business plan for the office, with specified information, to the agency. It would require the agency, to the extent funds are available for that purpose, to evaluate the business plans and submit the evaluations to the Legislature.

The bill would require each international trade and investment office to annually provide specified baseline information and a report to the



agency, and would require the agency to submit these annual reports to the Legislature.

~~(15)~~

(14) The California Constitution provides that specified persons are exempt from civil service. Existing law requires the Governor to determine the distribution in executive agencies of deputies or employees selected pursuant to specified provisions of the California Constitution. Existing law also imposes various duties on the State Board of Equalization.

This bill would authorize each member of the State Board of Equalization to request that the Governor convert one civil service position of the board to be exempt from civil service, as provided.

*(15) Existing law establishes the California Victim Compensation and Government Claims Board consisting of the Director of General Services, the Controller, and a 3rd member appointed by the Governor. Existing law requires the board to schedule its meetings for the purposes of receiving and acting upon claims so that meetings are held in southern California at least once in every 2 consecutive calendar months, and to hear a claim at the location designated as a preferred location where the board holds its meetings.*

*This bill instead would require the board to hold regular meetings in Sacramento and would authorize other meetings within the state as a majority of the board directs.*

(16) Existing law establishes and authorizes the expenditure of moneys from various accounts and funds in the State Treasury, including continuously appropriated funds. Existing law authorizes loans between accounts and funds under specified circumstances and subject to specified conditions, and sets forth the duties of the Director of Finance in that regard.

This bill would authorize, unless otherwise prohibited by law, moneys in the State Treasury to be loaned from one state fund or account to any other state fund or account to address the 2002–03 fiscal year budgetary shortfall, subject to specified conditions. It would authorize the Director of Finance to order the repayment of all or a portion of any of these loans if he or she determines that either of specified circumstances exists, and to make specified reports to the Chairperson of the Joint Legislative Budget Committee with respect to the loans. By providing for the addition of moneys to continuously appropriated funds, this bill would make an appropriation.



(17) Existing law establishes in the State Treasury the continuously appropriated Local Agency Investment Fund to which a local agency, local governmental unit, or local governmental official, with the consent of the governing body of the agency, may remit money in its treasury that is not required for immediate needs for the purpose of investment to be held for a time determined by the local governmental unit. Existing law requires, immediately at the conclusion of each calendar quarter, that all interest earned and other increment derived from investments be distributed by the Controller to the contributing governmental units or trustees or fiscal agents, nonprofit corporations, and quasi-governmental agencies in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts remained therein.

Existing law requires, however, that an amount equal to the reasonable costs incurred in carrying out duties related to the administration of the fund, not to exceed  $\frac{1}{2}$  of 1% of the earnings of the fund, be deducted from the earnings prior to distribution, and that this amount be credited as reimbursements to the state agencies having incurred costs in carrying out duties related to the administration of the fund.

This bill would specify that these state agencies include the Treasurer, the Controller, and the Department of Finance.

Existing law requires moneys in the Surplus Money Investment Fund to be invested by the State Treasurer as a part of the Pooled Money Investment Account. Existing law requires, as of each December 31 and June 30, that all interest earned and other increment derived from these investments, upon order of the Controller, to be deposited into the Surplus Money Investment Fund. Existing law further requires the Controller, after deducting an amount equal to the reasonable costs incurred by the Treasurer and the Controller in carrying out provisions related to the Surplus Money Investment Fund, to apportion interest earned and other increment derived from these investments into various funds. Existing law also provides that as of December 31 and June 30 each year all interest earned and other increment derived from investment of money in the Fish and Game Preservation Fund, less related expenses concerning investment of those funds incurred by the Treasurer and the Controller, shall be transferred to the Fish and Game Preservation Fund.



This bill would require the amount of the deductions described above also to include costs incurred by the Department of Finance in carrying out these investment provisions.

The General Obligation Bond Law prescribes the contents of state general obligation bond acts and the process by which these bonds are sold and issued. This law requires that there be transferred from any bond fund created for the proceeds of sales of state general obligation bonds, the amounts necessary to reimburse the Treasurer for specified expenses, including expenses incurred in administering loans from the Pooled Money Investment Account to the bond fund.

This bill instead would provide that there be transferred from any bond fund created for the proceeds of sales of state general obligation bonds, the amounts necessary to reimburse the Treasurer, the Controller, and the Department of Finance for these specified expenses, and would include within these expenses those incurred in administering or reviewing loans from the Pooled Money Investment Account to the bond fund, including review by the Public Works Board staff. The General Obligation Bond Law also specifies the purposes for which proceeds from the sale of bonds issued pursuant to that law may be used, with one of these purposes being payment of the costs of a state agency with responsibility for administering the bond program.

This bill would specify that these costs include those incurred by the Treasurer, the Controller, the Department of Finance, and, for the Public Works Board, for staff, operating expenses and equipment, and consultants' costs.

Existing law appropriates \$250,000 from the General Fund without regard to fiscal years, to be set aside in the State Notes Expense Account, to be used to pay expenses incurred by the Treasurer in providing for the preparation, sale, issuance, advertising, legal services, or any other act which, in the Treasurer's discretion, is necessary to carry out provisions of law relating to the issuance of warrants by the Controller.

This bill, in addition, would allow these funds to be used by the Controller or the Department of Finance, to pay the expenses for the services described above, or any other act which in the discretion of either the Treasurer or the Department of Finance is necessary to carry out those provisions of law. By expanding the purposes for which these funds may be used, this bill would constitute an appropriation.

(18) Existing law provides for the assessment of specified fees in connection with civil court proceedings to pay for trial court costs.



This bill would institute a state surcharge of 10% on specified fees connected with civil court proceedings, to be levied in addition to any other court-related fee. The bill would specify that this provision would remain in effect only until July 1, 2007.

Existing law imposes a state penalty, in a specified amount, upon every fine, penalty, or forfeiture imposed and collected by the courts for criminal offenses other than parking offenses.

This bill would impose a 20% surcharge on the criminal fine used to calculate this state penalty, to be levied in addition to the state penalty. The bill would specify that this provision would remain in effect only until July 1, 2007.

Existing law allows the board of supervisors of a county to determine the order of priority in which disbursements are made from funds provided by installment payments on criminal fines and fees, or collected by the Franchise Tax Board for criminal fines and fees that are delinquent. Existing law also allows the board of supervisors to determine the priority of payment between court orders or parts of orders when defendants have been ordered to pay more than one court order.

This bill would require the board of supervisors to mandate the following order of priority for disbursement of these funds: (a) restitution to the victim; (b) the 10% state surcharge; (c) fines, penalty assessments, and restitution fines, in an amount for each that is proportional to the total amount levied for all of those items; and (d) other ~~reimbursable~~ *reimbursable* costs. The bill would also require the board of supervisors to apply these priorities to orders or parts of orders when defendants have been ordered to pay more than one court order.

(19) *Existing law requires the Commission on State Mandates to hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required under the California Constitution.*

*This bill would authorize the commission to review claims only if the test claim is filed not later than 3 years following the date the mandate became effective, or in the case of mandates that became effective before January 1, 2002, one year from the effective date of this act.*

*Existing law requires the Controller to notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review by the Controller.*



*This bill would require the notice to specify the interest charges on claims adjusted to reduce the overall reimbursement to the local agency or school district.*

*Existing law prescribes the time for submitting claims for reimbursement and requires that any claim for initial reimbursement that is filed after the filing deadline be reduced by 10% of the amount that would have been allowed had the claim been timely filed, provided that the reduction does not exceed \$1,000.*

*This bill would delete the \$1,000 limit on the claim reduction.*

*Existing law declares the intent of the Legislature to establish a method for regularly reviewing the costs of state-mandated local programs.*

*This bill would require the Controller and the Legislative Analyst to submit reports regarding mandates, as specified, and would require the Legislative Analyst to make recommendations on whether certain mandates should be repealed, funded, suspended, or modified.*

*Existing law prohibits claims and payments on claims unless the claims exceed \$200, but permits a county superintendent of schools or a county to submit combined claims on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200.*

*This bill would increase the minimum amount that may be claimed and the minimum claim payment from in excess of \$200 to in excess of \$1,000.*

(20) The California Building Standards Law requires all state agencies, including the Occupational Safety and Health Standards Board, that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval or adoption.

This bill would exempt from these requirements any regulation adopted by the Occupational Safety and Health Standards Board and make various conforming changes.

~~(20)~~

(21) Existing law makes the Department of Insurance responsible for regulating the business of insurance and authorizes its commissioner to employ a staff to discharge those duties.

This bill would require that appointment to 3 designated positions within the department be made by the Governor and would provide that the positions are exempt from the state civil service system.

~~(21)~~



(22) Existing law establishes the Workers' Compensation Administration Revolving Fund as a special account in the State Treasury. Under existing law, money in the fund may be expended for the administration of the workers' compensation program, pursuant to specified provisions of law, except as provided, and may not be used for any other purpose.

This bill instead would provide that money in the Workers' Compensation Administration Revolving Fund may not be used for any but the specified purposes, except as determined by the Legislature.

Existing law requires contractors on public works who employ journeymen or apprentices to contribute to the Apprenticeship Training Contribution Fund from which funds are continuously appropriated to administer certain apprenticeship programs and to make prescribed grants to apprenticeship programs at the end of each fiscal year.

This bill would postpone, until the 2003–04 fiscal year, the making of grants to apprenticeship programs. This bill also would permit the Division of Apprenticeship Standards to utilize moneys in the fund for the general expenses of that division and thereby would make an appropriation from a special fund.

~~(22)~~

(23) Under existing law, certain persons are designated as peace officers whose authority extends to any place in the state while engaged in the performance of the duties of their respective employment and for the purpose of carrying out the primary function of their employment or as required when an emergency has been declared, or in furtherance of certain mutual aid agreements. Pursuant to these provisions, peace officers may carry firearms as authorized and under the terms and conditions specified by their employers. Existing law includes in this category of peace officers any medical technical assistant series employee designated by the Director of Corrections or designated by the Director of Corrections and employed by the State Department of Mental Health to work in the California Medical Facility.

This bill would delete the requirement that these medical technical assistant series employees work in the California Medical Facility to be peace officers.

The Public Employees' Retirement Law provides increased benefits and higher contribution rates for peace officer/firefighter members than those provided for state miscellaneous members. Member contributions are deposited in the Public Employees' Retirement Fund, a continuously appropriated special fund.



Because this bill would provide that more medical technical assistant service employees are peace officers, thereby including these additional employees within the category of peace officer/firefighter members, it would make an appropriation by increasing the amount of employee contributions to the Public Employees' Retirement Fund.

Existing law authorizes the Department of Corrections to reduce a prisoner's sentenced term of imprisonment through the accumulation of worktime credits by performance in work, training, and education programs established by the Director of Corrections. Existing law specifies that for every 6 months of full-time performance in a credit qualifying program, as designated by the director, a prisoner shall be awarded worktime credit reductions from his or her term of confinement of 6 months, as specified. However, existing law provides that under no circumstances shall any prisoner receive more than 6 months' credit reduction for any 6-month period.

This bill would provide that any inmate assigned to a conservation camp by the Department of Corrections who is eligible to earn one day of worktime credit for every one day of service pursuant to existing law shall instead earn 2 days of worktime credit for every one day of service, as specified.

Under existing law, a person convicted of a crime who is addicted, or in imminent danger of becoming addicted, to narcotics may be committed for treatment by the Department of Corrections to the narcotic detention, treatment, and rehabilitation facility, as specified. Under existing law, if at any time the director concludes that a person at the facility, because of excessive criminality or for other relevant reason, is not a fit subject for confinement or treatment in the facility, the director shall return the person to the court in which the case originated for such further proceedings on the criminal charges as that court may deem warranted. Under existing law the director is not explicitly authorized to limit the number of persons who may be committed to the facility or to refer a person committed to the facility back to court in order to achieve this limit.

This bill would specify that eligibility for treatment pursuant to Proposition 36, an initiative statute that provides for narcotics treatment in lieu of incarceration in specified circumstances, would be a proper reason for the return of a person to court by the director. This bill would specify that the director is authorized to limit the number of persons who may be committed to the facility and that the director may refer a



committed person back to the court in which the committed person's case originated, in order to achieve the limit.

~~(23)~~

(24) Existing law provides that commencing on June 30, 2000, and annually thereafter until December 31, 2004, the Board of Corrections, in consultation with other state agencies, shall submit a report to the Legislature assessing mentally ill offender crime reduction grants, as specified.

This bill, in addition, would require an interim report be submitted on March 1, 2003.

~~(24)~~

(25) Existing law establishes within the Youth and Adult Correctional Agency a Commission on Correctional Peace Officer Standards and Training, known as CPOST. CPOST is required to develop, approve, and monitor standards for the selection and training of state correctional peace officers apprentices. Those standards are subject to approval by the State Personnel Board. The State Personnel Board is required to ensure that, prior to training, each applicant who has otherwise qualified in all physical and other testing requirements to be a peace officer in a youth or adult correctional facility, is determined to be free from emotional and mental conditions that might adversely affect the exercise of his or her duties and powers as a peace officer.

This bill would expand the latter provision to additionally require the Department of the Youth Authority to ensure that applicants are determined to be free from those emotional and mental conditions.

~~(25)~~

(26) Existing law, the Public Utilities Act, establishes the Office of Ratepayer Advocates (division) within the Public Utilities Commission to represent the interests of public utility customers and subscribers within the jurisdiction of the commission by obtaining the lowest possible rate for service consistent with reliable and safe service levels. The act requires that the annual budget for the division be separately identified in the commission annual budget request.

This bill instead would require the commission, on or before January 10 of each year, to provide the chairs of the fiscal committee of each house of the Legislature and to the Joint Legislative Budget Committee the number of personnel years assigned to the division, the total dollars expended by the division in the prior year, the estimated dollars expended in the current year, the total dollars proposed for



appropriation in the budget year, and the workload standards and measures for the division.

Under existing law, the California Consumer Power and Conservation Financing Authority is charged with various duties relating to the financing and constructing of generating facilities and other projects to supplement private and public sector power supplies, financing programs to encourage consumers and businesses to invest energy efficiency programs to reduce the demand for energy in California, and financing retrofits of electric powerplants to improve the efficiency and environmental performances of those powerplants. Under existing law, the chief executive officer of the authority is authorized to contract for the services of other officers or employees, subject to the approval of the board. Under existing law, those contracts are not subject to otherwise applicable provisions of the Government Code and the Public Contract Code.

This bill would delete the provision exempting those contracts from the provisions of the Government Code and the Public Contract Code.

~~(26)~~

(27) The Cigarette and Tobacco Products Tax Law requires that an appropriate stamp be affixed to, or that an appropriate meter impression be made upon, each package of cigarettes prior to distribution.

This bill would define “stamps and meter impressions” for purposes of this requirement. This bill would also require the State Board of Equalization to prescribe and approve the types, and the method of applying, stamps and meter impressions.

~~(27)~~

(28) The Energy Surcharge Law imposes a surcharge on the consumption of electrical energy purchased from an electric utility at a rate fixed by the State Board of Equalization, as specified.

This bill would, with respect to electrical energy purchased from an electric utility on or after January 1, 2003, require that the rate not exceed \$0.0003 per kilowatt-hour, or a lower rate fixed by the Energy Commission at a public meeting held each November for the following calendar year.

~~(28)~~

(29) The Porter-Cologne Water Quality Control Act imposes on a person for whom waste discharge requirements have been prescribed, an annual fee established by the State Water Resources Control Board, not to exceed \$10,000, with the fees calculated based on total flow, volume, number of animals, and area involved. Existing law requires



fees that are collected to be deposited in the Waste Discharge Permit Fund, which is expended, upon appropriation, for purposes of carrying out the act.

This bill would increase the fee limit to not more than \$20,000, would require the state board, in calculating the amount of fees, to also base the fees on the threat to water quality, and would require the maximum fee amount to be adjusted annually to reflect changes in the cost of living as measured by the Consumer Price Index prepared by the Department of Industrial Relations or a successor agency.

~~(29)~~

(30) Existing law authorizes the Legislature to provide for minimum wage and for the general welfare of employees, and for those purposes, to confer on a commission legislative, executive, and judicial powers. Under existing law, the Department of Industrial Relations is responsible for investigation and enforcement of the labor laws, including, but not limited to, the laws governing safe and healthful working conditions on the job, wages, hours of work, and conditions of employment.

This bill would require the Department of Industrial Relations to procure a case management system that has the capability to ultimately provide the public with free, web-based access to a searchable data base containing information regarding the status of all complaints, citations, and administrative proceedings of the department, as specified.

~~(30)~~

(31) Existing law establishes the Department of the Youth Authority for the commitment of certain youthful offenders.

This bill would require the Department of the Youth Authority to submit to the Department of Finance and the fiscal committees of the Legislature on or before November 1, 2002, a written plan to close at least 3 other facilities by June 30, 2007. The bill would also require the Department of the Youth Authority to close one of those facilities pursuant to the plan by June 30, 2004, as specified.

~~(31)~~

(32) Existing law establishes the Renewable Resources Trust Fund, a continuously appropriated fund appropriated to the State Energy Resources Conservation and Development Commission, for the purposes of funding programs designed to foster the development of new in-state renewable electricity generation technology facilities, and to secure for the state the environmental, economic, and reliability benefits that continued operation of those facilities provides.



Existing law establishes the California Consumer Power and Conservation Financing Authority (Power Authority), with certain powers and responsibilities, including the issuance of up to \$5,000,000,000 of revenue bonds, augmenting electrical generating facilities, to ensure a sufficient and reliable supply of electricity, providing financial incentives for investment in cost-effective energy-efficient appliances and energy demand reduction, and providing financing for the retrofit of inefficient electrical powerplants, renewable energy, and conservation. Existing law establishes in the State Treasury the California Consumer Power and Conservation Financing Authority Fund, a continuously appropriated fund, for the support of the Power Authority.

This bill would authorize funds in the Renewable Resources Trust Fund to be expended for a loan to the California Consumer Power and Conservation Financing Authority Fund in an amount not to exceed \$8,900,000. The bill would further provide the terms for repayment of the loan, including that it be repaid by June 30, 2004. If not repaid, the bill would appropriate monies for a loan from the Energy Resources Program account in the General Fund to repay the balance owed the Renewable Resources Trust Fund.

~~(32)~~

(33) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that no reimbursement shall be made from the State Mandates Claims Fund for costs mandated by the state pursuant to this act, but would recognize that local agencies and school districts may pursue any available remedies to seek reimbursement for these costs.

~~(33)~~

(34) The bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.



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

1 SECTION 1. Section 7342 of the Business and Professions  
2 Code is amended to read:

3 7342. Licenses in the practice of the occupation for which the  
4 license was sought shall be issued by the bureau to any applicant  
5 who satisfactorily passes an examination, who possesses the other  
6 qualifications required by law and who has remitted the license fee  
7 required by this chapter. The license shall entitle the holder to  
8 engage in the practice of that occupation in a licensed  
9 establishment. The license shall be issued by the bureau on the  
10 same day that the applicant satisfactorily passes the examination.

11 SEC. 2. Section 17591 of the Business and Professions Code  
12 is amended to read:

13 17591. (a) The Attorney General shall not later than January  
14 1, 2003, maintain a “do not call” list, updated no less frequently  
15 than quarterly, which shall set forth the California telephone  
16 numbers and ZIP Codes, but not the names or addresses, of  
17 subscribers, arranged by area code and numerical sequence, who  
18 do not wish to receive unsolicited and unwanted telephone calls  
19 from telephone solicitors as defined in Section 17592. The “do not  
20 call” list shall indicate any exclusions designated by the subscriber  
21 as provided in subdivision (b).

22 (b) Subscribers may place their telephone numbers and ZIP  
23 Codes on the “do not call” list in the manner prescribed by the  
24 Attorney General. The subscriber’s placement on the “do not call”  
25 list shall expire three years after the date on which the subscriber’s  
26 telephone number and ZIP Code first became available on the list  
27 to telephone solicitors. The Attorney General shall triennially  
28 charge these subscribers a fee not to exceed five dollars (\$5). A  
29 subscriber may exclude from the coverage of the “do not call” list  
30 telephone calls from entities identified by the subscriber. The  
31 subscriber shall designate any exclusions in the manner prescribed  
32 by the Attorney General.

33 (c) Telephone solicitors, as defined in Section 17592, shall  
34 obtain copies of the “do not call” list by paying a fee to the  
35 Attorney General in an amount not to exceed the costs incurred by  
36 the Attorney General in the preparation, maintenance, production,  
37 and distribution of that list. The Attorney General shall establish  
38 a sliding scale fee schedule, charging a telephone solicitor with



1 more than 1,000 employees or independent contractors the  
2 maximum fee and charging a telephone solicitor with fewer than  
3 five full-time employees no fee. The Attorney General shall  
4 provide a telephone solicitor the option of paying this fee on a  
5 quarterly or annual basis. The Attorney General shall offer a  
6 statewide list and shall also offer lists of areas within the state. The  
7 determination of the number and definition of areas shall be within  
8 the discretion of the Attorney General.

9 (d) The Attorney General shall utilize the best available,  
10 cost-effective technology to ensure that subscribers may easily  
11 place their telephone numbers on the “do not call” list. This  
12 technology includes, but is not limited to, methods by which a  
13 subscriber may effect placement on the list by using a  
14 state-designated Internet Web site or a designated, statewide  
15 toll-free telephone number. When the subscriber utilizes the  
16 toll-free telephone number method, the subscriber shall call from  
17 the telephone that is also the number to be included on the list. The  
18 Attorney General shall also utilize the best available,  
19 cost-effective technology to ensure that telephone solicitors may  
20 easily obtain and manipulate the “do not call” list. This  
21 technology may include, but is not limited to, methods that are  
22 computer compatible and that allow the downloading of the list  
23 and the sorting of the list by ZIP Code and that make the list  
24 available on CD-ROM. The Attorney General may contract with  
25 a private vendor to establish, maintain, and administer the “do not  
26 call” list and a contract entered into in that regard shall include  
27 appropriate provisions to protect the confidentiality of subscriber  
28 information. The Attorney General may promulgate regulations to  
29 implement the provisions of this article.

30 (e) It is the intent of the Legislature that the fees paid to the  
31 Attorney General by telephone solicitors and subscribers be  
32 utilized by the Attorney General in carrying out this article. The  
33 Attorney General shall annually reduce the amount of the fee paid  
34 by subscribers and telephone solicitors set forth in this section  
35 based on revenue history and costs so that the fees do not exceed  
36 the actual estimated costs in carrying out this article. The fees  
37 obtained by the Attorney General shall be deposited in the Special  
38 Telephone Solicitors Fund, which is hereby created. All moneys  
39 in the fund shall be subject to annual appropriation in the Budget  
40 Act.



1 (f) A person or entity that obtains a “do not call” list shall not  
2 use the list for any purpose other than to comply with this article.  
3 These unlawful purposes include, but are not limited to, causing  
4 a subscriber to participate in and be included on, the “do not call”  
5 list without the subscriber’s knowledge or consent, selling or  
6 leasing the “do not call” list to a person other than a telephone  
7 solicitor, selling or leasing by a telephone solicitor of the “do not  
8 call” list, and a telephone solicitor, either directly or indirectly,  
9 persuading a subscriber with whom it has an established business  
10 relationship to place his or her telephone number on the “do not  
11 call” list, if the solicitation has the effect of preventing competitors  
12 from contacting that solicitor’s customers.

13 SEC. 3. Section 1540 of the Code of Civil Procedure is  
14 amended to read:

15 1540. (a) Any person, excluding another state, who claims an  
16 interest in property paid or delivered to the Controller under this  
17 chapter may file a claim to the property or to the net proceeds from  
18 its sale. The claim shall be on a form prescribed by the Controller  
19 and shall be verified by the claimant.

20 (b) The Controller shall consider each claim within 90 days  
21 after it is filed and may hold a hearing and receive evidence. The  
22 Controller shall give written notice to the claimant if he or she  
23 denies the claim in whole or in part. The notice may be given by  
24 mailing it to the address, if any, stated in the claim as the address  
25 to which notices are to be sent. If no address is stated in the claim,  
26 the notice may be mailed to the address, if any, of the claimant as  
27 stated in the claim. No notice of denial need be given if the claim  
28 fails to state either an address to which notices are to be sent or an  
29 address of the claimant.

30 (c) The Controller shall add interest at the rate of 5 percent or  
31 the bond equivalent rate of 13-week United States Treasury bills,  
32 whichever is lower, to the amount of any claim paid the owner  
33 under this section for the period the property was on deposit in the  
34 Unclaimed Property Fund. No interest shall be payable for any  
35 period prior to January 1, 1977. Any interest required to be paid  
36 by the state pursuant to this section shall be computed as simple  
37 interest, not compound interest. For purposes of this section, the  
38 bond equivalent rate of 13-week United States Treasury bills shall  
39 be defined in accordance with the following criteria:

1 (1) The bond equivalent rate of 13-week United States  
2 Treasury bills established at the first auction held during the month  
3 of January shall apply for the following July 1 to December 31,  
4 inclusive.

5 (2) The bond equivalent rate of 13-week United States  
6 Treasury bills established at the first auction held during the month  
7 of July shall apply for the following January 1 to June 30,  
8 inclusive.

9 (d) Any holder who pays to the owner, property that has  
10 escheated to the state and that, if claimed from the Controller,  
11 would be subject to subdivision (c) may add interest as provided  
12 in subdivision (c). This added interest shall be repaid to the holder  
13 by the Controller in the same manner as the principal.

14 (e) For the purposes of this section, “owner” means the person  
15 who had legal right to the property prior to its escheat, his or her  
16 heirs, or his or her legal representative.

17 (f) Following a public hearing, the Controller shall adopt  
18 guidelines and forms that shall provide specific instructions to  
19 assist owners in filing claims pursuant to this article.

20 SEC. 4. Section 37220.6 of the Education Code is amended  
21 to read:

22 37220.6. (a) There is hereby created the Cesar Chavez Day  
23 of Service and Learning program to promote service to the  
24 communities of California in honor of the life and work of Cesar  
25 Chavez. The program shall be administered by the Governor’s  
26 Office on Service and Volunteerism, in collaboration with the  
27 California Conservation Corps.

28 (b) The Governor’s Office on Service and Volunteerism may  
29 make grants based on proposals selected through a competitive  
30 process from local and state operated Americorps, National Senior  
31 Service Corps, Learn and Serve, or Conservation Corps programs  
32 that submit proposals to engage pupils through their schools and  
33 school districts in community service that qualifies as instructional  
34 time on Cesar Chavez Day, pursuant to Section 37220.5, and that  
35 honors the life and work of Cesar Chavez. The programs shall be  
36 created and organized in consultation with community groups.  
37 The Americorps, National Senior Service Corps, Learn and Serve,  
38 or Conservation Corps programs may implement or administer the  
39 programs in collaboration with community groups and nonprofit



1 organizations. The proposals shall demonstrate all of the  
2 following:

3 (1) The ways and extent to which the program will be a  
4 collaborative effort between schools and the Americorps, National  
5 Senior Service Corps, Learn and Serve, or Conservation Corps  
6 program.

7 (2) The ways that the service will be connected to instruction  
8 on the life and work of Cesar Chavez provided on Cesar Chavez  
9 Day.

10 (3) The way in which the service provided will make a  
11 meaningful contribution to the community.

12 (c) Grants made pursuant to subdivision (b) shall be in the  
13 amount of one dollar (\$1) for each participating pupil, or two  
14 hundred fifty dollars (\$250) for each school, whichever is greater.  
15 The Governor's Office on Service and Volunteerism may, at its  
16 discretion, adjust the grant amount to account for school district  
17 size, the size of the project, and the demand on existing funding.  
18 Under no circumstances may the amount granted exceed the  
19 amount of funding appropriated to carry out this section.

20 (d) In order for the community service performed under this  
21 program to be counted as instructional time, the service shall be  
22 performed under the supervision of a teacher, as defined in  
23 subdivision (a) of Section 46300.

24 (e) The Superintendent of Public Instruction shall develop or  
25 revise, as needed, a model curriculum on the life and work of Cesar  
26 Chavez and submit the model curriculum to the State Board of  
27 Education for adoption pursuant to subdivision (b) of Section  
28 37220.5. Upon adoption, the Superintendent of Public Instruction  
29 shall distribute the model curriculum to each school.

30 (f) It is the intent of the Legislature that nothing in this section,  
31 or in the act that adds this section, shall be construed to impose a  
32 mandate on school districts.

33 (g) For the purposes of this section, "school district" includes  
34 school districts, charter schools, and county offices of education.

35 SEC. 5. Section 37220.8 is added to the Education Code, to  
36 read:

37 37220.8. (a) On and after July 1, 2002, the Governor's Office  
38 on Service and Volunteerism may make grants pursuant to  
39 subdivision (b) of Section 37220.6 based on proposals selected  
40 through a competitive process from community-based



1 organizations with strong capacity to design and implement  
2 programs that provide high quality service and learning  
3 opportunities to pupils in kindergarten and in grades 1 to 12,  
4 inclusive. The proposals shall provide all of th following:

5 (1) Evidence of tax-exempt status pursuant to Section  
6 501(c)(3) of the Internal Revenue Code for all nongovernmental  
7 proposals.

8 (2) Evidence of strong financial management systems as  
9 determined by the Governor’s Office on Service and  
10 Volunteerism.

11 (3) Experience designing and implementing youth service and  
12 learning programs.

13 (b) Eligible organizations need not have experience  
14 administering government funds, however those organizations  
15 that have received government funds must have a history of  
16 effectively administering those funds.

17 (c) Funding for these community-based organizations is  
18 limited to one million dollars (\$1,000,000) per year, with single  
19 grants not exceed one hundred thousand dollars (\$100,000).

20 (d) Community-based organizations that do not apply directly  
21 to the Governor’s Office on Service and Volunteerism for funding  
22 pursuant to subdivision (b) of Section 37220.6 remain eligible to  
23 receive funds through partnerships with other eligible programs  
24 including the programs listed in that subdivision.

25 (e) This section shall become inoperative on July 1, 2004, and,  
26 as of January 1, 2005, is repealed, unless a later enacted statute,  
27 which becomes effective on or before January 1, 2005, deletes or  
28 extends the dates on which it becomes inoperative and is repealed.

29 SEC. 6. Section 910.4 of the Government Code is amended to  
30 read:

31 910.4. (a) The board shall provide forms specifying the  
32 information to be contained in claims against the public entity. The  
33 person presenting a claim shall use the form in order that his or her  
34 claim is deemed in conformity with Sections 910 and 910.2. A  
35 claim may be returned to the person if it was not presented using  
36 the form. Any claim returned to a person may be resubmitted using  
37 the appropriate form.

38 (b) The amendments made to this section by the act adding this  
39 subdivision shall become operative six months after the date that  
40 act takes effect.



1 SEC. 7. Section 915.2 of the Government Code is amended to  
2 read:

3 915.2. If a claim, amendment to a claim, or application to a  
4 public entity for leave to present a late claim is presented or sent  
5 by mail under this chapter, or if any notice under this chapter is  
6 given by mail, the claim, amendment, application, or notice shall  
7 be mailed in the manner prescribed in this section. The claim,  
8 amendment, application or notice shall be deposited in the United  
9 States post office, a mailbox, sub-post office, substation, mail  
10 chute, or other similar facility regularly maintained by the  
11 government of the United States, in a sealed envelope, properly  
12 addressed, with postage paid. The claim, amendment, application,  
13 or notice shall be deemed to have been presented and received at  
14 the time of the deposit. Any period of notice and any duty to  
15 respond after receipt of service of a claim, amendment,  
16 application, or notice is extended five days upon service by mail,  
17 if the place of address is within the State of California, 10 days if  
18 the place of address is within the United States, and 20 days if the  
19 place of address is outside the United States. Proof of mailing may  
20 be made in the manner prescribed by Section 1013a of the Code  
21 of Civil Procedure.

22 SEC. 8. Section 935.7 of the Government Code is amended to  
23 read:

24 935.7. (a) Notwithstanding Section 935.6, the Department of  
25 Transportation may adjust and pay any claim arising out of the  
26 activities of the department without the prior approval of the  
27 California Victim Compensation and Government Claims Board  
28 if both of the following conditions exist:

29 (1) The amount paid is five thousand dollars (\$5,000) or less.

30 (2) The Director of Finance or the Director of Transportation  
31 certifies that a sufficient appropriation for the payment of the claim  
32 exists.

33 (b) If the department elects not to pay any claim, the claim shall  
34 be processed by the California Victim Compensation and  
35 Government Claims Board in the same manner as any other claim  
36 filed against the state.

37 (c) Any person who submits any claim arising out of any  
38 activity of the Department of Transportation shall comply with  
39 every other applicable provision of this part relating to claims  
40 against state agencies.



1 SEC. 9. Section 7299.4 of the Government Code is amended  
2 to read:

3 7299.4. (a) Notwithstanding any other provision in this  
4 chapter, each state agency shall conduct an assessment and  
5 develop and update an implementation plan that complies with the  
6 requirements of this chapter.

7 (b) Each agency shall conduct a survey of each of its local  
8 offices every two years to determine all of the following:

9  
10 (1) The number of public contact positions in each local office.

11 (2) The number of bilingual employees in public contact  
12 positions in each local office, and the languages they speak, other  
13 than English.

14 (3) The number and percentage of non-English-speaking  
15 people served by each local office, broken down by native  
16 language.

17 (4) The number of anticipated vacancies in public contact  
18 positions.

19 (5) Whether the use of other available options, including  
20 contracted telephone based interpretation services, in addition to  
21 bilingual persons in public contact positions, is serving the  
22 language needs of the people served by the agency.

23 (6) A list of all written materials that are required to be  
24 translated or otherwise made accessible to non- or  
25 limited-English-speaking individuals by Sections 7295.2 and  
26 7295.4.

27 (7) A list of materials identified in paragraph (5) that have been  
28 translated and languages into which they have been translated.

29 (8) The number of additional bilingual public contact staff, if  
30 any, needed at each local office to comply with this chapter.

31 (9) Any other relevant information requested by the State  
32 Personnel Board.

33 (c) Each agency shall calculate the percentage of  
34 non-English-speaking people served by each local office by  
35 rounding the percentage arrived at to the nearest whole percentage  
36 point.

37 The survey results shall be reported on forms provided by the  
38 State Personnel Board, and delivered to the board not later than  
39 March 31 of every even-numbered year beginning with 1992.



1 (d) Beginning in 2003 and in every even-numbered year  
2 thereafter, each state agency shall develop an implementation plan  
3 that, at a minimum, addresses all of the following:

4 (1) The name, position, and contact information of the  
5 employee designated by the agency to be responsible for  
6 overseeing implementation of the plan.

7 (2) A description of the agency's procedures for identifying  
8 written materials that need to be translated.

9 (3) A description of the agency's procedures for identifying  
10 language needs at local offices and assigning qualified bilingual  
11 staff.

12 (4) A description of how the agency recruits qualified bilingual  
13 staff.

14 (5) A description of any training the agency provides to its staff  
15 on the provision of services to non- or limited-English-speaking  
16 individuals.

17 (6) A detailed description of how the agency plans to address  
18 any deficiencies in meeting the requirements of this chapter,  
19 including, but not limited to, the failure to translate written  
20 materials or employ sufficient numbers of qualified bilingual  
21 employees in public contact positions at local offices, the proposed  
22 actions to be taken to address the deficiencies, and the proposed  
23 dates by when the deficiencies can be remedied.

24 (7) A description of the agency's procedures for accepting and  
25 resolving complaints of an alleged violation of this chapter.

26 (8) A description of how the agency complies with any federal  
27 or other state laws that require the provision of linguistically  
28 accessible services to the public.

29 (9) Any other relevant information requested by the State  
30 Personnel Board.

31 (e) In developing its implementation plan in 2003, each state  
32 agency may rely upon data gathered from its 2002 survey.

33 (f) Each state agency shall submit its implementation plan to  
34 the State Personnel Board no later than October 1 of each  
35 applicable year. The board shall review each plan, and, if it  
36 determines that the plan fails to address the identified deficiencies,  
37 the board shall order the agency to supplement or make changes  
38 to its plan. A state agency that has been determined to be deficient  
39 shall report to the State Personnel Board every six months on its  
40 progress in addressing the identified deficiencies.



1 (g) If the board determines that a state agency has not made  
2 reasonable progress toward complying with this chapter, the board  
3 may issue orders that it deems appropriate to effectuate the  
4 purposes of this chapter.

5 SEC. 10. Section 7299.6 of the Government Code is amended  
6 to read:

7 7299.6. The State Personnel Board shall review the results of  
8 the surveys and implementation plans required to be made by  
9 Section 7299.4, compile this data, and provide a report to the  
10 Legislature every two years. The report shall identify significant  
11 problems or deficiencies and propose solutions where warranted.

12 SEC. 11. Section 10205 of the Government Code is amended  
13 to read:

14 10205. (a) The Legislative Counsel may employ and fix the  
15 compensation, in accordance with law, of such professional  
16 assistants and clerical and other employees as he or she deems  
17 necessary for the effective conduct of the work under his or her  
18 charge.

19 (b) The Legislative Counsel and the employees of the  
20 Legislative Counsel Bureau shall, to the extent that funds  
21 appropriated for the support of the Legislative Counsel Bureau  
22 include funds for that purpose, receive any or all of the employee  
23 benefits provided to employees of either house of the Legislature.  
24 The benefits that are authorized by this subdivision shall be in  
25 addition to any other employee benefits authorized by any other  
26 provision of law.

27 (c) Notwithstanding subdivision (c) of Section 19853, the  
28 Legislative Counsel and the employees of the Legislative Counsel  
29 Bureau shall observe any holiday designated pursuant to  
30 subdivision (c) of Section 19853, that is also observed by the  
31 Legislature, on the same day that the holiday is observed by the  
32 Legislature.

33 ~~SEC. 12. Section 11011.50 is added to the Government Code;~~  
34 ~~to read:~~

35 ~~11011.50. (a) Notwithstanding Section 11011 or any other~~  
36 ~~provision of law, the Director of General Services may sell, lease,~~  
37 ~~or exchange the real property consisting of approximately 17 acres~~  
38 ~~in the City of Santa Clara, known as the Bay Area Research~~  
39 ~~Extension Center, upon terms and conditions and subject to~~



1 ~~reservations and exceptions that the director determines are in the~~  
2 ~~best interests of the state.~~

3 ~~(b) From the proceeds of the sale of property pursuant to this~~  
4 ~~section, the Department of General Services shall be reimbursed~~  
5 ~~for its costs related to the sale, including, but not limited to, any~~  
6 ~~survey costs, title transfer fees, and department staff time.~~

7 ~~SEC. 13.—~~

8 *SEC. 12.* Section 12439 of the Government Code is amended  
9 to read:

10 12439. (a) Beginning July 1, 2001, and on each July 1  
11 thereafter, the Controller shall abolish any state position that was  
12 vacant continuously for six consecutive monthly pay periods  
13 during the period between July 1 and June 30 of the preceding  
14 fiscal year. Those positions that were continuously vacant for six  
15 consecutive monthly pay periods during a fiscal year because of  
16 a hiring freeze in effect during part or all of the period shall also  
17 be abolished unless the need for continuing these positions is  
18 provided in written notice to, and approval is granted by, the  
19 Director of Finance.

20 (b) If late enactment of the annual Budget Act contributes to the  
21 abolishment of any proposed new position or positions, or if  
22 significant recruitment problems for hard-to-fill classifications, as  
23 determined by the Department of Finance, contribute to the  
24 abolishment of positions, a state agency may submit a written  
25 request for reestablishment of the positions to the Director of  
26 Finance. The positions may be reestablished upon approval  
27 granted by the Director of Finance.

28 (c) The only exceptions to this abolishment are those positions  
29 exempt from civil service or those instructional and  
30 instruction-related positions authorized for the California State  
31 University. No money appropriated by the subsequent Budget Act  
32 shall be used to pay the salary of any otherwise authorized state  
33 position that is abolished pursuant to this section.

34 (d) The Controller, no later than the following August 1 of each  
35 succeeding fiscal year, shall notify the Department of Finance in  
36 writing of any authorized state position that was vacant  
37 continuously during that period.

38 (e) The Controller, no later than the following December 1 of  
39 each succeeding fiscal year, shall furnish the Joint Legislative  
40 Budget Committee a report on all positions as of July 1 that were



1 unfilled continuously for six consecutive monthly pay periods  
2 during the period between July 1 and June 30 of the preceding  
3 fiscal year.

4 (f) This section shall remain in effect only until July 1, 2002,  
5 and as of that date is repealed.

6 ~~SEC. 14.~~

7 *SEC. 13.* Section 12439 is added to the Government Code, to  
8 read:

9 12439. (a) Beginning July 1, 2002, any state position that is  
10 vacant for six consecutive monthly pay periods shall be abolished  
11 by the Controller on the following July 1. The six consecutive  
12 monthly pay periods may occur entirely within one fiscal year or  
13 between two consecutive fiscal years.

14 (b) The Director of Finance may authorize the reestablishment  
15 of any positions abolished pursuant to this section if one or more  
16 of the following conditions existed during part or all of the six  
17 consecutive monthly pay periods:

18 (1) There was a hiring freeze in effect during part or all of the  
19 six consecutive pay periods.

20 (2) The department has diligently attempted to fill the position,  
21 but was unable to complete all the steps necessary to fill the  
22 position within six months.

23 (3) The position has been designated as a management position  
24 for purposes of collective bargaining and has been held vacant  
25 pending the appointment of the director, or other chief executive  
26 officer, of the department as part of the transition from one  
27 Governor to the succeeding Governor.

28 (4) The classification of the position is determined to be  
29 hard-to-fill.

30 (5) Late enactment of the budget causes the department to delay  
31 filling the position.

32 (c) The Controller shall reestablish any position for which the  
33 director of the department in which that position existed prior to  
34 abolishment certifies by August 15 that one or more of the  
35 following conditions existed during part or all of the six  
36 consecutive pay periods.

37 (1) The position is necessary for directly providing 24-hour  
38 care in an institution operated by the state.



1 (2) The position is necessary for the state to satisfy any  
2 licensing requirements adopted by a local, state, or federal  
3 licensing or other regulatory agency.

4 (3) The position is directly involved in services for public  
5 health, public safety, or homeland security.

6 (4) The position is being held vacant because the previous  
7 incumbent is eligible to exercise a mandatory right of return from  
8 a leave of absence as may be required by any provision of law  
9 including, but not limited to, leaves for industrial disability,  
10 nonindustrial disability, military service, pregnancy, childbirth, or  
11 care of a newborn infant.

12 (5) The position is being held vacant because the department  
13 has granted the previous incumbent a permissive leave of absence  
14 as may be authorized by any provision of law including, but not  
15 limited to, leaves for adoption of a child, education, civilian  
16 military work, or to assume a temporary assignment in another  
17 agency.

18 (6) Elimination of the position will directly reduce state  
19 revenues or other income by more than would be saved by  
20 elimination of the position.

21 (d) Each department shall maintain for future independent  
22 audit all records on which the department relied in determining  
23 that any position or positions satisfied one or more of the criteria  
24 specified in paragraphs (1) to (6), inclusive, of subdivision (c).

25 (e) The only other exceptions to the abolishment required by  
26 subdivision (a) are those positions exempt from civil service or  
27 those instructional and instruction-related positions authorized for  
28 the California State University. No money appropriated by the  
29 subsequent Budget Act shall be used to pay the salary of any  
30 otherwise authorized state position that is abolished pursuant to  
31 this section.

32 (f) The Controller, no later than September 10 of each fiscal  
33 year, shall furnish the Department of Finance in writing a  
34 preliminary report of any authorized state positions that were  
35 abolished effective on the preceding July 1 pursuant to this section.

36 (g) The Controller, no later than October 15 of each fiscal year,  
37 shall furnish the Joint Legislative Budget Committee and the  
38 Department of Finance a final report on all positions that were  
39 abolished effective on the preceding July 1.



1 (h) Departments shall not execute any personnel transactions  
2 for the purpose of circumventing the provisions of this section.

3 (i) Each department shall include a section discussing its  
4 compliance with this section when it prepares its report pursuant  
5 to Section 13405.

6 (j) As used in this section, department refers to any department,  
7 agency, board, commission, or other organizational unit of state  
8 government that is empowered to appoint persons to civil service  
9 positions.

10 (k) This section shall become operative July 1, 2002.

11 ~~SEC. 15.~~

12 *SEC. 14.* Section 13103.5 of the Government Code is  
13 amended to read:

14 13103.5. (a) The department may perform audits, as it deems  
15 necessary, of the allocations or expenditures made in accordance  
16 with Article XIX B of the California Constitution.

17 (b) Any audit performed pursuant to this section shall be  
18 reported to both houses of the Legislature.

19 *SEC. 15.* *Section 13915 of the Government Code is amended*  
20 *to read:*

21 13915. ~~The board shall schedule its meetings for the purpose~~  
22 ~~of receiving and acting upon claims so that the meetings are held~~  
23 ~~in southern California at least once in every two consecutive~~  
24 ~~calendar months. The board shall specify on each claim form the~~  
25 ~~location and approximate frequency of its meetings held for the~~  
26 ~~purpose of receiving and acting upon claims. The claimant may~~  
27 ~~designate on the form a preferred location where the board holds~~  
28 ~~its meetings, and the board shall hear the claim at the location~~  
29 ~~designated by the claimant~~ *hold regular meetings in Sacramento*  
30 *and may hold other meetings at the times and places within the*  
31 *state as a majority of the board directs. At any meeting the board*  
32 *may transact any business and perform all duties imposed upon it.*

33 *SEC. 16.* Section 14612 of the Government Code is amended  
34 to read:

35 14612. (a) The department shall commit itself to achieve  
36 improved levels of performance, as specified in this section, by  
37 focusing its efforts on enhancing the value of the services it  
38 delivers.

39 (b) The department shall commit itself to providing (1)  
40 services that the Legislature or Governor requires state agencies to



1 purchase from the department, and (2) services that state agencies  
2 are not required to purchase from the department, but that the  
3 department can provide on a cost-competitive basis.

4 (c) Notwithstanding any other provision of law, the director of  
5 the department or his or her designee, in lieu of the Director of  
6 Finance, may approve DGS Form 22 and DGS Form 220,  
7 including the extension of time to expend transferred funds, the  
8 transfer of funds from one work order to another, and the Return  
9 of Funds Document.

10 (d) Notwithstanding Chapter 3 (commencing with Section  
11 13940) of Part 4, the director of the department or his or her  
12 designee may approve “relief from accountability” for debts  
13 owed to the department up to five thousand dollars (\$5,000) when  
14 the department determines it cannot collect the debts or when the  
15 cost of collection exceeds the amount of the debt.

16 (e) Notwithstanding Section 2807 of the Penal Code, the  
17 director of the department or his or her designee may procure  
18 goods from the private sector even though the goods may be  
19 available from the Prison Industry Authority, when in his or her  
20 discretion, it is cost beneficial to do so and if the director or his or  
21 her designee continues to include the authority in soliciting  
22 quotations for goods.

23 (f) Notwithstanding subdivision (a) of Section 948 and Section  
24 965, the director of the department or his or her designee, in lieu  
25 of the Director of Finance, may certify funds for payment of all  
26 legal settlements and tort claims for which the department already  
27 has sufficient expenditure authority and funds without the need for  
28 augmentation.

29 (g) Notwithstanding Chapter 7 (commencing with Section  
30 14850) or Section 14901, no agency is required to use the Office  
31 of State Publishing for its printing needs and the Office of State  
32 Publishing may offer printing services to both state and other  
33 public agencies, including cities, counties, special districts,  
34 community college districts, the California State University, the  
35 University of California, and agencies of the United States  
36 government. When soliciting bids for printing services from the  
37 private sector, all state agencies shall also solicit a bid from the  
38 Office of State Publishing when the project is anticipated to cost  
39 more than five thousand dollars (\$5,000).



1 (h) Notwithstanding Section 14851, the Office of State  
2 Publishing may accept paid advertisements in state publications or  
3 in publications promoting an Office of State Publishing supported  
4 project or program, except that the Office of State Publishing may  
5 not accept or publish any paid political advertising.

6 (i) Notwithstanding Section 965.2, the director of the  
7 department or his or her designee, in lieu of the Director of  
8 Finance, may certify funds for payment for all legal court  
9 settlements for projects funded from the Architecture Revolving  
10 Fund, if a sufficient fund balance exists in the work order to pay  
11 the claim and the payment does not require a budget augmentation  
12 to complete the project.

13 (j) Notwithstanding Section 14957, the director of the  
14 department or his or her designee, in lieu of the Director of  
15 Finance, may approve the deposit of checks directly into the  
16 Architecture Revolving Fund. The department shall notify the  
17 Department of Finance within 30 days of the date that the  
18 department makes such a deposit.

19 (k) This section shall remain operative only until the effective  
20 date of the Budget Act of 2003 or June 30, 2003, whichever occurs  
21 later, and, as of January 1, 2004, is repealed, unless a later enacted  
22 statute that is enacted before January 1, 2004, deletes or extends  
23 the dates on which it becomes inoperative and is repealed.

24 SEC. 17. Section 14612.5 is added to the Government Code,  
25 to read:

26 14612.5. Notwithstanding any other provision of law, for  
27 state printing procurement purposes, printing is not considered a  
28 personal service contract as defined in Section 19130.

29 SEC. 18. The state's current fiscal condition has necessitated  
30 the reallocation of a local assistance appropriation, contained in  
31 the Budget Act of 2000, for the Office of Criminal Justice  
32 Planning, that was designated for a regional crime laboratory to  
33 serve criminal justice agencies in Southern California.  
34 Notwithstanding this action, and in furtherance of the mission of  
35 the Office of Criminal Justice Planning, the Legislature finds that  
36 there is a need for a regional crime laboratory in Los Angeles  
37 County and that the state is benefited when multiple state and local  
38 criminal justice and educational agencies are allowed to jointly  
39 use, maintain, staff, and operate a regional crime laboratory  
40 facility. Accordingly, the acquisition, development, design, and



1 construction of a regional crime laboratory in the City and County  
2 of Los Angeles is hereby authorized, to be jointly used,  
3 maintained, staffed, and operated by various interested state  
4 agencies and educational institutions, together with the Los  
5 Angeles Regional Crime Laboratory Facility Authority, a joint  
6 powers agency consisting of the County of Los Angeles on behalf  
7 of its sheriff and the City of Los Angeles on behalf of its police  
8 department.

9 SEC. 18.5. Section 14669.21 is added to the Government  
10 Code, to read:

11 14669.21. (a) The Director of the Department of General  
12 Services is authorized to acquire, develop, design, and construct,  
13 according to plans and specifications approved by the Los Angeles  
14 Regional Crime Laboratory Facility Authority, an approximately  
15 200,000 gross square foot regional criminal justice laboratory,  
16 necessary infrastructure, and related surface parking to  
17 accommodate approximately 600 cars on the Los Angeles campus  
18 of the California State University. In accordance with this  
19 authorization, the director is authorized to enter into any  
20 agreements, contracts, leases, or other documents necessary to  
21 effectuate and further the transaction. Further, the Los Angeles  
22 Regional Crime Laboratory Facility Authority is authorized to  
23 assign, and the director is authorized to accept, all contracts  
24 already entered into by the Los Angeles Regional Crime  
25 Laboratory Facility Authority for the development and design of  
26 this project. It is acknowledged that these contracts will have to be  
27 modified to make them consistent with the standards for state  
28 projects. The director is additionally authorized to enter into a  
29 long-term ground lease for 75 years with the Trustees of the  
30 California State University for the land within the Los Angeles  
31 campus on which the project is to be constructed. At the end of the  
32 ground lease term, unencumbered title to the land shall return to  
33 the trustees and, at the option of the trustees, ownership of any  
34 improvements constructed pursuant to this section shall vest in the  
35 trustees. The trustees are authorized and directed to fully cooperate  
36 and enter into a ground lease with the Department of General  
37 Services upon the terms and conditions that will facilitate the  
38 financing of this project by the State Public Works Board. The  
39 trustees shall obtain concurrence from the Los Angeles Regional  
40 Crime Laboratory Facility Authority in the development of the



1 long-term ground lease referenced in this section. In his or her  
2 capacity, the director is directed to obtain concurrence and  
3 approval from the trustees relating to the design and construction  
4 of the facility consistent with the trustees' reasonable  
5 requirements.

6 (b) The State Public Works Board is authorized to issue lease  
7 revenue bonds, negotiable notes, or negotiable bond anticipation  
8 notes pursuant to the State Building Construction Act of 1955 (Part  
9 10b (commencing with Section 15800) for the acquisition,  
10 development, design, and construction of the regional crime  
11 laboratory as described in this section. The project shall be  
12 acquired, developed, designed, and constructed on behalf of the  
13 State Public Works Board and the Office of Criminal Justice  
14 Planning by the Department of General Services in accordance  
15 with state laws applicable to state projects provided, however, that  
16 the contractor prequalification specified in Section 20101 of the  
17 Public Contract Code may be utilized. For purposes of compliance  
18 with the California Environmental Quality Act (Division 13  
19 (commencing with Section 21000) of the Public Resources Code)  
20 the Office of Criminal Justice Planning is the lead agency, and the  
21 trustees, acting through California State University at Los  
22 Angeles, and the Los Angeles Regional Crime Laboratory Facility  
23 Authority are responsible agencies.

24 (c) The State Public Works Board and the Office of Criminal  
25 Justice Planning may borrow funds for project costs from the  
26 Pooled Money Investment Account, pursuant to Sections 16312  
27 and 16313, or from any other appropriate source. In the event the  
28 bonds authorized by this section for the project are not sold, the  
29 Office of Criminal Justice Planning shall commit a sufficient  
30 amount of its support appropriation to repay any loans made for  
31 the project.

32 (d) The amount of lease revenue bonds, negotiable notes, or  
33 negotiable bond anticipation notes to be issued by the State Public  
34 Works Board shall not exceed ninety-two million dollars  
35 (\$92,000,000) and any additional sums necessary to pay interim  
36 and permanent financing costs. The additional sums may also  
37 include interest and a reasonably required reserve fund. This  
38 amount includes additional estimated project costs associated with  
39 reformatting the initial local assistance appropriation into a state  
40 managed and constructed regional crime laboratory project.



1 (e) The Office of Criminal Justice Planning may execute a  
2 contract with the State Public Works Board for the lease of the  
3 regional crime laboratory facilities described in this section that  
4 are financed with the proceeds of the board's bonds. Further, and  
5 notwithstanding any other provision of law, the Office of Criminal  
6 Justice Planning is authorized to enter into contracts and subleases  
7 with the trustees, the Los Angeles Regional Crime Laboratory  
8 Facility Authority, the Department of Justice, and any other  
9 appropriate state or local agency, with the consent of the State  
10 Public Works Board and the Department of General Services, for  
11 the use, maintenance, and operation of the financed regional crime  
12 laboratory facilities described in this section.

13 (f) When all of the bonds or notes authorized pursuant to  
14 subdivision (d) have been paid in full or provided for in accordance  
15 with their terms, notwithstanding any other provision of law, the  
16 Department of General Services shall assign the ground lease  
17 entered into pursuant to subdivision (a) to the Los Angeles  
18 Regional Crime Laboratory Facility Authority or its successor  
19 agency. At that time, the ground lease may be amended as agreed  
20 to by the trustees and the Los Angeles Regional Crime Laboratory  
21 Facility Authority or its successor agency.

22 SEC. 19. Section 15320 is added to the Government Code, to  
23 read:

24 15320. (a) The Technology, Trade, and Commerce Agency  
25 shall develop an agency-wide strategic plan covering a minimum  
26 of five years, in order to better integrate program efforts and to  
27 highlight current state priorities.

28 (b) The agency shall include all of the following in its strategic  
29 planning process required pursuant to subdivision (a):

30 (1) Goals and targets for all significant aspects of its vision and  
31 mission.

32 (2) Outcome goals that focus efforts on results, where most  
33 appropriate.

34 (3) Outcome goals and related targets in agreements with third  
35 parties who deliver program services.

36 (c) The agency shall ensure that short-term plans for programs  
37 within the agency are aligned with the agency-wide strategic plan.

38 (d) Commencing February 15, 2003, and no later than  
39 February 15 of each year thereafter, the agency shall report to the  
40 chairpersons of the budget committees of the Legislature, as well



1 as to the Chairperson of the Joint Legislative Budget Committee,  
2 on its progress in implementing a strategic approach to its  
3 planning. The general reports shall include specific  
4 recommendations.

5 SEC. 20. Section 15323.5 of the Government Code is  
6 amended to read:

7 15323.5. In order to carry out its functions and duties, the  
8 agency may establish and maintain regional offices in the San  
9 Francisco Bay area, Los Angeles County, Sacramento, the greater  
10 San Diego area, and elsewhere within the state as appropriate. The  
11 San Diego regional office shall pay particular attention to  
12 economic development issues involving the border, including  
13 maquiladoras, labor, tourism, and other factors, making  
14 recommendations, as appropriate, to the Governor and the  
15 Legislature on methods, programs, and policies to improve the  
16 growth of jobs, income, and standards of living along the border.

17 SEC. 21. Section 15364.725 is added to the Government  
18 Code, to read:

19 15364.725. (a) The proponent of any new international trade  
20 and investment office shall submit a proposed business plan for the  
21 office to the Technology, Trade, and Commerce Agency. The  
22 business plan shall contain all of the following:

23 (1) The delineated geographical area to be served by the office,  
24 to be defined as the “region” to be served by the office.

25 (2) Actual and potential investment and tourism directed to the  
26 state from the region.

27 (3) Actual and potential export markets in the region for goods  
28 produced in the state, and type of goods categorized according to  
29 sector.

30 (4) Leading industries in the region.

31 (5) Existing federal trade offices, and municipal trade offices  
32 from California operating in the region that provide investment,  
33 tourism, and export promotion activities for the state.

34 (6) Other states that have trade offices, or that have investment,  
35 tourism, or export promotion offices in the region.

36 (7) A cost-benefit analysis, including the assumptions on  
37 which the analysis is based.

38 (8) Target export industry markets.

39 (9) State objectives, goals, and estimated outcome  
40 performance.



1 (b) (1) To the extent that funds are available for that purpose,  
2 the agency shall evaluate all business plans that have been  
3 submitted to the agency pursuant to subdivision (a) during the  
4 12-month period ending July 1 of any given year, and no later than  
5 January 15, of the following year, shall submit those evaluations  
6 to the Legislature. The evaluation reports shall include a  
7 breakdown of the agency's costs for completion of the evaluation.

8 (2) To the extent that the agency is not funded to perform the  
9 evaluation of the business plans, proponents may pay the cost of  
10 the evaluation, pursuant to Section 15364.79.

11 (c) Each international trade and investment office shall  
12 annually provide all of the following baseline information to the  
13 agency:

14 (1) The delineated geographical area to be served by the office,  
15 to be defined as the "region" served by the office.

16 (2) Actual and potential investment and tourism directed to the  
17 state from the region.

18 (3) Actual and potential export markets in the region for goods  
19 produced in the state, and type of goods categorized according to  
20 sector.

21 (4) Leading industries in the region.

22 (5) Existing federal trade offices, and municipal trade offices  
23 from California operating in the region that provide investment,  
24 tourism, and export promotion activities for the state.

25 (6) Other states that have trade offices, or that have investment,  
26 tourism, or export promotion offices in the region.

27 (7) Target export industry markets.

28 (8) State objectives, goals, and estimated outcome  
29 performance.

30 (d) (1) Each international trade and investment office shall  
31 prepare, and the agency shall submit, annual reports to the  
32 Legislature on all of the following information:

33 (A) The number of clients served.

34 (B) The nature of contacts made on behalf of each client.

35 (C) The amount of time spent on each client.

36 (D) The nature of the assistance provided to each client and the  
37 ultimate outcome for the client.

38 (E) The amount of revenue generated for each client through  
39 exports resulting from agency support.



1 (F) The amount of investments generated for the state on behalf  
2 of each client through agency support.

3 (G) The amount of California jobs created by each client  
4 through agency support.

5 (H) The amount of overseas jobs created by each client through  
6 agency support to the extent that data is provided to the agency.

7 (I) The amount of trade leads created through each client.

8 (J) A profile of each client served, including, but not limited to,  
9 all of the following:

10 (i) Whether the client was from a small, medium, or large sized  
11 firm.

12 (ii) Whether the client was a first time exporter or investor.

13 (iii) The type of industry of the client.

14 (K) Any changes in baseline information.

15 (2) It is the intent of the Legislature that the agency may include  
16 the annual reports required to be submitted pursuant to paragraph  
17 (1) with other reports it normally submits to the Legislature.

18 SEC. 22. Section 15605.5 is added to the Government Code,  
19 to read:

20 15605.5. Notwithstanding any other law, but consistent with  
21 Section 4 of Article VII of the California Constitution and Section  
22 12010.5, each member of the State Board of Equalization elected  
23 by district may request that the Governor convert one civil service  
24 position of the board to be exempt from civil service and serve as  
25 an administrative assistant at or below the nonsupervisory exempt  
26 salary level P2A, who shall be appointed by and shall serve at the  
27 pleasure of the Governor.

28 SEC. 23. Section 16320 is added to the Government Code, to  
29 read:

30 16320. (a) Unless otherwise prohibited by law, moneys in the  
31 State Treasury may be loaned from one state fund or account to any  
32 other state fund or account to address the 2002-03 fiscal year  
33 budgetary shortfall, subject to all of the following conditions:

34 (1) The loan is authorized in the 2002 Budget Act.

35 (2) The terms and conditions of the loan, including an interest  
36 rate, are set forth in the loan authorization.

37 (3) The loan is considered part of the balance of the fund or  
38 account that received the funds for the purpose of accounting and  
39 budgeting, including any determination made pursuant to Section  
40 13307.



1 (4) The loan is not deducted from the balance of the fund or  
2 account from which the loan is made for purposes of calculating  
3 a fee or assessment.

4 (5) A fee or assessment may not be increased as a result of a  
5 loan.

6 (6) Moneys loaned under this section shall not be considered a  
7 transfer of resources for purposes of determining the legality of the  
8 use of those moneys by the fund or account from which the loan  
9 is made or the fund or account that received the loan.

10 (b) (1) The Director of Finance shall order the repayment of all  
11 or a portion of any loan made pursuant to subdivision (a) if he or  
12 she determines that either of the following circumstances exists:

13 (A) The fund or account from which the loan was made has a  
14 need for the moneys.

15 (B) There is no longer a need for the moneys in the fund or  
16 account that received the loan.

17 (2) The Director of Finance shall notify, in writing, the  
18 Chairperson of the Joint Legislative Budget Committee within 30  
19 days of ordering the repayment of any of these loans.

20 (c) On August 1 of each year, the Director of Finance shall  
21 report in writing to the Chairperson of the Joint Legislative Budget  
22 Committee the balances of these loans as of the preceding June 30.  
23 On February 1 of each year, the Director of Finance shall provide  
24 an updated report to the Chairperson of the Joint Legislative  
25 Budget Committee on the balances of these outstanding loans, as  
26 reflected in the preceding Governor's Budget.

27 SEC. 24. Section 16429.1 of the Government Code is  
28 amended to read:

29 16429.1. (a) There is in the State Treasury the Local Agency  
30 Investment Fund, which fund is hereby created. Notwithstanding  
31 Section 13340, all money in the fund is hereby appropriated  
32 without regard to fiscal years to carry out the purpose of this  
33 section. The Controller shall maintain a separate account for each  
34 governmental unit having deposits in this fund.

35 (b) Notwithstanding any other provisions of law, a local  
36 governmental official, with the consent of the governing body of  
37 that agency, having money in its treasury not required for  
38 immediate needs, may remit the money to the Treasurer for deposit  
39 in the Local Agency Investment Fund for the purpose of  
40 investment.



1 (c) Notwithstanding any other provisions of law, an officer of  
2 any nonprofit corporation whose membership is confined to public  
3 agencies or public officials, or an officer of a qualified  
4 quasi-governmental agency, with the consent of the governing  
5 body of that agency, having money in its treasury not required for  
6 immediate needs, may remit the money to the Treasurer for deposit  
7 in the Local Agency Investment Fund for the purpose of  
8 investment.

9 (d) Notwithstanding any other provision of law or of this  
10 section, a local agency, with the approval of its governing body,  
11 may deposit in the Local Agency Investment Fund proceeds of the  
12 issuance of bonds, notes, certificates of participation, or other  
13 evidences of indebtedness of the agency pending expenditure of  
14 the proceeds for the authorized purpose of their issuance. In  
15 connection with these deposits of proceeds, the Local Agency  
16 Investment Fund is authorized to receive and disburse moneys,  
17 and to provide information, directly with or to an authorized  
18 officer of a trustee or fiscal agent engaged by the local agency, the  
19 Local Agency Investment Fund is authorized to hold investments  
20 in the name and for the account of that trustee or fiscal agent, and  
21 the Controller shall maintain a separate account for each deposit  
22 of proceeds.

23 (e) The local governmental unit, the nonprofit corporation, or  
24 the quasi-governmental agency has the exclusive determination of  
25 the length of time its money will be on deposit with the Treasurer.

26 (f) The trustee or fiscal agent of the local governmental unit has  
27 the exclusive determination of the length of time proceeds from the  
28 issuance of bonds will be on deposit with the Treasurer.

29 (g) The Local Investment Advisory Board shall determine  
30 those quasi-governmental agencies which qualify to participate in  
31 the Local Agency Investment Fund.

32 (h) The Treasurer may refuse to accept deposits into the fund  
33 if, in the judgment of the Treasurer, the deposit would adversely  
34 affect the state's portfolio.

35 (i) The Treasurer may invest the money of the fund in securities  
36 prescribed in Section 16430. The Treasurer may elect to have the  
37 money of the fund invested through the Surplus Money  
38 Investment Fund as provided in Article 4 (commencing with  
39 Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2.



1 (j) Money in the fund shall be invested to achieve the objective  
2 of the fund which is to realize the maximum return consistent with  
3 safe and prudent treasury management.

4 (k) All instruments of title of all investments of the fund shall  
5 remain in the Treasurer's vault or be held in safekeeping under  
6 control of the Treasurer in any federal reserve bank, or any branch  
7 thereof, or the Federal Home Loan Bank of San Francisco, with  
8 any trust company, or the trust department of any state or national  
9 bank.

10 (l) Immediately at the conclusion of each calendar quarter, all  
11 interest earned and other increment derived from investments shall  
12 be distributed by the Controller to the contributing governmental  
13 units or trustees or fiscal agents, nonprofit corporations, and  
14 quasi-governmental agencies in amounts directly proportionate to  
15 the respective amounts deposited in the Local Agency Investment  
16 Fund and the length of time the amounts remained therein. An  
17 amount equal to the reasonable costs incurred in carrying out the  
18 provisions of this section, not to exceed a maximum of one-half of  
19 1 percent of the earnings of this fund, shall be deducted from the  
20 earnings prior to distribution. The amount of this deduction shall  
21 be credited as reimbursements to the state agencies, including the  
22 Treasurer, the Controller, and the Department of Finance, having  
23 incurred costs in carrying out the provisions of this section.

24 (m) The Treasurer shall prepare for distribution a monthly  
25 report of investments made during the preceding month.

26 (n) As used in this section, "local agency," "local  
27 governmental unit," and "local governmental official" includes  
28 a campus or other unit and an official, respectively, of the  
29 California State University who deposits moneys in funds  
30 described in Sections 89721, 89722, and 89725 of the Education  
31 Code.

32 SEC. 25. Section 16475 of the Government Code is amended  
33 to read:

34 16475. As of December 31 and June 30 all interest earned and  
35 other increment derived from investments made pursuant to this  
36 article shall, on order of the Controller, be deposited in the Surplus  
37 Money Investment Fund. The Controller, after deducting an  
38 amount equal to the reasonable costs incurred by the Treasurer, the  
39 Controller, and the Department of Finance in carrying out this  
40 article, shall apportion, as of December 31st and June 30th of each



1 year, to the following funds in the Treasury, interest earned or  
2 increment derived from the investments authorized by this article  
3 for the six calendar months ending with those dates:

4 (a) The General Fund.

5 (b) Each fund into which are deposited or which contains  
6 moneys collected from any tax now or hereafter imposed by this  
7 state upon the manufacture, sale, distribution, or use of motor  
8 vehicle fuel, for use in motor vehicles upon the public streets and  
9 highways.

10 (c) Each fund into which are deposited or which contains  
11 moneys collected from motor vehicle and other vehicle  
12 registration license fees or from any other tax or license fee now  
13 or hereafter imposed by the state upon vehicles, motor vehicles or  
14 the operation thereof, except those taxes and license fees that, by  
15 the provisions of Section 7 of Article XIX of the *California*  
16 Constitution, are exempted from the provisions of Section 2 of  
17 Article XIX.

18 (d) Each fund into which are deposited or that contains moneys  
19 collected under any law of this state relating to the protection,  
20 conservation, propagation, or preservation of fish, game,  
21 mollusks, or crustaceans, and fines imposed by any court for the  
22 violation of any of those laws.

23 (e) Each fund into which are deposited or that contains moneys  
24 available for construction, repair, replacement, maintenance or  
25 operation of public works of the state, including, but not limited  
26 to, the facilities of the State Water Resources Development  
27 System, as defined in Section 12931 of the Water Code, toll  
28 facilities financed, built, or acquired pursuant to the California  
29 Toll Bridge Authority Act (Chapter 1 (commencing with Section  
30 30000) of Division 17 of the Streets and Highways Code), or  
31 moneys available for the payment of principal or interest on bonds  
32 issued to provide for the construction of those facilities.

33 (f) Every other fund in respect to which the Director of Finance  
34 on the advice of the Attorney General determines that the  
35 operation of the California Constitution or the United States  
36 Constitution prohibits the expenditure of interest received under  
37 this article and allocated on the basis of amounts in that fund for  
38 General Fund purposes.

39 (g) Each fund not included within subdivisions (a) to (f),  
40 inclusive.



1 The apportionments shall be made by the Controller in the  
2 following manner:

3 (1) All money not apportioned to the funds referred to in  
4 subdivisions (b), (c), (d), (e), (f), and (g) shall be apportioned to  
5 the General Fund.

6 (2) There shall be apportioned to each of the funds referred to  
7 in subdivisions (b), (c), (d), (e), (f), and (g), an amount directly  
8 proportionate to the respective amounts transferred from those  
9 funds to the Surplus Money Investment Fund and the length of  
10 time the amounts remained therein.

11 (3) Interest accrued or paid to the Pooled Money Investment  
12 Account from the proceeds of tax-exempt obligations on loans  
13 made pursuant to Section 16312 or 16313, to the extent thereof,  
14 shall be deemed apportioned to the State Highway Account or any  
15 other accounts that may be designated by the Controller pursuant  
16 to Section 16654, but only to the extent of its proportionate  
17 earnings as determined under paragraph (2). This paragraph shall  
18 neither increase nor decrease the amount of earnings apportioned  
19 to any fund or account in accordance with this section. These  
20 moneys shall be deemed expended (or applied to reimburse  
21 expenditures previously paid) first following the allocation of  
22 these interest earnings of the Surplus Money Investment Fund to  
23 the State Highway Account or any other accounts that may be  
24 designated by the Controller pursuant to Section 16654. It is the  
25 intent of the Legislature that this paragraph shall authorize the  
26 Treasurer and the Controller to monitor the expenditure of the  
27 proceeds of tax-exempt obligations in order to comply with federal  
28 tax laws and shall neither increase nor decrease the amount of  
29 bonds, notes, or other obligations to be issued by the state or any  
30 subdivision thereof, nor shall this paragraph be interpreted to  
31 indicate that the allocation is contrary to any bond act.

32 SEC. 26. Section 16475.5 of the Government Code is  
33 amended to read:

34 16475.5. Notwithstanding the provisions of Section 16475, as  
35 of December 31 and June 30 each year all interest earned and other  
36 increment derived from the investment pursuant to this article of  
37 money of the Fish and Game Preservation Fund, less the expenses  
38 incurred by the Treasurer, the Controller, and the Department of  
39 Finance under this article in connection with the investment of this



1 money, shall be transferred to the Fish and Game Preservation  
2 Fund.

3 SEC. 27. Section 16724.6 of the Government Code is  
4 amended to read:

5 16724.6. There is hereby transferred from any bond fund  
6 created for the proceeds of sales of state general obligation bonds,  
7 the amounts necessary to reimburse the Treasurer, the Controller,  
8 and the Department of Finance for actual expenses incurred in: (1)  
9 administering or reviewing loans from the Pooled Money  
10 Investment Account to the bond fund including review by the  
11 Public Works Board staff, (2) assuring bond program compliance  
12 with federal laws and regulations related to tax-exempt  
13 government obligations by tracking arbitrage and expenditures,  
14 calculating and remitting federal rebates and penalties, investing  
15 bond sale proceeds, establishing and maintaining special  
16 accounting systems, and providing other services the Treasurer  
17 determines are necessary to maintain the tax-exempt status of the  
18 bonds.

19 SEC. 28. Section 16727 of the Government Code is amended  
20 to read:

21 16727. Proceeds from the sale of any bonds issued pursuant  
22 to this chapter shall be used only for the following purposes:

23 (a) The costs of construction or acquisition of capital assets.  
24 “Capital assets” mean tangible physical property with an  
25 expected useful life of 15 years or more. “Capital assets” also  
26 means tangible physical property with an expected useful life of  
27 10 to 15 years, but these costs may not exceed 10 percent of the  
28 bond proceeds net of all issuance costs. “Capital assets” include  
29 major maintenance, reconstruction, demolition for purposes of  
30 reconstruction of facilities, and retrofitting work that is ordinarily  
31 done no more often than once every 5 to 15 years or expenditures  
32 that continue or enhance the useful life of the capital asset.  
33 “Capital assets” also include equipment with an expected useful  
34 life of two years or more. Costs allowable under this section  
35 include costs incidentally but directly related to construction or  
36 acquisition, including, but not limited to, planning, engineering,  
37 construction management, architectural, and other design work,  
38 environmental impact reports and assessments, required  
39 mitigation expenses, appraisals, legal expenses, site acquisitions,  
40 and necessary easements.



1 (b) To make grants or loans, if the proceeds of the grants or  
2 loans are used for the costs of construction or acquisition of capital  
3 assets. Bond proceeds may also be used to pay the costs of a state  
4 agency for administering the grant or loan program.

5 (c) To repay funds borrowed in anticipation of the sale of the  
6 bonds, including interest, or to pay interest on the bonds  
7 themselves.

8 (d) To pay the costs of a state agency with responsibility for  
9 administering the bond program. These costs include those  
10 incurred by the Treasurer, the Controller, the Department of  
11 Finance, and the Public Works Board for staff, operating expenses  
12 and equipment, and consultants' costs.

13 (e) The costs of the Treasurer's office directly associated with  
14 the sale and payment of the bonds, including, but not limited to,  
15 underwriting discounts, costs of printing, bond counsel,  
16 registration, and fees of trustees.

17 Nothing in this section is intended to prohibit the investment of  
18 bond proceeds or the use of proceeds of those investments in any  
19 manner authorized by law.

20 SEC. 29. Section 16731.6 of the Government Code is  
21 amended to read:

22 16731.6. (a) Notwithstanding any other provision of this  
23 chapter, and as an alternative to the procedures set forth in Section  
24 16731, the committee may provide for the issuance of all or part  
25 of the bonds authorized to be issued as commercial paper notes.  
26 The committee shall adopt a resolution finding that issuance of the  
27 bonds in the form of commercial paper notes is necessary and  
28 desirable, directing the Treasurer to arrange for preparation of the  
29 requisite number of suitable notes, and specifying other provisions  
30 relating to the commercial paper notes including the following:

31 (1) For each program of commercial paper notes authorized,  
32 the final date of maturity and the total aggregate principal amount  
33 of the commercial paper notes authorized to be outstanding at any  
34 one time up to the maturity date. The resolution may provide that  
35 the commercial paper notes may be issued and renewed from time  
36 to time until the final maturity date, and that the amount issued  
37 from time to time may be set by the Treasurer up to the maximum  
38 amount authorized to be outstanding at any one time. The  
39 resolution shall include methods of setting the dates, numbers, and  
40 denominations of the commercial paper notes. Determination of



1 the final maturity date and total amount by the committee shall be  
2 made upon recommendation of the Treasurer to meet the needs of  
3 the state for funds, to provide the maximum benefit to potential  
4 purchasers, and to respond to the expected demand for the  
5 commercial paper notes. Notwithstanding any other provision of  
6 this chapter, whenever the committee determines to issue  
7 commercial paper notes, the committee need not comply with the  
8 requirements of Section 16732.

9 (2) The method of setting the interest rates and interest  
10 payment dates applicable to the commercial paper notes.  
11 Commercial paper notes may bear a state rate of interest payable  
12 only at maturity, which rate or rates may be determined at the time  
13 of sale of each unit of commercial paper notes. The rate of interest  
14 borne by the commercial paper notes shall not exceed 11 percent  
15 per annum. Notwithstanding any other provision of this chapter,  
16 whenever the committee determines to issue commercial paper  
17 notes, the committee need not comply with the requirements of  
18 Section 16733.

19 (3) Any provisions for the redemption of the commercial paper  
20 notes prior to stated maturity.

21 (4) The technical form and language of the commercial paper  
22 notes.

23 (5) All other terms and conditions of the commercial paper  
24 notes and of their execution, issuance, and sale, deemed necessary  
25 and appropriate by the committee.

26 (b) Notwithstanding any other provision of this chapter, when  
27 the committee determines to issue commercial paper notes, all of  
28 the following shall apply:

29 (1) The commercial paper notes may be sold at negotiated sale  
30 at a price below the par value in a manner consistent with  
31 paragraph (2) of subdivision (a).

32 (2) For purposes of determining the principal amount of bonds  
33 of any voted authorization outstanding, in the case of any  
34 commercial paper notes, the principal amount deemed outstanding  
35 at any time during the term of a program of commercial paper  
36 notes shall be the maximum amount authorized in the resolution.

37 (3) During the term of any program of commercial paper notes,  
38 the renewal and reissuance from time to time of the commercial  
39 paper notes in an amount up to the maximum amount authorized  
40 by the resolution shall be deemed to be a refunding of the



1 previously maturing amount, permitted by and consistent with  
2 Article 6 (commencing with Section 16780).

3 (4) Consistent with the intent for the General Fund to realize a  
4 savings in debt service costs when commercial paper notes are  
5 issued in place of bonds without shifting or adding financing and  
6 debt service costs to the bond funds, the state administrative costs  
7 of commercial paper and interest payable and other costs  
8 associated with commercial paper notes shall be paid for as  
9 follows:

10 (A) The proceeds of commercial paper notes are,  
11 notwithstanding Section 13340, continuously appropriated to pay  
12 the state administrative costs of commercial paper including, but  
13 not limited to, costs of the Treasurer's office, the Controller's  
14 office, and the Department of Finance.

15 (B) The interest payable on maturing commercial paper notes  
16 and other costs associated with commercial paper notes not  
17 specified in paragraph (A), including, but not limited to,  
18 remarketing fees, issuing and paying agent fees, the letter or line  
19 of credit provider fees, the rating agency fees, and bond counsel  
20 fees, shall be paid from the General Fund which, notwithstanding  
21 Section 13340, is continuously appropriated to pay the interests  
22 and costs.

23 SEC. 30. Section 17311 of the Government Code is amended  
24 to read:

25 17311. There is hereby appropriated from the General Fund  
26 without regard to fiscal years, two hundred fifty thousand dollars  
27 (\$250,000) which shall be set aside in a special account entitled  
28 State Notes Expense Account, and shall be used to pay expenses  
29 incurred by the Treasurer, Controller, or the Department of  
30 Finance in providing for the preparation, sale, issuance,  
31 advertising, legal services, or any other act which, in the discretion  
32 of the Treasurer or the Department of Finance, is necessary to carry  
33 out the purposes of this part. This account shall operate as a  
34 revolving fund and whenever notes are sold, out of the first money  
35 realized from their sale, any remaining expenses shall be paid and  
36 then there shall be redeposited in the account any amounts that  
37 have been expended for the above purposes, which amounts may  
38 be used for the same purposes and repaid in the same manner  
39 whenever additional sales are made.



1 SEC. 30.2. *Section 17551 of the Government Code is*  
 2 *amended to read:*

3 17551. (a) The commission, pursuant to the provisions of  
 4 this chapter, shall hear and decide upon a claim by a local agency  
 5 or school district that the local agency or school district is entitled  
 6 to be reimbursed by the state for costs mandated by the state as  
 7 required by Section 6 of Article XIII B of the California  
 8 Constitution.

9 (b) *Commission review of claims may be had pursuant to*  
 10 *subdivision (a) only if the test claim is filed within the time limits*  
 11 *specified in this section.*

12 (c) *Local agency and school district test claims shall be filed*  
 13 *not later than three years following the date the mandate became*  
 14 *effective, or in the case of mandates that became effective before*  
 15 *January 1, 2002, the time limit shall be one year from the effective*  
 16 *date of this subdivision.*

17 (d) The commission, pursuant to the provisions of this chapter,  
 18 shall hear and decide upon a claim by a local agency or school  
 19 district filed on or after January 1, 1985, that the Controller has  
 20 incorrectly reduced payments to the local agency or school district  
 21 pursuant to paragraph (2) of subdivision (d) of Section 17561.

22 SEC. 30.4. *Section 17558.5 of the Government Code is*  
 23 *amended to read:*

24 17558.5. (a) A reimbursement claim for actual costs filed by  
 25 a local agency or school district pursuant to this chapter is subject  
 26 to audit by the Controller no later than two years after the end of  
 27 the calendar year in which the reimbursement claim is filed or last  
 28 amended. However, if no funds are appropriated for the program  
 29 for the fiscal year for which the claim is made, the time for the  
 30 Controller to initiate an audit shall commence to run from the date  
 31 of initial payment of the claim.

32 (b) The Controller shall notify the claimant in writing within 30  
 33 days after issuance of a remittance advice of any adjustment to a  
 34 claim for reimbursement that results from an audit or review. The  
 35 notification shall specify the claim components adjusted, the  
 36 amounts adjusted, *interest charges on claims adjusted to reduce*  
 37 *the overall reimbursement to the local agency or school district,*  
 38 and the reason for the adjustment. Remittance advices and other  
 39 notices of payment action shall not constitute notice of adjustment  
 40 from an audit or review.



1 (c) *The interest rate charged by the Controller on reduced*  
2 *claims shall be set at the Pooled Money Investment Account rate*  
3 *and shall be imposed on the dollar amount of the overpaid claim*  
4 *from the time the claim was paid until overpayment is satisfied.*

5 (d) Nothing in this section shall be construed to limit the  
6 adjustment of payments when inaccuracies are determined to be  
7 the result of the intent to defraud, or when a delay in the completion  
8 of an audit is the result of willful acts by the claimant or inability  
9 to reach agreement on terms of final settlement.

10 ~~(d) This section shall become operative on July 1, 1996.~~

11 *SEC. 30.6. Section 17561 of the Government Code is*  
12 *amended to read:*

13 17561. (a) The state shall reimburse each local agency and  
14 school district for all “costs mandated by the state,” as defined in  
15 Section 17514.

16 (b) (1) For the initial fiscal year during which these costs are  
17 incurred, reimbursement funds shall be provided as follows:

18 (A) Any statute mandating these costs shall provide an  
19 appropriation therefor.

20 (B) Any executive order mandating these costs shall be  
21 accompanied by a bill appropriating the funds therefor, or  
22 alternatively, an appropriation for these costs shall be included in  
23 the Budget Bill for the next succeeding fiscal year. The executive  
24 order shall cite that item of appropriation in the Budget Bill or that  
25 appropriation in any other bill which is intended to serve as the  
26 source from which the Controller may pay the claims of local  
27 agencies and school districts.

28 (2) In subsequent fiscal years appropriations for these costs  
29 shall be included in the annual Governor’s Budget and in the  
30 accompanying Budget Bill. In addition, appropriations to  
31 reimburse local agencies and school districts for continuing costs  
32 resulting from chaptered bills or executive orders for which claims  
33 have been awarded pursuant to subdivision (a) of Section 17551  
34 shall be included in the annual Governor’s Budget and in the  
35 accompanying Budget Bill subsequent to the enactment of the  
36 local government claims bill pursuant to Section 17600 that  
37 includes the amounts awarded relating to these chaptered bills or  
38 executive orders.



1 (c) The amount appropriated to reimburse local agencies and  
2 school districts for costs mandated by the state shall be  
3 appropriated to the Controller for disbursement.

4 (d) The Controller shall pay any eligible claim pursuant to this  
5 section within 60 days after the filing deadline for claims for  
6 reimbursement or 15 days after the date the appropriation for the  
7 claim is effective, whichever is later. The Controller shall disburse  
8 reimbursement funds to local agencies or school districts if the  
9 costs of these mandates are not payable to state agencies, or to state  
10 agencies ~~who~~ *that* would otherwise collect the costs of these  
11 mandates from local agencies or school districts in the form of  
12 fees, premiums, or payments. When disbursing reimbursement  
13 funds to local agencies or school districts, the Controller shall  
14 disburse them as follows:

15 (1) For initial reimbursement claims, the Controller shall issue  
16 claiming instructions to the relevant local agencies pursuant to  
17 Section 17558. Issuance of the claiming instructions shall  
18 constitute a notice of the right of the local agencies and school  
19 districts to file reimbursement claims, based upon parameters and  
20 guidelines adopted by the commission.

21 (A) When claiming instructions are issued by the Controller  
22 pursuant to Section 17558 for each mandate determined pursuant  
23 to Section 17555 that requires state reimbursement, each local  
24 agency or school district to which the mandate is applicable shall  
25 submit claims for initial fiscal year costs to the Controller within  
26 120 days of the issuance date for the claiming instructions.

27 (B) When the commission is requested to review the claiming  
28 instructions pursuant to Section 17571, each local agency or  
29 school district to which the mandate is applicable shall submit a  
30 claim for reimbursement within 120 days after the commission  
31 reviews the claiming instructions for reimbursement issued by the  
32 Controller.

33 (C) If the local agency or school district does not submit a claim  
34 for reimbursement within the 120-day period, or submits a claim  
35 pursuant to revised claiming instructions, it may submit its claim  
36 for reimbursement as specified in Section 17560. The Controller  
37 shall pay these claims from the funds appropriated therefor,  
38 provided that the Controller (i) may audit the records of any local  
39 agency or school district to verify the actual amount of the



1 mandated costs, and (ii) may reduce any claim that the Controller  
2 determines is excessive or unreasonable.

3 (2) In subsequent fiscal years each local agency or school  
4 district shall submit its claims as specified in Section 17560. The  
5 Controller shall pay these claims from funds appropriated therefor,  
6 provided that the Controller (A) may audit the records of any local  
7 agency or school district to verify the actual amount of the  
8 mandated costs, (B) may reduce any claim that the Controller  
9 determines is excessive or unreasonable, and (C) shall adjust the  
10 payment to correct for any underpayments or overpayments which  
11 occurred in previous fiscal years.

12 (3) When paying a timely filed claim for initial reimbursement,  
13 the Controller shall withhold 20 percent of the amount of the claim  
14 until the claim is audited to verify the actual amount of the  
15 mandated costs. All initial reimbursement claims for all fiscal  
16 years required to be filed on their initial filing date for a  
17 state-mandated local program shall be considered as one claim for  
18 the purpose of computing any late claim penalty. Any claim for  
19 initial reimbursement filed after the filing deadline shall be  
20 reduced by 10 percent of the amount that would have been allowed  
21 had the claim been timely filed, ~~provided that the amount of this~~  
22 ~~reduction shall not exceed one thousand dollars (\$1,000).~~ The  
23 Controller may withhold payment of any late claim for initial  
24 reimbursement until the next deadline for funded claims unless  
25 sufficient funds are available to pay the claim after all timely filed  
26 claims have been paid. In no case shall a reimbursement claim be  
27 paid if submitted more than one year after the filing deadline  
28 specified in the Controller's claiming instructions on funded  
29 mandates contained in a claims bill.

30 *SEC. 30.8. Section 17562 of the Government Code is*  
31 *amended to read:*

32 17562. (a) The Legislature hereby finds and declares that the  
33 increasing revenue constraints on state and local government and  
34 the increasing costs of financing state-mandated local programs  
35 make evaluation of ~~the cumulative effects of~~ state-mandated local  
36 programs imperative. Accordingly, it is the intent of the  
37 Legislature to *increase information regarding state mandates and*  
38 *establish a method for regularly reviewing the costs and benefits*  
39 *of state-mandated local programs, by evaluating the benefit of*  
40 ~~previously enacted mandates.~~



1 (b) *The Controller shall submit a report to the Joint Legislative*  
2 *Budget Committee and fiscal committees by January 1 of each*  
3 *year. This report shall summarize, by state mandate, the total*  
4 *amount of claims paid per fiscal year and the amount, if any, of*  
5 *mandate deficiencies or surpluses. This report shall be made*  
6 *available in an electronic spreadsheet format. The report shall*  
7 *compare the annual cost of each mandate to the statewide cost*  
8 *estimate adopted by the commission.*

9 (c) *After the commission submits its second semiannual report*  
10 *to the Legislature pursuant to Section 17600, the Legislative*  
11 *Analyst shall submit a report to the Joint Legislative Budget*  
12 *Committee and legislative fiscal committees on the mandates*  
13 *included in the commission's reports. The report shall make*  
14 *recommendations as to whether the mandate should be repealed,*  
15 *funded, suspended, or modified.*

16 (d) *In its annual analysis of the Budget Bill and based on*  
17 *information provided pursuant to subdivision (b), the Legislative*  
18 *Analyst shall identify mandates that significantly exceed the*  
19 *statewide cost estimate adopted by the commission. The*  
20 *Legislative Analyst shall make recommendations on whether the*  
21 *mandate should be repealed, funded, suspended, or modified.*

22 (e) (1) A statewide association of local agencies or a Member  
23 of the Legislature may submit a proposal to the Legislature  
24 recommending the elimination or modification of a  
25 state-mandated local program. To make such a proposal, the  
26 association or member shall submit a letter to the Chairs of the  
27 Assembly Committee on Local Government and the Senate  
28 Committee on Local Government specifying the mandate and the  
29 concerns and recommendations regarding the mandate. The  
30 association or member shall include in the proposal all information  
31 relevant to the conclusions. If the chairs of the committees desire  
32 additional analysis of the submitted proposal, the chairs may refer  
33 the proposal to the Legislative Analyst for review and comment.  
34 The chairs of the committees may refer up to a total of 10 of these  
35 proposals to the Legislative Analyst for review in any year.  
36 Referrals shall be submitted to the Legislative Analyst by  
37 December 1 of each year.

38 (2) The Legislative Analyst shall review and report to the  
39 Legislature with regard to each proposal that is referred to the  
40 office pursuant to paragraph (1). The Legislative Analyst shall



1 recommend that the Legislature adopt, reject, or modify the  
2 proposal. The report and recommendations shall be submitted  
3 annually to the Legislature by March 1 of the year subsequent to  
4 the year in which referrals are submitted to the Legislative  
5 Analyst.

6 (3) The Department of Finance shall review all statutes enacted  
7 each year that contain provisions making inoperative Section 2229  
8 or Section 2230 of the Revenue and Taxation Code or Section  
9 17561 or Section 17565 that have resulted in costs or revenue  
10 losses mandated by the state that were not identified when the  
11 statute was enacted. The review shall identify the costs or revenue  
12 losses involved in complying with ~~the provisions of the statutes.~~  
13 The Department of Finance shall also review all statutes enacted  
14 each year that may result in cost savings authorized by the state.  
15 The Department of Finance shall submit an annual report of the  
16 review required by this subdivision, together with the  
17 recommendations as it may deem appropriate, by December 1 of  
18 each year.

19 ~~(e)~~

20 (f) It is the intent of the Legislature that the Assembly  
21 Committee on Local Government and the Senate Committee on  
22 Local Government hold a joint hearing each year regarding the  
23 following:

24 (1) The reports and recommendations submitted pursuant to  
25 subdivision ~~(b)~~ (e).

26 (2) The reports submitted pursuant to Sections 17570, 17600,  
27 and 17601.

28 (3) Legislation to continue, eliminate, or modify any provision  
29 of law reviewed pursuant to this subdivision. The legislation may  
30 be by subject area or by year or years of enactment.

31 *SEC. 30.9. Section 17564 of the Government Code is*  
32 *amended to read:*

33 17564. (a) No claim shall be made pursuant to Sections  
34 17551 and 17561, nor shall any payment be made on claims  
35 submitted pursuant to Sections 17551 and 17561, unless these  
36 claims exceed ~~two hundred dollars (\$200)~~ *one thousand dollars*  
37 *(\$1,000)*, provided that a county superintendent of schools or  
38 county may submit a combined claim on behalf of school districts,  
39 direct service districts, or special districts within their county if the  
40 combined claim exceeds ~~two hundred dollars (\$200)~~ *one thousand*



1 *dollars (\$1,000)* even if the individual school district's, direct  
2 service district's, or special district's claims do not each exceed  
3 ~~two hundred dollars (\$200)~~ *one thousand dollars (\$1,000)*. The  
4 county superintendent of schools or the county shall determine if  
5 the submission of the combined claim is economically feasible and  
6 shall be responsible for disbursing the funds to each school, direct  
7 service, or special district. These combined claims may be filed  
8 only when the county superintendent of schools or the county is the  
9 fiscal agent for the districts. All subsequent claims based upon the  
10 same mandate shall only be filed in the combined form unless a  
11 school district, direct service district, or special district provides  
12 to the county superintendent of schools or county and to the  
13 Controller, at least 180 days prior to the deadline for filing the  
14 claim, a written notice of its intent to file a separate claim.

15 (b) Claims for direct and indirect costs filed pursuant to Section  
16 17561 shall be filed in the manner prescribed in the parameters and  
17 guidelines.

18 SEC. 31. Section 68087 is added to the Government Code, to  
19 read:

20 68087. (a) A state surcharge of 10 percent shall be levied on  
21 any fee specified in paragraph (1) of subdivision (c) of Section  
22 68085. This surcharge shall be in addition to any other  
23 court-related fee.

24 (b) The clerk of the court shall cause the amount collected to be  
25 transmitted to the Trial Court Trust Fund.

26 (c) It is the intent of the Legislature that nothing in this section  
27 shall change the existing distribution or amounts of the fees  
28 specified in paragraph (1) of subdivision (c) of Section 68085  
29 provided to local jurisdictions and the state.

30 (d) This section shall become inoperative on July 1, 2007, and  
31 as of January 1, 2008, is repealed, unless a later enacted statute,  
32 that becomes operative on or before January 1, 2008, deletes or  
33 extends that date.

34 SEC. 32. Section 18909 of the Health and Safety Code is  
35 amended to read:

36 18909. (a) "Building standard" means any rule, regulation,  
37 order, or other requirement, including any amendment or repeal of  
38 that requirement, that specifically regulates, requires, or forbids  
39 the method of use, properties, performance, or types of materials  
40 used in the construction, alteration, improvement, repair, or



1 rehabilitation of a building, structure, factory-built housing, or  
2 other improvement to real property, including fixtures therein, and  
3 as determined by the commission.

4 (b) Except as provided in subdivision (d), “building standard”  
5 includes architectural and design functions of a building or  
6 structure, including, but not limited to, number and location of  
7 doors, windows, and other openings, stress or loading  
8 characteristics of materials, and methods of fabrication,  
9 clearances, and other functions.

10 (c) “Building standard” includes a regulation or rule relating  
11 to the implementation or enforcement of a building standard not  
12 otherwise governed by statute, but does not include the adoption  
13 of procedural ordinances by a city or other public agency relating  
14 to civil, administrative, or criminal procedures and remedies  
15 available for enforcing code violations.

16 (d) “Building standard” does not include any safety  
17 regulations that any state agency is authorized to adopt relating to  
18 the operation of machinery and equipment used in manufacturing,  
19 processing, or fabricating, including, but not limited to,  
20 warehousing and food processing operations, but not including  
21 safety regulations relating to permanent appendages, accessories,  
22 apparatus, appliances, and equipment attached to the building as  
23 a part thereof, as determined by the commission.

24 (e) “Building standard” does not include temporary  
25 scaffoldings and similar temporary safety devices and procedures,  
26 that are used in the erection, demolition, moving, or alteration of  
27 buildings.

28 (f) “Building standard” does not include any regulation  
29 relating to the internal management of a state agency.

30 (g) “Building standard” does not include any regulation, rule,  
31 order, or standard that pertains to mobilehomes, manufactured  
32 homes, commercial coaches, special purpose commercial coaches,  
33 or recreational vehicles.

34 (h) “Building standard” does not include any regulation, rule,  
35 or order or standard that pertains to a mobilehome park,  
36 recreational vehicle park, temporary recreational vehicle park, or  
37 travel trailer park, except that “building standard” includes the  
38 construction of permanent buildings and plumbing, electrical, and  
39 fuel gas equipment and installations within permanent buildings  
40 in mobilehome parks, recreational vehicle parks, temporary



1 recreational vehicle parks, or travel trailer parks. For purposes of  
2 this subdivision, “permanent building” means any permanent  
3 structure constructed in the mobilehome park, recreational vehicle  
4 park, temporary recreational vehicle park, or travel trailer park  
5 that is a permanent facility under the control and ownership of the  
6 park operator.

7 (i) “Building standard” does not include any regulation, rule,  
8 order, or standard that pertains to mausoleums regulated under  
9 Part 5 (commencing with Section 9501) of Division 8.

10 (j) “Building standard” does not include any regulation  
11 adopted by the California Integrated Waste Management Board,  
12 the Department of Toxic Substances Control, the Occupational  
13 Safety and Health Standards Board, or the State Water Resources  
14 Control Board concerning the discharge of waste to land or the  
15 treatment, transfer, storage, resource recovery, disposal, or  
16 recycling of the waste.

17 SEC. 33. Section 18913 of the Health and Safety Code is  
18 amended to read:

19 18913. “Emergency standard” means a building standard or  
20 an order of repeal of a building standard filed for publication in the  
21 code by the commission pursuant to Section 11346.1 of the  
22 Government Code.

23 SEC. 34. Section 18937 of the Health and Safety Code is  
24 amended to read:

25 18937. (a) Emergency standards shall be acted on by the  
26 commission within 30 days and only when the adopting agency or  
27 state agency that proposes the building standards has made the  
28 finding of emergency required by Sections 11346.1 and 11346.5  
29 of the Government Code and the adopting agencies have adopted  
30 the emergency standard in compliance with Section 11346.1 of the  
31 Government Code, and the commission concurs with that finding.  
32 Both the concurrence and the approval of the emergency building  
33 standards require an affirmative vote of two-thirds of the members  
34 of the commission attending a meeting, or not less than six  
35 affirmative votes, whichever is greater.

36 (b) Emergency standards approved by the commission  
37 pursuant to subdivision (a) shall be filed by the commission  
38 pursuant to Section 11346.1 of the Government Code and shall be  
39 subject to that section.



1 SEC. 35. Section 18938 of the Health and Safety Code is  
2 amended to read:

3 18938. (a) Building standards shall be filed with the  
4 Secretary of State and codified only after they have been approved  
5 by the commission and shall not be published in any other title of  
6 the California Code of Regulations. Emergency building  
7 standards shall be filed with the Secretary of State and shall take  
8 effect only after they have been approved by the commission as  
9 required by Section 18937. The filing of building standards  
10 adopted or approved pursuant to this part, or any certification with  
11 respect thereto, with the Secretary of State, or elsewhere as  
12 required by law, shall be done solely by the commission.

13 (b) The building standards contained in the Uniform Fire Code  
14 of the International Conference of Building Officials and the  
15 Western Fire Chiefs Association, Inc., the Uniform Building Code  
16 of the International Conference of Building Officials, Appendix  
17 Chapter 1 of the Uniform Code for Building Conservation of the  
18 International Conference of Building Officials, the Uniform  
19 Plumbing Code of the International Association of Plumbing and  
20 Mechanical Officials, the National Electrical Code of the National  
21 Fire Protection Association, and the Uniform Mechanical Code of  
22 the International Conference of Building Officials and the  
23 International Association of Plumbing and Mechanical Officials,  
24 as referenced in the California Building Standards Code, shall  
25 apply to all occupancies throughout the state and shall become  
26 effective 180 days after publication in the California Building  
27 Standards Code by the California Building Standards Commission  
28 or at a later date after publication established by the commission.

29 (c) Except as otherwise provided in this subdivision, an  
30 adoption, amendment, or repeal of a building standard shall  
31 become effective 180 days after its publication in the triennial  
32 edition of the California Building Standards Code or one of its  
33 supplements, or at any later date as approved by the California  
34 Building Standards Commission, with the exceptions of standards  
35 adopted pursuant to Section 25402 of the Public Resources Code  
36 and those regulations that implement or enforce building  
37 standards. Regulations that implement or enforce building  
38 standards shall become effective 30 days after filing by the  
39 commission with the Secretary of State. This subdivision shall not  
40 apply to emergency building standards. An amendment or a repeal



1 of a building standard in the California Building Standards Code  
2 that, as determined by the commission, would result in a less  
3 restrictive regulation, shall become effective 30 days after filing  
4 of the amendment or repeal by the commission with the Secretary  
5 of State.

6 (d) Emergency standards defined in subdivision (a) of Section  
7 18913 shall become effective when approved by the commission,  
8 and filed with the Secretary of State, or upon any later date  
9 specified therein, and remain in effect as provided by Section  
10 11346.1 of the Government Code and Section 18937 of this code.  
11 Emergency standards shall be distributed as soon as practicable  
12 after publication to all interested and affected parties. Notice of  
13 repeal, pursuant to Section 11346.1 of the Government Code, of  
14 emergency standards defined in subdivision (a) of Section 18913  
15 within the period specified by that section, shall also be given to  
16 the parties by the affected agencies promptly after the termination  
17 of the statutory period pursuant to Section 11346.1 of the  
18 Government Code.

19 (e) This section shall not be applicable to the time limits set  
20 forth in Sections 17922 and 17958 for approval of uniform codes  
21 and for changes by local agencies in the California Building  
22 Standards Code.

23 SEC. 36. Section 18942 of the Health and Safety Code is  
24 amended to read:

25 18942. (a) The commission shall publish, or cause to be  
26 published, editions of the code in its entirety once in every three  
27 years. In each intervening year the commission shall publish, or  
28 cause to be published, supplements as necessary. For emergency  
29 building standards defined in subdivision (a) of Section 18913, an  
30 emergency building standards supplement shall be published  
31 whenever the commission determines it is necessary.

32 (b) The commission shall publish the text of Article 2.5  
33 (commencing with Section 115920) of Chapter 5 of Part 10 of  
34 Division 104, within the California Code of Regulations, Title 24,  
35 Part 2 requirements for single-family residential occupancies,  
36 with the following note:

37 “NOTE: These regulations are subject to local government  
38 modification. You should verify the applicable local  
39 government requirements at the time of application for a  
40 building permit.”



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(c) The commission may publish, stockpile, and sell at a reasonable price the code and any materials incorporated therein by reference if it deems the latter is insufficiently available to the public, or unavailable at a reasonable price. Each state department concerned and each city, county, or city and county shall have an up-to-date copy of the code available for public inspection.

(d) (1) Each city, county, and city and county, including charter cities, shall obtain and maintain with all revisions on a current basis, at least one copy of the building standards and other state regulations relating to buildings published in Titles 8, 19, 20, 24, and 25 of the California Code of Regulations. These codes shall be maintained in the office of the building official responsible for the administration and enforcement of this part.

(2) This subdivision shall not apply to any city or county which contracts for the administration and enforcement of the provisions of this part with another local government agency that complies with this section.

SEC. 37. Section 18943 of the Health and Safety Code is amended to read:

18943. Building standards in individual titles of the California Code of Regulations other than the California Building Standards Code shall have no force nor effect after January 1, 1985.

SEC. 38. Section 12907 is added to the Insurance Code, to read:

12907. The following existing positions in the Department of Insurance shall be appointed by the Governor and are exempt from the state civil service system:

- (a) Chief executive officer.
- (b) Deputy commissioner for the office of the ombudsman.
- (c) Career executive assignment IV, in the administration and licensing services division.

SEC. 39. Section 62.5 of the Labor Code is amended to read:

62.5. (a) The Workers' Compensation Administration Revolving Fund is hereby created as a special account in the State Treasury. Money in the fund may be expended by the department, upon appropriation by the Legislature, for the administration of the workers' compensation program set forth in this division and Division 4 (commencing with Section 3200), other than the



1 activities financed pursuant to Section 3702.5, and may not be  
2 used for any other purpose, except as determined by the  
3 Legislature.

4 (b) The fund shall consist of assessments made pursuant to this  
5 section. Costs of the program shall be shared on a proportional  
6 basis between the General Fund and employer assessments. The  
7 General Fund appropriation shall account for 80 percent, and  
8 employer assessments shall account for 20 percent, of the total  
9 costs of the program.

10 (c) Assessments shall be levied by the director upon all  
11 employers as defined in Section 3300. The total amount of the  
12 assessment shall be allocated between self-insured employers and  
13 insured employers in proportion to payroll respectively paid in the  
14 most recent year for which payroll information is available. The  
15 director shall promulgate reasonable rules and regulations  
16 governing the manner of collection of the assessment. The rules  
17 shall require the assessment to be paid by self-insurers to be  
18 expressed as a percentage of indemnity paid during the most recent  
19 year for which information is available, and the assessment to be  
20 paid by insured employers to be expressed as a percentage of  
21 premium. In no event shall the assessment paid by insured  
22 employers be considered a premium for computation of a gross  
23 premium tax or agents' commission.

24 SEC. 40. Section 142 of the Labor Code is amended to read:

25 142. The Division of Occupational Safety and Health shall  
26 enforce all occupational safety and health standards adopted  
27 pursuant to this chapter, and those heretofore adopted by the  
28 Industrial Accident Commission or the Industrial Safety Board.  
29 General safety orders heretofore adopted by the Industrial  
30 Accident Commission or the Industrial Safety Board shall  
31 continue to remain in effect, but they may be amended or repealed  
32 pursuant to this chapter.

33 SEC. 41. Section 142.3 of the Labor Code is amended to read:

34 142.3. (a) (1) The board, by an affirmative vote of at least  
35 four members, may adopt, amend or repeal occupational safety  
36 and health standards and orders. The board shall be the only  
37 agency in the state authorized to adopt occupational safety and  
38 health standards.

39 (2) The board shall adopt standards at least as effective as the  
40 federal standards for all issues for which federal standards have



1 been promulgated under Section 6 of the Occupational Safety and  
2 Health Act of 1970 (P.L. 91-596) within six months of the  
3 promulgation date of the federal standards and which, when  
4 applicable to products which are distributed or used in interstate  
5 commerce, are required by compelling local conditions and do not  
6 unduly burden interstate commerce.

7 (3) No standard or amendment to any standard adopted by the  
8 board that is substantially the same as a federal standard shall be  
9 subject to Article 5 (commencing with Section 11346) and Article  
10 6 (commencing with Section 11349) of Chapter 3.5 of Part 1 of  
11 Division 3 of Title 2 of the Government Code. For purposes of this  
12 subdivision, “substantially the same” means identical to the  
13 federal standard with the exception of editorial and format  
14 differences needed to conform to other state laws and standards.

15 (4) If a federal standard is promulgated and no state standard  
16 that is at least as effective as the federal standard is adopted by the  
17 board within six months of the date of promulgation of the federal  
18 standard, the following provisions shall apply unless adoption of  
19 the state standard is imminent:

20 (A) If there is no existing state standard covering the same  
21 issues, the federal standard shall be deemed to be a standard  
22 adopted by the board and enforceable by the division pursuant to  
23 Section 6317. This standard shall not be subject to Article 5  
24 (commencing with Section 11346) and Article 6 (commencing  
25 with Section 11349) of Chapter 3.5 of Part 1 of Division 3 of Title  
26 2 of the Government Code.

27 (B) If a state standard is in effect at the time a federal standard  
28 is promulgated covering the same issue or issues, the board may  
29 adopt the federal standard, or a portion thereof, as a standard  
30 enforceable by the division pursuant to Section 6317; provided,  
31 however, if a federal standard or portion thereof is adopted which  
32 replaces an existing state standard or portion thereof, the federal  
33 standard shall be as effective as the state standard or portion  
34 thereof. No adoption of or amendment to any federal standard, or  
35 portion thereof shall be subject to Article 5 (commencing with  
36 Section 11346) and Article 6 (commencing with Section 11349)  
37 of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government  
38 Code.

39 (C) Any state standard adopted pursuant to subparagraph (A)  
40 or (B) shall become effective at the time the standard is filed with



1 the Secretary of State, unless otherwise provided, but shall not take  
2 effect before the effective date of the equivalent federal standard  
3 and shall remain in effect for six months unless readopted by the  
4 board for an additional six months or superseded by a standard  
5 adopted by the board pursuant to paragraph (2) of subdivision (a).

6 (D) Any standard adopted pursuant to subparagraph (A), (B),  
7 or (C), shall be published in Title 8 of the California Code of  
8 Regulations in a manner similar to any other standards adopted  
9 pursuant to paragraphs (1) and (2) of subdivision (a) of this  
10 section.

11 (b) The State Building Standards Commission shall codify and  
12 publish in a semiannual supplement to the California Building  
13 Standards Code, or in a more frequent supplement if required by  
14 federal law, all occupational safety and health standards that would  
15 otherwise meet the definition of a building standard described in  
16 Section 18909 of the Health and Safety Code adopted by the board  
17 in the State Building Standards Code without reimbursement from  
18 the board. These occupational safety and health standards may also  
19 be published by the Occupational Safety and Health Standards  
20 Board in other provisions in Title 8 of the California Code of  
21 Regulations prior to publication in the California Building  
22 Standards Code if that other publication includes an appropriate  
23 identification of occupational safety and health standards  
24 contained in the other publication.

25 (c) Any occupational safety or health standard or order  
26 promulgated under this section shall prescribe the use of labels or  
27 other appropriate forms of warning as are necessary to ensure that  
28 employees are apprised of all hazards to which they are exposed,  
29 relevant symptoms and appropriate emergency treatment, and  
30 proper conditions and precautions for safe use or exposure. Where  
31 appropriate, these standards or orders shall also prescribe suitable  
32 protective equipment and control or technological procedures to  
33 be used in connection with these hazards and shall provide for  
34 monitoring or measuring employee exposure at such locations and  
35 intervals and in a manner as may be necessary for the protection  
36 of employees. In addition, where appropriate, the occupational  
37 safety or health standard or order shall prescribe the type and  
38 frequency of medical examinations or other tests which shall be  
39 made available, by the employer or at his *or her* cost, to employees  
40 exposed to such hazards in order to most effectively determine



1 whether the health of such employee is adversely affected by this  
2 exposure.

3 (d) The results of these examinations or tests shall be furnished  
4 only to the Division of Occupational Safety and Health, the State  
5 Department of Health Services, any other authorized state agency,  
6 the employer, the employee, and, at the request of the employee,  
7 to his or her physician.

8 SEC. 42. Section 142.6 of the Labor Code is repealed.

9 SEC. 43. Section 1777.5 of the Labor Code is amended to  
10 read:

11 1777.5. (a) Nothing in this chapter shall prevent the  
12 employment of properly registered apprentices upon public  
13 works.

14 (b) Every apprentice employed upon public works shall be paid  
15 the prevailing rate of per diem wages for apprentices in the trade  
16 to which he or she is registered and shall be employed only at the  
17 work of the craft or trade to which he or she is registered.

18 (c) Only apprentices, as defined in Section 3077, who are in  
19 training under apprenticeship standards that have been approved  
20 by the Chief of the Division of Apprenticeship Standards and who  
21 are parties to written apprentice agreements under Chapter 4  
22 (commencing with Section 3070) of Division 3 are eligible to be  
23 employed at the apprentice wage rate on public works. The  
24 employment and training of each apprentice shall be in accordance  
25 with either of the following:

26 (1) The apprenticeship standards and apprentice agreements  
27 under which he or she is training.

28 (2) The rules and regulations of the California Apprenticeship  
29 Council.

30 (d) When the contractor to whom the contract is awarded by the  
31 state or any political subdivision, in performing any of the work  
32 under the contract, employs workers in any apprenticeable craft or  
33 trade, the contractor shall employ apprentices in at least the ratio  
34 set forth in this section and may apply to any apprenticeship  
35 program in the craft or trade that can provide apprentices to the site  
36 of the public work for a certificate approving the contractor under  
37 the apprenticeship standards for the employment and training of  
38 apprentices in the area or industry affected. However, the decision  
39 of the apprenticeship program to approve or deny a certificate shall  
40 be subject to review by the Administrator of Apprenticeship. The



1 apprenticeship program or programs, upon approving the  
2 contractor, shall arrange for the dispatch of apprentices to the  
3 contractor. A contractor covered by an apprenticeship program's  
4 standards shall not be required to submit any additional application  
5 in order to include additional public works contracts under that  
6 program. "Apprenticeable craft or trade," as used in this section,  
7 means a craft or trade determined as an apprenticeable occupation  
8 in accordance with rules and regulations prescribed by the  
9 California Apprenticeship Council. As used in this section,  
10 "contractor" includes any subcontractor under a contractor who  
11 performs any public works not excluded by subdivision (o).

12 (e) Prior to commencing work on a contract for public works,  
13 every contractor shall submit contract award information to an  
14 applicable apprenticeship program that can supply apprentices to  
15 the site of the public work. The information submitted shall  
16 include an estimate of journeyman hours to be performed under the  
17 contract, the number of apprentices proposed to be employed, and  
18 the approximate dates the apprentices would be employed. A copy  
19 of this information shall also be submitted to the awarding body  
20 if requested by the awarding body. Within 60 days after concluding  
21 work on the contract, each contractor and subcontractor shall  
22 submit to the awarding body, if requested, and to the  
23 apprenticeship program a verified statement of the journeyman  
24 and apprentice hours performed on the contract. The information  
25 under this subdivision shall be public. The apprenticeship  
26 programs shall retain this information for 12 months.

27 (f) The apprenticeship program that can supply apprentices to  
28 the area of the site of the public work shall ensure equal  
29 employment and affirmative action in apprenticeship for women  
30 and minorities.

31 (g) The ratio of work performed by apprentices to journeymen  
32 employed in a particular craft or trade on the public work may be  
33 no higher than the ratio stipulated in the apprenticeship standards  
34 under which the apprenticeship program operates where the  
35 contractor agrees to be bound by those standards, but, except as  
36 otherwise provided in this section, in no case shall the ratio be less  
37 than one hour of apprentice work for every five hours of  
38 journeyman work.

39 (h) This ratio of apprentice work to journeyman work shall  
40 apply during any day or portion of a day when any journeyman is



1 employed at the jobsite and shall be computed on the basis of the  
2 hours worked during the day by journeymen so employed. Any  
3 work performed by a journeyman in excess of eight hours per day  
4 or 40 hours per week shall not be used to calculate the ratio. The  
5 contractor shall employ apprentices for the number of hours  
6 computed as above before the end of the contract or, in the case of  
7 a subcontractor, before the end of the subcontract. However, the  
8 contractor shall endeavor, to the greatest extent possible, to  
9 employ apprentices during the same time period that the  
10 journeymen in the same craft or trade are employed at the jobsite.  
11 Where an hourly apprenticeship ratio is not feasible for a particular  
12 craft or trade, the Chief of the Division of Apprenticeship  
13 Standards, upon application of an apprenticeship program, may  
14 order a minimum ratio of not less than one apprentice for each five  
15 journeymen in a craft or trade classification.

16 (i) A contractor covered by this section that has agreed to be  
17 covered by an apprenticeship program's standards upon the  
18 issuance of the approval certificate, or that has been previously  
19 approved for an apprenticeship program in the craft or trade, shall  
20 employ the number of apprentices or the ratio of apprentices to  
21 journeymen stipulated in the applicable apprenticeship standards,  
22 but in no event less than the 1-to-5 ratio required by subdivision  
23 (g).

24 (j) Upon proper showing by a contractor that he or she employs  
25 apprentices in a particular craft or trade in the state on all of his or  
26 her contracts on an annual average of not less than one hour of  
27 apprentice work for every five hours of labor performed by  
28 journeymen, the Chief of the Division of Apprenticeship  
29 Standards may grant a certificate exempting the contractor from  
30 the 1-to-5 hourly ratio, as set forth in this section for that craft or  
31 trade.

32 (k) An apprenticeship program has the discretion to grant to a  
33 participating contractor or contractor association a certificate,  
34 which shall be subject to the approval of the Administrator of  
35 Apprenticeship, exempting the contractor from the 1-to-5 ratio set  
36 forth in this section when it finds that any one of the following  
37 conditions is met:

38 (1) Unemployment for the previous three-month period in the  
39 area exceeds an average of 15 percent.



1 (2) The number of apprentices in training in the area exceeds  
2 a ratio of 1 to 5.

3 (3) There is a showing that the apprenticeable craft or trade is  
4 replacing at least one-thirtieth of its journeymen annually through  
5 apprenticeship training, either on a statewide basis or on a local  
6 basis.

7 (4) Assignment of an apprentice to any work performed under  
8 a public works contract would create a condition that would  
9 jeopardize his or her life or the life, safety, or property of fellow  
10 employees or the public at large, or the specific task to which the  
11 apprentice is to be assigned is of a nature that training cannot be  
12 provided by a journeyman.

13 (l) When an exemption is granted pursuant to subdivision (k)  
14 to an organization that represents contractors in a specific trade  
15 from the 1-to-5 ratio on a local or statewide basis, the member  
16 contractors will not be required to submit individual applications  
17 for approval to local joint apprenticeship committees, if they are  
18 already covered by the local apprenticeship standards.

19 (m) (1) A contractor to whom a contract is awarded, who, in  
20 performing any of the work under the contract, employs  
21 journeymen or apprentices in any apprenticeable craft or trade  
22 shall contribute to the California Apprenticeship Council the same  
23 amount that the director determines is the prevailing amount of  
24 apprenticeship training contributions in the area of the public  
25 works site. A contractor may take as a credit for payments to the  
26 council any amounts paid by the contractor to an approved  
27 apprenticeship program that can supply apprentices to the site of  
28 the public works project. The contractor may add the amount of the  
29 contributions in computing his or her bid for the contract.

30 (2) At the conclusion of the 2003–04 fiscal year and each fiscal  
31 year thereafter, the California Apprenticeship Council shall  
32 distribute training contributions received by the council under this  
33 subdivision, less the expenses of the Division of Apprenticeship  
34 Standards for administering this subdivision, by making grants to  
35 approved apprenticeship programs for the purpose of training  
36 apprentices. The funds shall be distributed as follows:

37 (A) If there is an approved multiemployer apprenticeship  
38 program serving the same craft or trade and geographic area for  
39 which the training contributions were made to the council, a grant  
40 to that program shall be made.



1 (B) If there are two or more approved multiemployer  
2 apprenticeship programs serving the same craft or trade and  
3 geographic area for which the training contributions were made to  
4 the council, the grant shall be divided among those programs based  
5 on the number of apprentices registered in each program.

6 (C) All training contributions not distributed under  
7 subparagraphs (A) and (B) shall be used to defray the future  
8 expenses of the Division of Apprenticeship Standards.

9 (3) All training contributions received pursuant to this  
10 subdivision shall be deposited in the Apprenticeship Training  
11 Contribution Fund, which fund is hereby created in the State  
12 Treasury. Notwithstanding Section 13340 of the Government  
13 Code, all money in the Apprenticeship Training Contribution  
14 Fund is hereby continuously appropriated for the purpose of  
15 carrying out this subdivision and to pay the expenses of the  
16 Division of Apprenticeship Standards.

17 (n) The body awarding the contract shall cause to be inserted  
18 in the contract stipulations to effectuate this section. The  
19 stipulations shall fix the responsibility of compliance with this  
20 section for all apprenticeable occupations with the prime  
21 contractor.

22 (o) This section does not apply to contracts of general  
23 contractors or to contracts of specialty contractors not bidding for  
24 work through a general or prime contractor when the contracts of  
25 general contractors or those specialty contractors involve less than  
26 thirty thousand dollars (\$30,000).

27 (p) All decisions of an apprenticeship program under this  
28 section are subject to Section 3081.

29 SEC. 44. Section 830.5 of the Penal Code is amended to read:

30 830.5. The following persons are peace officers whose  
31 authority extends to any place in the state while engaged in the  
32 performance of the duties of their respective employment and for  
33 the purpose of carrying out the primary function of their  
34 employment or as required under Sections 8597, 8598, and 8617  
35 of the Government Code. Except as specified in this section, these  
36 peace officers may carry firearms only if authorized and under  
37 those terms and conditions specified by their employing agency:

38 (a) A parole officer of the Department of Corrections or the  
39 Department of the Youth Authority, probation officer, deputy  
40 probation officer, or a board coordinating parole agent employed



1 by the Youthful Offender Parole Board. Except as otherwise  
2 provided in this subdivision, the authority of these parole or  
3 probation officers shall extend only as follows:

4 (1) To conditions of parole or of probation by any person in this  
5 state on parole or probation.

6 (2) To the escape of any inmate or ward from a state or local  
7 institution.

8 (3) To the transportation of persons on parole or probation.

9 (4) To violations of any penal provisions of law which are  
10 discovered while performing the usual or authorized duties of his  
11 or her employment.

12 (5) To the rendering of mutual aid to any other law enforcement  
13 agency.

14 For the purposes of this subdivision, "parole agent" shall have  
15 the same meaning as parole officer of the Department of  
16 Corrections or of the Department of the Youth Authority.

17 Any parole officer of the Department of Corrections, the  
18 Department of the Youth Authority, or the Youthful Offender  
19 Parole Board is authorized to carry firearms, but only as  
20 determined by the director on a case-by-case or unit-by-unit basis  
21 and only under those terms and conditions specified by the director  
22 or chairperson. The Department of the Youth Authority shall  
23 develop a policy for arming peace officers of the Department of the  
24 Youth Authority who comprise "high-risk transportation details"  
25 or "high-risk escape details" no later than June 30, 1995. This  
26 policy shall be implemented no later than December 31, 1995.

27 The Department of the Youth Authority shall train and arm  
28 those peace officers who comprise tactical teams at each facility  
29 for use during "high-risk escape details."

30 (b) A correctional officer employed by the Department of  
31 Corrections or any employee of the Department of the Youth  
32 Authority having custody of wards or the Inspector General of the  
33 Youth and Adult Correctional Agency or any internal affairs  
34 investigator under the authority of the Inspector General or any  
35 employee of the Department of Corrections designated by the  
36 Director of Corrections or any correctional counselor series  
37 employee of the Department of Corrections or any medical  
38 technical assistant series employee designated by the Director of  
39 Corrections or designated by the Director of Corrections and  
40 employed by the State Department of Mental Health or employee



1 of the Board of Prison Terms designated by the Secretary of the  
2 Youth and Adult Correctional Agency or employee of the  
3 Department of the Youth Authority designated by the Director of  
4 the Youth Authority or any superintendent, supervisor, or  
5 employee having custodial responsibilities in an institution  
6 operated by a probation department, or any transportation officer  
7 of a probation department.

8 (c) The following persons may carry a firearm while not on  
9 duty: a parole officer of the Department of Corrections or the  
10 Department of the Youth Authority, a correctional officer or  
11 correctional counselor employed by the Department of  
12 Corrections or any employee of the Department of the Youth  
13 Authority having custody of wards or any employee of the  
14 Department of Corrections designated by the Director of  
15 Corrections. A parole officer of the Youthful Offender Parole  
16 Board may carry a firearm while not on duty only when so  
17 authorized by the chairperson of the board and only under the  
18 terms and conditions specified by the chairperson. Nothing in this  
19 section shall be interpreted to require licensure pursuant to Section  
20 12025. The director or chairperson may deny, suspend, or revoke  
21 for good cause a person's right to carry a firearm under this  
22 subdivision. That person shall, upon request, receive a hearing, as  
23 provided for in the negotiated grievance procedure between the  
24 exclusive employee representative and the Department of  
25 Corrections, the Department of the Youth Authority, or the  
26 Youthful Offender Parole Board, to review the director's or the  
27 chairperson's decision.

28 (d) Persons permitted to carry firearms pursuant to this section,  
29 either on or off duty, shall meet the training requirements of  
30 Section 832 and shall qualify with the firearm at least quarterly. It  
31 is the responsibility of the individual officer or designee to  
32 maintain his or her eligibility to carry concealable firearms off  
33 duty. Failure to maintain quarterly qualifications by an officer or  
34 designee with any concealable firearms carried off duty shall  
35 constitute good cause to suspend or revoke that person's right to  
36 carry firearms off duty.

37 (e) The Department of Corrections shall allow reasonable  
38 access to its ranges for officers and designees of either department  
39 to qualify to carry concealable firearms off duty. The time spent  
40 on the range for purposes of meeting the qualification



1 requirements shall be the person’s own time during the person’s  
2 off-duty hours.

3 (f) The Director of Corrections shall promulgate regulations  
4 consistent with this section.

5 (g) “High-risk transportation details” and “high-risk escape  
6 details” as used in this section shall be determined by the Director  
7 of the Youth Authority, or his or her designee. The director, or his  
8 or her designee, shall consider at least the following in determining  
9 “high-risk transportation details” and “high-risk escape details”:  
10 protection of the public, protection of officers, flight risk, and  
11 violence potential of the wards.

12 (h) “Transportation detail” as used in this section shall include  
13 transportation of wards outside the facility, including, but not  
14 limited to, court appearances, medical trips, and interfacility  
15 transfers.

16 SEC. 45. Section 1203.1d of the Penal Code is amended to  
17 read:

18 1203.1d. (a) In determining the amount and manner of  
19 disbursement under an order made pursuant to this code requiring  
20 a defendant to make reparation or restitution to a victim of a crime,  
21 to pay any money as reimbursement for legal assistance provided  
22 by the court, to pay any cost of probation or probation  
23 investigation, to pay any cost of jail or other confinement, or to pay  
24 any other reimbursable costs, the court, after determining the  
25 amount of any fine and penalty assessments, and a county financial  
26 evaluation officer when making a financial evaluation, shall first  
27 determine the amount of restitution to be ordered paid to any  
28 victim, and shall then determine the amount of the other  
29 reimbursable costs.

30 If payment is made in full, the payment shall be apportioned and  
31 disbursed in the amounts ordered by the court.

32 If reasonable and compatible with the defendant’s financial  
33 ability, the court may order payments to be made in installments.

34 (b) With respect to installment payments and amounts  
35 collected by the Franchise Tax Board pursuant to Section 19280  
36 of the Revenue and Taxation Code and subsequently transferred by  
37 the Controller pursuant to Section 19282 of the Revenue and  
38 Taxation Code, the board of supervisors shall provide that  
39 disbursements be made in the following order of priority:



1 (1) Restitution ordered to, or on behalf of, the victim pursuant  
2 to subdivision (f) of Section 1202.4.

3 (2) The state surcharge ordered pursuant to Section 1465.7.

4 (3) Any fines, penalty assessments, and restitution fines  
5 ordered pursuant to subdivision (b) of Section 1202.4. Payment of  
6 each of these items shall be made on a proportional basis to the total  
7 amount levied for all of these items.

8 (4) Any other reimburseable costs.

9 (c) The board of supervisors shall apply these priorities of  
10 disbursement to orders or parts of orders in cases where defendants  
11 have been ordered to pay more than one court order.

12 (d) Documentary evidence, such as bills, receipts, repair  
13 estimates, insurance payment statements, payroll stubs, business  
14 records, and similar documents relevant to the value of the stolen  
15 or damaged property, medical expenses, and wages and profits lost  
16 shall not be excluded as hearsay evidence.

17 SEC. 46. Section 1465.7 is added to the Penal Code, to read:

18 1465.7. (a) A state surcharge of 20 percent shall be levied on  
19 the base fine used to calculate the state penalty assessment as  
20 specified in subdivision (a) of Section 1464.

21 (b) This surcharge shall be in addition to the state penalty  
22 assessed pursuant to Section 1464 of the Penal Code and may not  
23 be included in the base fine used to calculate the state penalty  
24 assessment as specified in subdivision (a) of Section 1464.

25 (c) After a determination by the court of the amount due, the  
26 clerk of the court shall cause the amount of the state surcharge  
27 collected to be transmitted to the General Fund.

28 (d) Notwithstanding Chapter 12 (commencing with Section  
29 76000) of Title 8 of the Government Code and subdivision (b) of  
30 Section 68090.8 of the Government Code, the full amount of the  
31 surcharge shall be transmitted to the State Treasury to be deposited  
32 in the General Fund. Of the amount collected from the total  
33 amount of the fines, penalties, and surcharges imposed, the  
34 amount of the surcharge established by this section shall be  
35 transmitted to the State Treasury to be deposited in the General  
36 Fund.

37 (e) When any deposited bail is made for an offense to which this  
38 section applies, and for which a court appearance is not mandatory,  
39 the person making the deposit shall also deposit a sufficient  
40 amount to include the surcharge prescribed by this section.



1 (f) When amounts owed by an offender as a result of a  
2 conviction are paid in installment payments, payments shall be  
3 credited pursuant to Section 1203.1d. The amount of the surcharge  
4 established by this section shall be transmitted to the State  
5 Treasury prior to the county retaining or disbursing the remaining  
6 amount of the fines, penalties, and forfeitures imposed.

7 (g) This section shall become inoperative on July 1, 2007, and  
8 as of January 1, 2008, is repealed, unless a later enacted statute,  
9 that becomes operative on or before January 1, 2008, deletes or  
10 extends that date.

11 SEC. 47. Section 2933.3 is added to the Penal Code, to read:

12 2933.3. Notwithstanding any other provision of law, any  
13 inmate assigned to a conservation camp by the Department of  
14 Corrections who is eligible to earn one day of worktime credit for  
15 every one day of service pursuant to Section 2933 shall instead  
16 earn two days of worktime credit for every one day of service. This  
17 enhanced worktime credit shall only apply to service performed  
18 after ~~the effective date of this section~~ *January 1, 2003*.

19 SEC. 48. Section 6045.8 of the Penal Code is amended to  
20 read:

21 6045.8. The Board of Corrections, in consultation with the  
22 State Department of Mental Health and the State Department of  
23 Alcohol and Drug Programs, shall create an evaluation design for  
24 mentally ill offender crime reduction grants that will assess the  
25 effectiveness of the program in reducing crime, the number of  
26 early releases due to jail overcrowding, and local criminal justice  
27 costs. Commencing on June 30, 2000, and annually thereafter, the  
28 board shall submit a report to the Legislature based on the  
29 evaluation design, with an interim report due on March 1, 2003,  
30 and a final report due on December 31, 2004.

31 SEC. 49. Section 13601 of the Penal Code is amended to read:

32 13601. (a) The CPOST shall develop, approve, and monitor  
33 standards for the selection and training of state correctional peace  
34 officer apprentices. Any standard for selection established under  
35 this subdivision shall be subject to approval by the State Personnel  
36 Board. Using the psychological and screening standards  
37 established by the State Personnel Board, the State Personnel  
38 Board or the Department of the Youth Authority shall ensure that,  
39 prior to training, each applicant who has otherwise qualified in all  
40 physical and other testing requirements to be a peace officer in



1 either a youth or adult correctional facility, is determined to be free  
2 from emotional or mental conditions that might adversely affect  
3 the exercise of his or her duties and powers as a peace officer.

4 (b) The CPOST may approve standards for a course in the  
5 carrying and use of firearms for correctional peace officers that is  
6 different from that prescribed pursuant to Section 832. The  
7 standards shall take into consideration the different circumstances  
8 presented within the institutional setting from that presented to  
9 other law enforcement agencies outside the correctional setting.

10 (c) Notwithstanding Section 3078 of the Labor Code, the  
11 length of the probationary period for correctional peace officer  
12 apprentices shall be determined by the CPOST subject to approval  
13 by the State Personnel Board, pursuant to Section 19170 of the  
14 Government Code.

15 (d) The CPOST shall develop, approve, and monitor standards  
16 for advanced rank-and-file and supervisory state correctional  
17 peace officer and training programs. When a correctional peace  
18 officer is promoted, he or she shall be provided with and be  
19 required to complete these secondary training experiences.

20 (e) The CPOST shall develop, approve, and monitor standards  
21 for the training of state correctional peace officers in the handling  
22 of stress associated with their duties.

23 (f) Toward the accomplishment of the objectives of this act, the  
24 CPOST may confer with, and may avail itself of the assistance and  
25 recommendations of, other state and local agencies, boards, or  
26 commissions.

27 (g) Notwithstanding the authority of the CPOST, the  
28 departments shall design and deliver training programs, shall  
29 conduct validation studies, and shall provide program support.  
30 The CPOST shall monitor program compliance by the  
31 departments.

32 (h) The CPOST may disapprove any training courses created  
33 by the departments pursuant to the standards developed by the  
34 commission if it determines that the courses do not meet the  
35 prescribed standards.

36 (i) The CPOST shall annually submit an estimate of costs to  
37 conduct those inquiries and audits as may be necessary to  
38 determine whether the departments and each of their institutions  
39 and parole regions are adhering to the standards developed by



1 CPOST, and shall conduct such inquiries and audits consistent  
2 with the annual Budget Act.

3 (j) The CPOST shall establish and implement procedures for  
4 reviewing and issuing decisions concerning complaints or  
5 recommendations from interested parties regarding CPOST rules,  
6 regulations, standards, or decisions.

7 SEC. 50. Section 309.5 of the Public Utilities Code is  
8 amended to read:

9 309.5. (a) There is within the commission a division to  
10 represent the interests of public utility customers and subscribers  
11 within the jurisdiction of the commission. The goal of the division  
12 shall be to obtain the lowest possible rate for service consistent  
13 with reliable and safe service levels. The amendments made to this  
14 section during the 2001 portion of the 2001–02 Regular Session  
15 are not intended to expand the representation and responsibilities  
16 of the division.

17 (b) The director of the division shall be appointed by and serve  
18 at the pleasure of the Governor, subject to confirmation by the  
19 Senate. The director shall annually appear before the appropriate  
20 policy committees of the Assembly and the Senate to report on the  
21 activities of the division.

22 (c) The commission shall, by rule or order, provide for the  
23 assignment of personnel to, and the functioning of, the division.  
24 The division may employ experts necessary to carry out its  
25 functions. Personnel and resources shall be provided to the  
26 division at a level sufficient to ensure that customer and subscriber  
27 interests are fairly represented in all significant proceedings.

28 (d) The commission shall develop appropriate procedures to  
29 ensure that the existence of the division does not create a conflict  
30 of roles for any employee or his or her representative. The  
31 procedures shall include, but shall not be limited to, the  
32 development of a code of conduct and procedures for ensuring that  
33 advocates and their representatives on a particular case or  
34 proceeding are not advising decisionmakers on the same case or  
35 proceeding.

36 (e) The division may compel the production or disclosure of  
37 any information it deems necessary to perform its duties from  
38 entities regulated by the commission provided that any objections  
39 to any request for information shall be decided in writing by the



1 assigned commissioner or by the president of the commission if  
2 there is no assigned commissioner.

3 (f) There is hereby created the Public Utilities Commission  
4 Ratepayer Advocate Account in the General Fund. Moneys from  
5 the Public Utilities Commission Utilities Reimbursement Account  
6 in the General Fund shall be transferred in the annual Budget Act  
7 to the Public Utilities Commission Ratepayer Advocate Account.  
8 The funds in the Public Utilities Commission Ratepayer Advocate  
9 Account shall be utilized exclusively by the division in the  
10 performance of its duties. The commission shall annually submit  
11 a staffing report containing a comparison of the staffing levels for  
12 each five-year period.

13 (g) On or before January 10 of each year, the commission shall  
14 provide to the chairperson of the fiscal committee of each house  
15 of the Legislature and to the Joint Legislative Budget Committee  
16 all of the following information:

17 (1) The number of personnel years assigned to the Office of  
18 Ratepayer Advocates.

19 (2) The total dollars expended by the Office of Ratepayer  
20 Advocates in the prior year, the estimated total dollars expended  
21 in the current year, and the total dollars proposed for appropriation  
22 in the following budget year.

23 (3) Workload standards and measures for the Office of  
24 Ratepayer Advocates.

25 (h) The division shall agree to meet and confer in an informal  
26 setting with a regulated entity prior to issuing a report or pleading  
27 to the commission regarding alleged misconduct, or a violation of  
28 a law or a commission rule or order, raised by the division in a  
29 complaint. The meet and confer process shall be utilized as an  
30 informal means of attempting to reach resolution or consensus on  
31 issues raised by the division regarding any regulated entity in the  
32 complaint proceeding.

33 SEC. 51. Section 3340 of the Public Utilities Code is amended  
34 to read:

35 3340. The authority is authorized and empowered to do any  
36 of the following:

37 (a) Adopt an official seal.

38 (b) Sue and be sued in its own name.

39 (c) Employ or contract with officers and employees to  
40 administer the authority. The authority may contract for the



1 services of a chief executive officer, who shall serve at the pleasure  
2 of the board. If the chief executive officer contracts for the services  
3 of any other officer or employee, the contract shall be subject to  
4 the approval of the board.

5 (d) Exercise the power of eminent domain.

6 (e) Adopt rules and regulations for the regulation of its affairs  
7 and the conduct of its business.

8 (f) Do all things generally necessary or convenient to carry  
9 out its powers under, and the purposes of, this division.

10 SEC. 52. Section 13563 of the Revenue and Taxation Code is  
11 amended to read:

12 13563. (a) For purposes of determining interest on  
13 overpayments for periods beginning before July 1, 2002, interest  
14 shall be allowed and paid upon any overpayment of tax due under  
15 this part in the same manner as provided in Sections 6621(a)(1)  
16 and 6622 of the Internal Revenue Code.

17 (b) For purposes of determining interest on overpayments for  
18 periods beginning on or after July 1, 2002, interest shall be allowed  
19 and paid upon any overpayment of tax due under this part at the  
20 lesser of the following:

21 (1) Five percent.

22 (2) The bond equivalent rate of 13-week United States  
23 Treasury bills, determined as follows:

24 (A) The bond equivalent rate of 13-week United States  
25 Treasury bills established at the first auction held during the month  
26 of January shall be utilized for determining the appropriate rate for  
27 the following July 1 to December 31, inclusive.

28 (B) The bond equivalent rate of 13-week United States  
29 Treasury bills established at the first auction held during the month  
30 of July shall be utilized for determining the appropriate rate for the  
31 following January 1 to June 30, inclusive.

32 (c) For purposes of subdivision (b), in computing the amount  
33 of any interest required to be paid by the state, that interest shall  
34 be computed as simple interest, not compound interest.

35 ~~SEC. 53. Section 19521 of the Revenue and Taxation Code is~~  
36 ~~amended to read:~~

37 ~~19521. (a) The rate established under this section (referred to~~  
38 ~~in other code sections as “the adjusted annual rate”) shall be~~  
39 ~~determined in accordance with Section 6621 of the Internal~~  
40 ~~Revenue Code, except that:~~



1 ~~(1) (A) For taxpayers other than corporations, the~~  
2 ~~overpayment rate specified in Section 6621(a)(1) of the Internal~~  
3 ~~Revenue Code shall be modified to be equal to the underpayment~~  
4 ~~rate determined under Section 6621(a)(2) of the Internal Revenue~~  
5 ~~Code.~~

6 ~~(B) In the case of any corporation, for purposes of determining~~  
7 ~~interest on overpayments for periods beginning before July 1,~~  
8 ~~2002, the overpayment rate specified in Section 6621(a)(1) of the~~  
9 ~~Internal Revenue Code shall be modified to be equal to the~~  
10 ~~underpayment rate determined under Section 6621(a)(2) of the~~  
11 ~~Internal Revenue Code.~~

12 ~~(C) In the case of any corporation, for purposes of determining~~  
13 ~~interest on overpayments for periods beginning on or after July 1,~~  
14 ~~2002, the overpayment rate specified in Section 6621(a)(1) of the~~  
15 ~~Internal Revenue Code shall be modified to be the lesser of 5~~  
16 ~~percent or the bond equivalent rate of 13-week United States~~  
17 ~~Treasury bills, determined as follows:~~

18 ~~(i) The bond equivalent rate of 13-week United States Treasury~~  
19 ~~bills established at the first auction held during the month of~~  
20 ~~January shall be utilized in determining the appropriate rate for the~~  
21 ~~following July 1 to December 31, inclusive.~~

22 ~~(ii) The bond equivalent rate of 13-week United States~~  
23 ~~Treasury bills established at the first auction held during the month~~  
24 ~~of July shall be utilized in determining the appropriate rate for the~~  
25 ~~following January 1 to June 30, inclusive.~~

26 ~~(2) The determination specified in Section 6621(b) of the~~  
27 ~~Internal Revenue Code shall be modified to be determined~~  
28 ~~semiannually as follows:~~

29 ~~(A) The rate for January shall apply during the following July~~  
30 ~~through December, and~~

31 ~~(B) The rate for July shall apply during the following January~~  
32 ~~through June.~~

33 ~~(b) (1) For purposes of this part, Part 10 (commencing with~~  
34 ~~Section 17001), Part 11 (commencing with Section 23001), and~~  
35 ~~any other provision of law referencing this method of~~  
36 ~~computation, in computing the amount of any interest required to~~  
37 ~~be paid by the state or by the taxpayer, or any other amount~~  
38 ~~determined by reference to that amount of interest, that interest and~~  
39 ~~that amount shall be compounded daily.~~



1 ~~(2) Paragraph (1) shall not apply for purposes of computing the~~  
2 ~~amount of any addition to tax under Section 19136 or 19142.~~

3 ~~(e) Section 6621(e) of the Internal Revenue Code, relating to~~  
4 ~~increase in underpayment rate for large corporate underpayments,~~  
5 ~~is modified as follows:~~

6 ~~(1) The applicable date shall be the 30th day after the earlier of~~  
7 ~~either of the following:~~

8 ~~(A) The date on which the proposed deficiency assessment is~~  
9 ~~issued.~~

10 ~~(B) The date on which the notice and demand is sent.~~

11 ~~(2) This subdivision shall apply for purposes of determining~~  
12 ~~interest for periods after December 31, 1991.~~

13 ~~(3) Section 6621(e)(2)(B)(iii) of the Internal Revenue Code~~  
14 ~~shall apply for purposes of determining interest for periods after~~  
15 ~~December 31, 1998.~~

16 *SEC. 53. Section 19521 of the Revenue and Taxation Code, as*  
17 *amended by Section 33 of Chapter 35 of the Statutes of 2002, is*  
18 *amended to read:*

19 19521. (a) The rate established under this section (referred to  
20 in other code sections as “the adjusted annual rate”) shall be  
21 determined in accordance with Section 6621 of the Internal  
22 Revenue Code, except that:

23 ~~(1) The—~~(A) *For taxpayers other than corporations, the*  
24 *overpayment rate specified in Section 6621(a)(1) of the Internal*  
25 *Revenue Code shall be modified to be equal to the underpayment*  
26 *rate determined under Section 6621(a)(2) of the Internal Revenue*  
27 *Code; and Code.*

28 (B) *In the case of any corporation, for purposes of determining*  
29 *interest on overpayments for periods beginning before July 1,*  
30 *2002, the overpayment rate specified in Section 6621(a)(1) of the*  
31 *Internal Revenue Code shall be modified to be equal to the*  
32 *underpayment rate determined under Section 6621(a)(2) of the*  
33 *Internal Revenue Code.*

34 (C) *In the case of any corporation, for purposes of determining*  
35 *interest on overpayments for periods beginning on or after July 1,*  
36 *2002, the overpayment rate specified in Section 6621(a)(1) of the*  
37 *Internal Revenue Code shall be modified to be the lesser of 5*  
38 *percent or the bond equivalent rate of 13-week United States*  
39 *Treasury bills, determined as follows:*



1 (i) *The bond equivalent rate of 13-week United States Treasury*  
2 *bills established at the first auction held during the month of*  
3 *January shall be utilized in determining the appropriate rate for*  
4 *the following July 1 to December 31, inclusive.*

5 (ii) *The bond equivalent rate of 13-week United States Treasury*  
6 *bills established at the first auction held during the month of July*  
7 *shall be utilized in determining the appropriate rate for the*  
8 *following January 1 to June 30, inclusive.*

9 (2) The determination specified in Section 6621(b) of the  
10 Internal Revenue Code shall be modified to be determined  
11 semiannually as follows:

12 (A) The rate for January shall apply during the following July  
13 through December, and

14 (B) The rate for July shall apply during the following January  
15 through June.

16 (b) (1) For purposes of this part, Part 10 (commencing with  
17 Section 17001), Part 11 (commencing with Section 23001), and  
18 any other provision of law referencing this method of  
19 computation, in computing the amount of any interest required to  
20 be paid by the state or by the taxpayer, or any other amount  
21 determined by reference to that amount of interest, that interest and  
22 that amount shall be compounded daily.

23 (2) Paragraph (1) shall not apply for purposes of computing the  
24 amount of any addition to tax under Section 19136 or 19142.

25 (c) Section 6621(c) of the Internal Revenue Code, relating to  
26 increase in underpayment rate for large corporate underpayments,  
27 is modified as follows:

28 (1) The applicable date shall be the 30th day after the earlier of  
29 either of the following:

30 (A) The date on which the proposed deficiency assessment is  
31 issued.

32 (B) The date on which the notice and demand is sent.

33 (2) This subdivision shall apply for purposes of determining  
34 interest for periods after December 31, 1991.

35 (3) Section 6621(c)(2)(B)(iii) of the Internal Revenue Code  
36 shall apply for purposes of determining interest for periods after  
37 December 31, 1998.

38 (d) Section 6621(d) of the Internal Revenue Code, relating to  
39 the elimination of interest on overlapping periods of tax  
40 overpayments and underpayments, shall not apply.



1 SEC. 54. Section 30018 is added to the Revenue and Taxation  
2 Code, to read:

3 30018. (a) “Stamps and meter impressions” means the  
4 indicia of payment of tax, as required by Section 30161, and  
5 include, but are not limited to, stamps, meter impressions, or any  
6 other indicia developed using current technology.

7 (b) The board shall prescribe and approve the types of stamps  
8 and meter impressions, and the methods of applying stamps and  
9 meter impressions to packages of cigarettes.

10 SEC. 55. Section 40016 of the Revenue and Taxation Code is  
11 amended to read:

12 40016. (a) A surcharge is imposed on the consumption in this  
13 state of electrical energy purchased from an electric utility on and  
14 after January 1, 2003, at the rate of three-tenths mill (\$0.0003) per  
15 kilowatt-hour, or at the rate determined pursuant to subdivision  
16 (b).

17 (b) The Energy Commission shall fix the rate at a public  
18 meeting in each November for each calendar year starting the  
19 following January. Under no circumstances may the rate fixed  
20 exceed three-tenths mill (\$0.0003) per kilowatt-hour. If the  
21 commission fails to fix the rate in any November, the surcharge  
22 shall continue at the rate in effect during that November.

23 SEC. 56. Section 13260 of the Water Code is amended to read:

24 13260. (a) All of the following persons shall file with the  
25 appropriate regional board a report of the discharge, containing the  
26 information which may be required by the regional board:

27 (1) Any person discharging waste, or proposing to discharge  
28 waste, within any region that could affect the quality of the waters  
29 of the state, other than into a community sewer system.

30 (2) Any person who is a citizen, domiciliary, or political agency  
31 or entity of this state discharging waste, or proposing to discharge  
32 waste, outside the boundaries of the state in a manner that could  
33 affect the quality of the waters of the state within any region.

34 (3) Any person operating, or proposing to construct, an  
35 injection well.

36 (b) No report of waste discharge need be filed pursuant to  
37 subdivision (a) if the requirement is waived pursuant to Section  
38 13269.

39 (c) Every person subject to subdivision (a) shall file with the  
40 appropriate regional board a report of waste discharge relative to



1 any material change or proposed change in the character, location,  
2 or volume of the discharge.

3 (d) (1) Each person for whom waste discharge requirements  
4 have been prescribed pursuant to Section 13263 shall submit an  
5 annual fee not to exceed twenty thousand dollars (\$20,000),  
6 according to a reasonable fee schedule established by the state  
7 board. Fees shall be calculated on the basis of total flow, volume,  
8 number of animals, *threat to water quality*, or area involved.

9 (2) (A) Subject to subparagraph (B), any fees collected  
10 pursuant to this section shall be deposited in the Waste Discharge  
11 Permit Fund which is hereby created. The money in the fund is  
12 available for expenditure by the state board, upon appropriation by  
13 the Legislature, for the purposes of carrying out this division.

14 (B) (i) Notwithstanding subparagraph (A), the fees collected  
15 pursuant to this section from storm water dischargers that are  
16 subject to a general industrial or construction storm water permit  
17 under the national pollutant discharge elimination system  
18 (NPDES) shall be separately accounted for in the Waste Discharge  
19 Permit Fund.

20 (ii) Not less than 50 percent of the money in the Waste  
21 Discharge Permit Fund that is separately accounted for pursuant  
22 to clause (i) is available, upon appropriation by the Legislature, for  
23 expenditure by the regional board with jurisdiction over the  
24 permitted industry or construction site that generated the fee to  
25 carry out storm water programs in the region.

26 (iii) Each regional board that receives money pursuant to  
27 clause (ii) shall spend not less than 50 percent of that money solely  
28 on storm water inspection and regulatory compliance issues  
29 associated with industrial and construction storm water programs.

30 (3) Any person who would be required to pay the annual fee  
31 prescribed by paragraph (1) for waste discharge requirements  
32 applicable to discharges of solid waste, as defined in Section  
33 40191 of the Public Resources Code, at a waste management unit  
34 that is also regulated under Division 30 (commencing with Section  
35 40000) of the Public Resources Code, and who is or will be subject  
36 to the fee imposed pursuant to Section 46801 of the Public  
37 Resources Code in the same fiscal year, shall be entitled to a waiver  
38 of the annual fee for the discharge of solid waste at the waste  
39 management unit imposed by paragraph (1) upon verification by  
40 the state board of payment of the fee imposed by Section 48000 of



1 the Public Resources Code, and provided that the fee established  
2 pursuant to Section 48000 of the Public Resources Code generates  
3 revenues sufficient to fund the programs specified in Section  
4 48004 of the Public Resources Code and the amount appropriated  
5 by the Legislature for those purposes is not reduced.

6 (4) The maximum fee amount set forth in paragraph (1) of  
7 subdivision (d) shall be adjusted annually to reflect increases or  
8 decreases in the cost of living as measured by the Consumer Price  
9 Index prepared by the Department of Industrial Relations or a  
10 successor agency.

11 (e) Each report of waste discharge for a new discharge  
12 submitted under this section shall be accompanied by a fee equal  
13 in amount to the annual fee for the discharge. If waste discharge  
14 requirements are issued, the fee shall serve as the first annual fee.  
15 If waste discharge requirements are waived pursuant to Section  
16 13269, all or part of the fee shall be refunded.

17 (f) (1) The state board shall adopt, by emergency regulations,  
18 a schedule of fees authorized under subdivisions (d) and (j). The  
19 total revenue collected each year through annual fees shall be set  
20 at an amount equal to the revenue levels set forth in the Budget Act  
21 for this activity. The state board shall automatically adjust the  
22 annual fees each fiscal year to conform with the revenue levels set  
23 forth in the Budget Act for this activity. If the state board  
24 determines that the revenue collected during the preceding year  
25 was greater than, or less than, the revenue levels set forth in the  
26 Budget Act, the state board may further adjust the annual fees to  
27 compensate for the over and under collection of revenue.

28 (2) The emergency regulations adopted pursuant to this  
29 subdivision, any amendment thereto, or subsequent adjustments to  
30 the annual fees, shall be adopted by the state board in accordance  
31 with Chapter 3.5 (commencing with Section 11340) of Part 1 of  
32 Division 3 of Title 2 of the Government Code. The adoption of  
33 these regulations is an emergency and shall be considered by the  
34 Office of Administrative Law as necessary for the immediate  
35 preservation of the public peace, health, safety, and general  
36 welfare. Notwithstanding Chapter 3.5 (commencing with Section  
37 11340) of Part 1 of Division 3 of Title 2 of the Government Code,  
38 any emergency regulations adopted by the state board, or  
39 adjustments to the annual fees made by the state board pursuant to  
40 this section, shall not be subject to review by the Office of



1 Administrative Law and shall remain in effect until revised by the  
2 state board.

3 (g) The state board shall adopt regulations setting forth  
4 reasonable time limits within which the regional board shall  
5 determine the adequacy of a report of waste discharge submitted  
6 under this section.

7 (h) Each report submitted under this section shall be sworn to,  
8 or submitted under penalty of perjury.

9 (i) The regulations adopted by the state board pursuant to  
10 subdivision (f) shall include a provision that annual fees shall not  
11 be imposed on those who pay fees under the National Pollutant  
12 Discharge Elimination System until the time when those fees are  
13 again due, at which time the fees shall become due on an annual  
14 basis.

15 (j) Facilities for confined animal feeding or holding operations,  
16 including dairy farms, which have been issued waste discharge  
17 requirements or exempted from waste discharge requirements  
18 prior to January 1, 1989, are exempt from subdivision (d). If the  
19 facility is required to file a report under subdivision (c) after  
20 January 1, 1989, the report shall be accompanied by a filing fee,  
21 to be established by the state board in accordance with subdivision  
22 (f), not to exceed two thousand dollars (\$2,000), and the facility  
23 shall be exempt from any annual fee.

24 (k) Any person operating or proposing to construct an oil, gas,  
25 or geothermal injection well subject to paragraph (3) of  
26 subdivision (a), shall not be required to pay a fee pursuant to  
27 subdivision (d), if the injection well is regulated by the Division  
28 of Oil and Gas of the Department of Conservation, in lieu of the  
29 appropriate California regional water quality control board,  
30 pursuant to the memorandum of understanding, entered into  
31 between the state board and the Department of Conservation on  
32 May 19, 1988. This subdivision shall remain operative until the  
33 memorandum of understanding is revoked by the state board or the  
34 Department of Conservation.

35 (l) In addition to the report required by subdivision (a), before  
36 any person discharges mining waste, the person shall first submit  
37 the following to the regional board:

38 (1) A report on the physical and chemical characteristics of the  
39 waste that could affect its potential to cause pollution or  
40 contamination. The report shall include the results of all tests



1 required by regulations adopted by the board, any test adopted by  
2 the Department of Toxic Substances Control pursuant to Section  
3 25141 of the Health and Safety Code for extractable, persistent,  
4 and bioaccumulative toxic substances in a waste or other material,  
5 and any other tests that the state board or regional board may  
6 require, including, but not limited to, tests needed to determine the  
7 acid-generating potential of the mining waste or the extent to  
8 which hazardous substances may persist in the waste after  
9 disposal.

10 (2) A report that evaluates the potential of the discharge of the  
11 mining waste to produce, over the long term, acid mine drainage,  
12 the discharge or leaching of heavy metals, or the release of other  
13 hazardous substances.

14 (m) Except upon the written request of the regional board, a  
15 report of waste discharge need not be filed pursuant to subdivision  
16 (a) or (c) by a user of recycled water that is being supplied by a  
17 supplier or distributor of recycled water for whom a master  
18 recycling permit has been issued pursuant to Section 13523.1.

19 SEC. 57. Section 3053 of the Welfare and Institutions Code  
20 is amended to read:

21 3053. (a) If at any time following receipt at the facility of a  
22 person committed pursuant to this article, the Director of  
23 Corrections concludes that the person, because of excessive  
24 criminality or for other relevant reason, including the person's  
25 eligibility for treatment pursuant to Section 1210.1 of the Penal  
26 Code, is not a fit subject for confinement or treatment in the  
27 narcotic detention, treatment, and rehabilitation facility, he or she  
28 shall return the person to the court in which the case originated for  
29 further proceedings on the criminal charges that the court may  
30 deem warranted.

31 (b) A person committed pursuant to this article who is  
32 subsequently committed to the Director of Corrections pursuant to  
33 Section 1168 or 1170 of the Penal Code shall not be a fit subject  
34 for treatment pursuant to this article. The court committing the  
35 person to the Director of Corrections pursuant to Section 1168 or  
36 1170 of the Penal Code shall immediately notify the court that  
37 originally committed the person pursuant to this article. Upon  
38 receipt of the person committed pursuant to Section 1168 or 1170  
39 of the Penal Code or upon notification of such commitment,  
40 whichever is sooner, the Director of Corrections shall notify the



1 court that committed the person pursuant to this article of the  
2 subsequent commitment. Upon receipt of notification of the  
3 subsequent commitment the court that had committed the person  
4 pursuant to this article shall automatically terminate the  
5 commitment and shall promptly set for hearing the matter of  
6 further proceedings on the criminal charges.

7 (c) If the defendant was originally committed pursuant to  
8 Section 3050 or 3051, the committing court, if the criminal  
9 proceedings were conducted in another court, shall notify that  
10 court that adjourned its criminal proceedings or suspended  
11 sentence in the case pending the civil commitment. In that event,  
12 that criminal court shall then promptly set for hearing the matter  
13 of the sentencing of the defendant upon the conviction that  
14 subsequently resulted in the original civil commitment.

15 SEC. 58. Section 3055 is added to the Welfare and Institutions  
16 Code, to read:

17 3055. The Director of Corrections is authorized to establish a  
18 limit on the number of persons that may be committed to the  
19 narcotic detention, treatment, and rehabilitation facility pursuant  
20 to this chapter. In order to achieve this limit, the director may refer  
21 a person back to the court in which the case originated for such  
22 further proceedings as that court may deem necessary.

23 SEC. 59. (a) If a case management system is funded in Item  
24 8350-001-0001 of the Budget Act of 2002, that system shall be  
25 made accessible as follows:

26 (1) The Department of Industrial Relations shall procure a Case  
27 Management System that has the capability to ultimately provide  
28 the public with free, web-based access to a searchable data base  
29 containing all of the following information:

30 (A) The status of all complaints, citations, and administrative  
31 proceedings.

32 (B) The name of the investigator and attorney assigned to a  
33 matter, when applicable.

34 (C) The final disposition of all complaints, citations, and  
35 administrative proceedings.

36 (2) The department shall take appropriate steps to ensure  
37 compliance with all applicable legal requirements regarding the  
38 privacy rights of employees and witnesses.

39 (b) It is the intent of the Legislature that when the data base is  
40 operational, it will provide the public with information similar to



1 the information provided by the federal courts through their  
2 PACER system, <https://pacer.uspci.uscourts.gov/index.html>, and  
3 offered by the Establishment Search of the Occupational Safety  
4 and Health Administration at <http://155.103.6.10/cgi-bin/est/est1>.

5 SEC. 60. (a) The Legislature finds and declares all of the  
6 following:

7 (1) The juvenile arrest rate in California has declined  
8 dramatically over the last several years. From 1995 to 2000,  
9 inclusive, the felony arrest rate for juveniles dropped over 34  
10 percent; from 1980 to 2000, inclusive, the felony juvenile arrest  
11 rate declined 50 percent. During the same 20-year period, the total  
12 juvenile arrest rate dropped over 38 percent.

13 (2) County probation departments now supervise  
14 approximately 97 percent of all juvenile offenders; the remaining  
15 3 percent are committed to the Department of the Youth Authority.

16 (3) Commitments to the Department of the Youth Authority  
17 have dropped by almost 40 percent since 1995 to 1996, inclusive.

18 (4) Despite the significant decline in the number of persons  
19 committed to the Youth Authority, the Department of the Youth  
20 Authority continues to operate the same number of institutions and  
21 camps as it did when its population peaked at over 10,000 wards.  
22 The department similarly continues to expend an annual budget  
23 exceeding four hundred million dollars (\$400,000,000).

24 (5) As a result of the Department of the Youth Authority's drop  
25 in population and continued operation of all of its facilities, the  
26 cost-per-ward at the Youth Authority is about fifty thousand  
27 dollars (\$50,000) per year.

28 (6) In these fiscally challenging times, prudent public policy  
29 dictates that the Department of Youth Authority consolidate its  
30 facilities and programs to reflect its reduced population.

31 (7) It is the intent of the Legislature that the Department of the  
32 Youth Authority produce a viable plan for closing three of its  
33 facilities in a manner that achieves fiscal savings for the state and  
34 assures public safety through sound correctional programming  
35 consistent with the requirements of Chapter 1 (commencing with  
36 Section 1700) of Division 2.5 of the Welfare and Institutions Code.

37 (b) (1) The Department of the Youth Authority shall submit to  
38 the Department of Finance and the fiscal committees of the  
39 Legislature on or before November 1, 2002, a written plan to close  
40 at least three facilities by June 30, 2007.



1 (2) The Department of the Youth Authority shall close at least  
2 one facility pursuant to the plan required by this subdivision not  
3 later than June 30, 2004.

4 (c) The plan submitted pursuant to subdivision (b) shall  
5 include, but not be limited to, the following information regarding  
6 the proposed closure or closures:

7 (1) Identification of the facilities proposed for closure.

8 (2) The basis for selecting the facilities for closure.

9 (3) The basis for not selecting the facilities that are not  
10 proposed for closure.

11 (4) A description of the land and buildings that would be  
12 affected by the proposed closures.

13 (5) Potential alternative uses for the land and buildings that  
14 would be affected by the proposed closures, including, but not  
15 limited to, sale or lease of the property.

16 (6) A description of existing lease arrangements, if any,  
17 regarding the facilities proposed for closure.

18 (7) Projected savings to the department from the proposed  
19 closures.

20 (8) Projected costs to the department for implementing the  
21 plan.

22 (9) A proposed timetable for implementing the plan.

23 (10) The number and classification of positions affected by the  
24 proposed closures, including proposed reassignment plans for  
25 current staff located at the facilities proposed to be closed, and  
26 anticipated attrition of affected staff through retirement,  
27 resignation or other reasons.

28 (11) A description of treatment programs that will be required  
29 to be moved to or expanded at other facilities as a result of the  
30 proposed closures.

31 (12) A proposed relocation plan for wards who will have to be  
32 moved as a result of the proposed closures.

33 (13) A description of any changes that will have to be made at  
34 any facilities not proposed for closure as a result of the proposed  
35 closures.

36 (14) A description of any systemwide improvements  
37 recommended by the department as essential to effect a smooth  
38 and orderly reduction of the total number of facilities.

39 (15) Any additional information deemed relevant by the  
40 department.



1 (d) The department shall consult with the Department of  
2 General Services in preparing the written plan required by this  
3 section, and shall be available to confer with the Legislature during  
4 the preparation of the plan concerning its status and any issues of  
5 concern.

6 SEC. 61. Money in the Renewable Resource Trust Fund may  
7 be expended as a loan to repay the startup loans provided by the  
8 General Fund to the California Consumer Power and Conservation  
9 Financing Authority, in an amount not to exceed eight million nine  
10 hundred thousand dollars (\$8,900,000). The loan shall be repaid  
11 with interest calculated at the rate earned by the Pooled Money  
12 Investment Account at the time of the transfer and shall be repaid  
13 from revenues deposited in the California Consumer Power and  
14 Conservation Financing Authority Fund pursuant to Chapter 10 of  
15 the Statutes of 2001 (First Extraordinary Session). The authority  
16 shall repay at least one million dollars (\$1,000,000) of the amount  
17 loaned pursuant to this section by June 20, 2003. Any remaining  
18 loan amount shall be repaid by June 30, 2004. If any amount  
19 loaned pursuant to this section remains outstanding on July 1,  
20 2004, the outstanding loan amount shall be converted to a loan  
21 from the Energy Resources Programs Account and the outstanding  
22 balance with accrued interest shall be transferred from the Energy  
23 Resources Programs Account to the Renewable Resources Trust  
24 Fund.

25 SEC. 62. No reimbursement shall be made from the State  
26 Mandates Claims Fund pursuant to Part 7 (commencing with  
27 Section 17500) of Division 4 of Title 2 of the Government Code  
28 for costs mandated by the state pursuant to this act. It is recognized,  
29 however, that a local agency or school district may pursue any  
30 remedies to obtain reimbursement available to it under Part 7  
31 (commencing with Section 17500) and any other provisions of  
32 law.

33 SEC. 63. This act is an urgency statute necessary for the  
34 immediate preservation of the public peace, health, or safety  
35 within the meaning of Article IV of the Constitution and shall go  
36 into immediate effect. The facts constituting the necessity are:

37 In order to make the necessary statutory changes to implement  
38 the Budget Act of 2002, with respect to the funding of programs



1 relating to state and local government, it is necessary that this act  
2 go into immediate effect.

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