

AMENDED IN SENATE AUGUST 29, 2005

AMENDED IN SENATE MAY 12, 2005

AMENDED IN SENATE APRIL 26, 2005

AMENDED IN SENATE APRIL 14, 2005

AMENDED IN SENATE APRIL 12, 2005

**SENATE BILL**

**No. 1024**

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**Introduced by Senators Perata and Torlakson  
(Principal coauthors: Senators Migden, Murray, and Soto)  
(Coauthors: Senators Alquist, Kehoe, Lowenthal, and Machado)**

February 22, 2005

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An act to add Chapter 12.49 (commencing with Section 8879.20) to Division 1 of Title 2 of the Government Code, relating to public works and improvements by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1024, as amended, Perata. Public works and improvements: bond measure.

(1) Existing law ~~sets forth a funding plan for the seismic retrofit or replacement of certain state-owned toll bridges by the Department of Transportation. Existing law, pursuant to Proposition 192 of 1996, provides \$2 billion in voter-approved general obligation bond funds for state highway and toll bridge seismic work~~ *provides various funding sources for transportation purposes.*

This bill would enact the Safe Facilities, Improved Mobility, and Clean Air Bond Act of 2005 to authorize \$7,688,000,000

\$7,825,000,000 in state general obligation bonds for specified purposes, including the ~~seismic retrofit of toll bridges~~ *state transportation improvement program*, levee improvements, restoration of Proposition 42 transportation funds, port infrastructure and security projects, trade corridors of significance, emissions reduction projects, environmental enhancement projects, and transportation needs in cities, counties, and cities and counties that meet certain requirements relative to provisions of housing needs in their communities, subject to voter approval.

This bill would require the Secretary of State to submit the proposed bond measure to the voters at the ~~June 6~~ *November 7, 2006*, election.

~~This bill would require the Department of Transportation to report on its expenditure of toll bridge funds and would authorize the department to use bond funds to reimburse other state transportation accounts for costs associated with a rebid of the contract to construct the replacement east span of the San Francisco-Oakland Bay Bridge. The bill would enact other related provisions:~~

(2) This bill would declare that it is to take effect immediately as an urgency measure.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Chapter 12.49 (commencing with Section  
2 8879.20) is added to Division 1 of Title 2 of the Government  
3 Code, to read:

4  
5 CHAPTER 12.49. THE SAFE FACILITIES, IMPROVED MOBILITY,  
6 AND CLEAN AIR BOND ACT OF 2005

7  
8 Article 1. General Provisions

9  
10 8879.20. (a) This chapter shall be known as the Safe  
11 Facilities, Improved Mobility, and Clean Air Bond Act of 2005.

12 (b) This chapter shall only become operative upon adoption by  
13 the voters at the ~~June 6~~ *November 7, 2006*, election.

14 8879.21. ~~(a) The Legislature finds and declares that the~~  
15 ~~completion of seismic safety retrofit work on state-owned toll~~  
16 ~~bridges is essential to the welfare and economy of the state.~~

1 ~~(b) A purpose of this bond act is to pay for the completion of~~  
2 ~~the state Toll Bridge Seismic Safety Retrofit Program (TBSSRP)~~  
3 ~~as expeditiously as possible.~~

4 ~~(e) The Department of Transportation notified the Legislature~~  
5 ~~on August 16, 2004, that the costs to complete the TBSSRP~~  
6 ~~exceeded the authorized budget contained in Section 188.5 of the~~  
7 ~~Streets and Highways Code by three billion two hundred twenty~~  
8 ~~million dollars (\$3,220,000,000). The department now estimates~~  
9 ~~the costs to complete the TBSSRP to be three billion five~~  
10 ~~hundred thirty-eight million dollars (\$3,538,000,000).~~

11 ~~(d) The expeditious completion of the TBSSRP is essential to~~  
12 ~~the welfare and economy of the state and to the safety of the~~  
13 ~~nearly 300,000 daily motorists who use the state-owned toll~~  
14 ~~bridges requiring seismic retrofit work.~~

15 ~~(e) The department shall take all actions necessary to proceed~~  
16 ~~as expeditiously as possible to seismically retrofit the~~  
17 ~~Richmond-San Rafael Bridge and to replace the eastern span of~~  
18 ~~the San Francisco-Oakland Bay Bridge with a new, seismically~~  
19 ~~safe structure, as described in paragraph (9) of subdivision (b) of~~  
20 ~~Section 188.5 of the Streets and Highways Code.~~

21 ~~(f) It was the original intent of the Legislature to fund the~~  
22 ~~TBSSRP with the proceeds of bonds through the enactment of~~  
23 ~~SB 146 (Chapter 310 of the Statutes of 1995), which placed~~  
24 ~~Proposition 192 on the ballot in March, 1996. Proposition 192~~  
25 ~~was overwhelmingly approved by the voters on March 26, 1996,~~  
26 ~~but provided only a small fraction of the increased amount of~~  
27 ~~funding required to complete the TBSSRP.~~

28 ~~(g) It is the intent of the Legislature to fund one billion three~~  
29 ~~hundred sixty-three million dollars (\$1,363,000,000) of the~~  
30 ~~amount needed to complete the TBSSRP from the proceeds of~~  
31 ~~bonds made available by this chapter upon approval by the voters~~  
32 ~~at the June 6, 2006, election.~~

33 ~~(h) The department shall report within 30 days of the end of~~  
34 ~~each month to the Joint Legislative Budget Committee, the~~  
35 ~~committees in each house of the Legislature that consider~~  
36 ~~transportation issues, the Department of Finance, the California~~  
37 ~~Transportation Commission, and the Bay Area Toll Authority~~  
38 ~~(BATA) regarding the department's progress toward completion~~  
39 ~~of the TBSSRP and the use of funds made available to it by this~~  
40 ~~act.~~

1 ~~(i) The Legislature intends, with the adoption of this chapter,~~  
2 ~~to assist in meeting the state's obligation and duty to complete~~  
3 ~~the TBSSRP without forcing the unprogramming of other~~  
4 ~~transportation projects or the reallocation of transportation funds~~  
5 ~~from other high-priority projects throughout the state.~~

6 ~~(j) Proceeds made available under this act for TBSSRP~~  
7 ~~purposes may be used by the department to reimburse state~~  
8 ~~transportation accounts for funds utilized by the department to~~  
9 ~~rebid the contract to construct the main span of the San~~  
10 ~~Francisco-Oakland Bay Bridge consistent with paragraph (9) of~~  
11 ~~subdivision (b) of Section 188.5 of the Streets and Highways~~  
12 ~~Code.~~

13 ~~(k) With respect to the completion of the TBSSRP, bond~~  
14 ~~moneys from this act in the amount of one billion three hundred~~  
15 ~~sixty-three million dollars (\$1,363,000,000) are to be used~~  
16 ~~exclusively to pay for the costs that exceed those enumerated in~~  
17 ~~Section 188.5 of the Streets and Highways Code to complete the~~  
18 ~~retrofit of the Richmond-San Rafael Bridge and the replacement~~  
19 ~~of the eastern span of the San Francisco-Oakland Bay Bridge as~~  
20 ~~described in paragraph (9) of subdivision (b) of that section.~~

21 ~~(l) Another purpose of this bond act is to provide funding for~~  
22 ~~levee improvement and management. According to the~~  
23 ~~Department of Water Resources, funding for those purposes have~~  
24 ~~been reduced in recent years, and, as a result, it has been difficult~~  
25 ~~to perform the necessary maintenance on the state's 1,600 miles~~  
26 ~~of project levees. The department estimates that capital~~  
27 ~~improvements costing two billion dollars (\$2,000,000,000) over~~  
28 ~~10 to 15 years could provide a reliable flood control system. It is~~  
29 ~~in the interest of public health and safety for the state to invest in~~  
30 ~~the structural integrity of its levees, which protect more than~~  
31 ~~500,000 people, two million acres of cultivated land, and 200,000~~  
32 ~~structures with an estimated value of forty-seven billion dollars~~  
33 ~~(\$47,000,000,000).~~

34 *The Legislature finds and declares all of the following:*

35 *(a) Between 1970 and 1995, California's population increased*  
36 *60 percent and the number of vehicle miles traveled on the*  
37 *state's highway system increased 170 percent, straining the*  
38 *state's already burdened transportation system and increasing*  
39 *the state's serious congestion problems.*

1 (b) *The volume of United States trade passing through*  
2 *California's ports in the year 2000 was valued at \$439 billion*  
3 *and estimated to be 40 percent of all goods entering the country.*  
4 *Trade in California is estimated to double between now and the*  
5 *year 2020.*

6 (c) *Congestion in and around California's seaports, airports,*  
7 *and other transportation terminals threatens the state's economy,*  
8 *increases traffic problems, and results in poor air quality,*  
9 *particularly in those communities near port and terminal*  
10 *facilities.*

11 (d) *California is now home to six of the nation's 25 most*  
12 *congested urban areas. Los Angeles, San Francisco, San Diego,*  
13 *Riverside, San Jose, and Sacramento are on this dubious list.*  
14 *This level of congestion costs Californians millions of dollars in*  
15 *lost time, lost production, and fuel costs.*

16 (e) *Despite increased pressures on the state's transportation*  
17 *system, funds intended for investment in the system have not*  
18 *materialized in recent years, delaying capacity and safety*  
19 *improvements.*

20 (f) *During the 2003-04 and 2004-05 fiscal years, \$2.1 billion*  
21 *in funding intended to be transferred to the Transportation*  
22 *Improvement Fund (TIF) was retained in the General Fund,*  
23 *denying the state's transportation system funds for improvements*  
24 *and obligating the General Fund to repay those dollars in*  
25 *2007-08 and 2008-09.*

26 (g) *Funding shortfalls do not just impact traditional*  
27 *transportation facilities. According to the Department of Water*  
28 *Resources (DWR), the absence of a dedicated funding stream to*  
29 *improve the state's 1,600 miles of levees has forced maintenance*  
30 *to be deferred, thereby jeopardizing the structural integrity of the*  
31 *levees that provide flood protection for 200,000 structures,*  
32 *500,000 people, and two million acres of farm land, estimated to*  
33 *be valued at \$47 billion.*

34 (h) *Enactment of the Safe Facilities, Improved Mobility and*  
35 *Clean Air Act of 2005 would provide needed investment to make*  
36 *the necessary improvements to relieve traffic congestion,*  
37 *increase mobility, improve the state's trade corridors, strengthen*  
38 *the state's levees, improve air quality, provide incentives for the*  
39 *production of affordable housing, and keep California's economy*  
40 *strong.*

1 8879.22. As used in this chapter, the following terms have the  
2 following meanings:

3 (a) “Board” means any department receiving an allocation  
4 from the Department of Finance.

5 (b) “Committee” means the Safe Facilities, Improved  
6 Mobility, and Clean Air Finance Committee created pursuant to  
7 Section 8879.27.

8 (c) “Fund” means the Safe Facilities, Improved Mobility, and  
9 Clean Air Bond Fund of 2005 created pursuant to Section  
10 8879.23.

11  
12 Article 2. Safe Facilities, Improved Mobility, and Clean Air  
13 Bond Fund of 2005 and Program  
14

15 8879.23. The Safe Facilities, Improved Mobility, and Clean  
16 Air Bond Fund of 2005 is hereby created in the State Treasury.  
17 The proceeds of bonds issued and sold pursuant to this chapter  
18 for the purposes specified in this chapter are hereby appropriated,  
19 without regard to fiscal years, to the Department of Finance for  
20 allocation in the following manner:

21 ~~(a) Two billion three hundred sixty-three million dollars~~  
22 ~~(\$2,363,000,000) for safe facilities, to be deposited in the Safe~~  
23 ~~Transportation Facilities Account, which is hereby created in the~~  
24 ~~fund. The money in the account shall be available as follows:~~

25 ~~(1) One billion three hundred sixty-three million dollars~~  
26 ~~(\$1,363,000,000) for the completion of the state’s Toll Bridge~~  
27 ~~Seismic Safety Retrofit Program (TBSSRP), pursuant to Section~~  
28 ~~188.5 of the Streets and Highways Code, which includes the~~  
29 ~~replacement of the San Francisco-Oakland Bay Bridge. Upon~~  
30 ~~deposit, the money in the account shall be continuously~~  
31 ~~appropriated to the Department of Transportation for those~~  
32 ~~purposes.~~

33 ~~(2)~~  
34 *(a) One billion five hundred million dollars (\$1,500,000,000)*  
35 *for projects in the State Transportation Improvement Program,*  
36 *to augment funds otherwise available for this purpose from other*  
37 *sources. The funds provided by this subdivision shall be*  
38 *deposited in the Transportation Facilities Account which is*  
39 *hereby created in the fund, and shall be available for*

1 *appropriation to the Department of Transportation and for*  
2 *allocation by the California Transportation Commission.*

3 (b) One billion dollars (\$1,000,000,000) shall be available to  
4 the Department of Water Resources for the inspection,  
5 evaluation, improvement, and strengthening of the state's  
6 federally designated project levees. *The funds shall be deposited*  
7 *in the Levee Facilities Account which is hereby created in the*  
8 *fund.* The funds shall be made available for levee improvements  
9 on a matching basis, with the share provided from these bond  
10 revenues to pay for no more than 75 percent of a project's costs,  
11 and with the remaining matching funds to be provided in the  
12 form of local or regional assessment fee revenues, other local  
13 funds, or any federal funds available for those purposes.

14 ~~(b)~~

15 (c) Two billion three hundred million dollars (\$2,300,000,000)  
16 for restoration of Proposition 42 (Article XIX B) revenues, to be  
17 deposited in the Proposition 42 Repayment Account, which is  
18 hereby created in the fund. Money deposited in the account shall  
19 be used by the Controller, in lieu of moneys from the General  
20 Fund, to meet the transfer obligations to the Transportation  
21 Deferred Investment Fund specified in Sections 7105 and 7106  
22 of the Revenue and Taxation Code as a result of suspending the  
23 transfer of moneys from the General Fund to the Transportation  
24 Investment Fund pursuant to Sections 14557.1 and 14558 of the  
25 Government Code with respect to the 2003-04 and 2004-05 fiscal  
26 years. Funds deposited in the Transportation Deferred Investment  
27 Fund shall be allocated as provided in Sections 7105 and 7106 of  
28 the Revenue and Taxation Code as those sections read on  
29 January 1, 2005.

30 ~~(c)~~

31 (d) Two billion five hundred million dollars (\$2,500,000,000)  
32 to be deposited in the California Ports Infrastructure, Security,  
33 and Air Quality Improvement Account, which is hereby created  
34 in the fund. The money in the account shall be available as  
35 follows:

36 (1) Two billion dollars (\$2,000,000,000) shall be transferred to  
37 the Global Gateways Improvement Fund, which is hereby  
38 created. The money in this fund shall be available for allocation  
39 by the California Transportation Commission for infrastructure  
40 improvements along federally-designated "Trade Corridors of

1 National Significance” in this state or along other corridors  
2 within this state that have a high volume of freight movement, as  
3 determined by the commission. Applicants for these funds shall  
4 provide matching funds from other revenues, in a percentage  
5 amount to be determined by the commission. In determining  
6 projects eligible for funding, the commission shall consult the  
7 Global Gateways Development Program report prepared by the  
8 Business, Transportation and Housing Agency pursuant to SCR  
9 96 (Resolution Chapter 158, Statutes of 2000) *or trade corridor*  
10 *improvement projects identified in an approved regional*  
11 *transportation plan*. Eligible projects for these funds include all  
12 of the following:

13 (A) Highway capacity improvements and operational  
14 improvements to more efficiently accommodate the movement of  
15 freight, particularly for ingress and egress to and from the state’s  
16 seaports, land ports of entry, and airports, and to relieve traffic  
17 congestion along major trade or goods movement corridors.

18 (B) Freight rail system improvements to enhance the ability to  
19 move goods from seaports, land ports of entry, and airports to  
20 warehousing and distribution centers throughout California,  
21 including projects that separate rail lines from highway traffic  
22 and other projects that improve the efficiency and capacity of the  
23 rail freight system.

24 (C) Projects to enhance the capacity and efficiency of ports.

25 (2) Four hundred million dollars (\$400,000,000) shall be  
26 available for transfer to the Carl Moyer Memorial Air Quality  
27 Standards Attainment Trust Fund, created pursuant to Section  
28 44299 of the Health and Safety Code. Funds under this paragraph  
29 shall be available for allocation by the State Air Resources Board  
30 to reduce covered emissions from a covered source, as those  
31 terms are defined in paragraphs (5) and (7) of subdivision (a) of  
32 Section 44275 of the Health and Safety Code, relative to sources  
33 used primarily in the operations of ports in this state.

34 (3) One hundred million dollars (\$100,000,000) shall be  
35 available to the California Infrastructure and Economic  
36 Development Bank to be allocated, as grants, for port, harbor,  
37 and ferry terminal security improvements. The money made  
38 available under this paragraph shall be continuously appropriated  
39 to the bank without regard to fiscal years. Eligible applicants  
40 shall be publicly owned ports, harbors, and ferry boat and ferry

- 1 terminal operators, which may submit applications for the  
2 following types of projects:
- 3 (A) Video surveillance equipment.
  - 4 (B) Explosives detection technology, including, but not  
5 limited to, X-ray devices.
  - 6 (C) Cargo scanners.
  - 7 (D) Radiation monitors.
  - 8 (E) Thermal protective equipment.
  - 9 (F) Site identification instruments capable of providing a  
10 fingerprint for a broad inventory of chemical agents.
  - 11 (G) Other devices capable of detecting weapons of mass  
12 destruction using chemical, biological, or other similar  
13 substances.
  - 14 (H) Other security equipment to assist in any of the following:
    - 15 (i) Screening of incoming vessels and incoming or outbound  
16 cargo.
    - 17 (ii) Monitoring the physical perimeters of harbors, ports, and  
18 ferry terminals.
    - 19 (iii) Providing or augmenting onsite emergency response  
20 capability.
  - 21 (I) Overweight cargo detection equipment, including, but not  
22 limited to, intermodal crane scales and truck weight scales.
  - 23 (J) Developing disaster preparedness or emergency response  
24 plans.
  - 25 ~~(e)~~
  - 26 (e) One hundred million dollars (\$100,000,000) to be  
27 deposited in the Transportation Project Enhancement and  
28 Mitigation Account, which is hereby created in the fund. The  
29 money in the account shall be available for transfer to the  
30 Environmental Enhancement and Mitigation Program Fund  
31 created pursuant to Section 164.56 of the Streets and Highways  
32 Code, for allocation to projects pursuant to that section.
  - 33 ~~(e)~~
  - 34 (f) (1) Four hundred twenty-five million dollars  
35 (\$425,000,000) to be deposited in the Affordable Housing  
36 Incentive Program Account, which is hereby created in the fund.  
37 Funds shall be available, upon appropriation, to the California  
38 Transportation Commission for the purpose of providing  
39 transportation funding grants, upon application, to cities,  
40 counties, and cities and counties that meet a significant portion of

1 their overall and affordable housing needs. In order to be eligible  
2 for funds pursuant to this subdivision, a city, county, or city and  
3 county shall meet all of the following criteria:

4 (A) The city, county, or city and county has adopted a revised  
5 housing element in accordance with Section 65588 that the  
6 Department of Housing and Community Development has  
7 determined pursuant to Section 65585 to be in substantial  
8 compliance with the requirements of Article 10.6 (commencing  
9 with Section 65580) of Chapter 3 of Division 1 of Title 7. For the  
10 purposes of this paragraph, an adopted housing element that has  
11 been self-certified pursuant to Section 65585.1 shall be deemed  
12 to have been approved by the department, unless a court finds  
13 that the jurisdiction's housing element does not substantially  
14 comply with that article.

15 (B) The city, county, or city and county has met, as  
16 determined by the Department of Housing and Community  
17 Development in accordance with the forms and definitions  
18 determined by the department pursuant to Section 65400, at least  
19 ~~\_\_\_\_\_~~ 80 percent of its annualized overall housing need during the  
20 preceding year or ~~\_\_\_\_\_~~ percent of its ~~three-year overall housing~~  
21 ~~need over the preceding three years~~ *80 percent of its overall*  
22 *housing need from the beginning of the planning period*, as  
23 determined pursuant to Section 65584.

24 (C) The city, county, or city and county has met, as  
25 determined by the Department of Housing and Community  
26 Development in accordance with the forms and definitions  
27 determined by the department pursuant to Section 65400, at least  
28 ~~\_\_\_\_\_~~ 30 percent of its annualized housing need for each of the  
29 very low, low-, and moderate-income categories during the  
30 preceding year or ~~\_\_\_\_\_~~ 30 percent of its ~~three-year overall~~  
31 ~~housing need in each of the very low, low-, and moderate-income~~  
32 ~~categories over the preceding three years from the beginning of~~  
33 *the planning period*, as determined pursuant to Section 65584.

34 (2) The Department of Housing and Community Development  
35 shall report annually to the California Transportation  
36 Commission a list of cities, counties, or cities and counties that  
37 have met the requirements of paragraph (1).

38 (3) The California Transportation Commission shall award  
39 funds available under this section over a five-year period.

1 (4) Funds awarded pursuant to this section shall be used for  
 2 improvements to neighborhood streets and roads. Improvements,  
 3 as used in this paragraph, mean those activities described in  
 4 subdivision (e) of Section 7104 of the Revenue and Taxation  
 5 Code.

6 ~~8879.24. (a) The Department of Transportation shall only use~~  
 7 ~~funds specified in subdivision (a) of Section 8879.23 for seismic~~  
 8 ~~retrofit of state-owned toll bridges and bridges in augmentation~~  
 9 ~~of the funds identified in Section 188.5 of the Streets and~~  
 10 ~~Highways Code.~~

11 ~~(b) The Director of Finance shall provide written notification~~  
 12 ~~to the Chair of the Joint Legislative Budget Committee of the~~  
 13 ~~date when the proceeds of the Safe Transportation Facilities~~  
 14 ~~Account that are available for purposes of paragraph (1) of~~  
 15 ~~subdivision (a) of Section 8879.23 have been fully expended for~~  
 16 ~~the purposes specified in subdivision (a).~~

17  
 18 Article 3. Fiscal Provisions  
 19

20 8879.25. Bonds in the total amount of seven billion ~~six~~  
 21 ~~hundred eighty-eight million dollars (\$7,688,000,000)~~ *eight*  
 22 *hundred twenty-five million dollars (\$7,825,000,000)*, exclusive  
 23 of refunding bonds, or so much thereof as is necessary, are  
 24 hereby authorized to be issued and sold for carrying out the  
 25 purposes expressed in this chapter and to reimburse the General  
 26 Obligation Bond Expense Revolving Fund pursuant to Section  
 27 16724.5. All bonds herein authorized which have been duly sold  
 28 and delivered as provided herein shall constitute valid and legally  
 29 binding general obligations of the state, and the full faith and  
 30 credit of the state is hereby pledged for the punctual payment of  
 31 both principal and interest thereof.

32 8879.26. The bonds authorized by this chapter shall be  
 33 prepared, executed, issued, sold, paid, and redeemed as provided  
 34 in the State General Obligation Bond Law (Chapter 4  
 35 (commencing with Section 16720) of Part 3 of Division 4),  
 36 except Section 16727, and all of the other provisions of that law  
 37 as amended from time to time apply to the bonds and to this  
 38 chapter and are hereby incorporated in this chapter as though set  
 39 forth in full in this chapter.

1 8879.27. (a) Solely for the purpose of authorizing the  
2 issuance and sale, pursuant to the State General Obligation Bond  
3 Law, of the bonds authorized by this chapter, the Safe Facilities,  
4 Improved Mobility, and Clean Air Finance Committee is hereby  
5 created. For the purposes of this chapter, the Safe Facilities,  
6 Improved Mobility, and Clean Air Finance Committee is “the  
7 committee” as that term is used in the State General Obligation  
8 Bond Law. The committee consists of the Treasurer, the  
9 Controller, the Director of Finance, and the Secretary of the  
10 Business, Transportation and Housing Agency, or a designated  
11 representative of each of those officials. The Treasurer shall  
12 serve as the chairperson of the committee. A majority of the  
13 committee may act for the committee.

14 (b) The committee may adopt guidelines establishing  
15 requirements for administration of its financing programs to the  
16 extent necessary to protect the validity of, and tax exemption for,  
17 interest on the bonds. The guidelines shall not constitute rules,  
18 regulations, orders, or standards of general application.

19 (c) For the purposes of the State General Obligation Bond  
20 Law, any department receiving an allocation from the  
21 Department of Finance is designated to be the “board.”

22 8879.28. Upon request of the board stating that funds are  
23 needed for purposes of this chapter, the committee shall  
24 determine whether or not it is necessary or desirable to issue  
25 bonds authorized pursuant to this chapter in order to carry out the  
26 actions specified in Section 8879.23, and, if so, the amount of  
27 bonds to be issued and sold. Successive issues of bonds may be  
28 authorized and sold to carry out those actions progressively, and  
29 be sold at any one time. Bonds may bear interest subject to  
30 federal income tax.

31 8879.29. There shall be collected annually, in the same  
32 manner and at the same time as other state revenue is collected, a  
33 sum of money in addition to the ordinary revenues of the state,  
34 sufficient to pay the principal of, and interest on, the bonds as  
35 provided herein, and all officers required by law to perform any  
36 duty in regard to the collections of state revenues shall collect  
37 that additional sum.

38 8879.30. Notwithstanding Section 13340, there is hereby  
39 appropriated from the General Fund in the State Treasury, for the

1 purposes of this chapter, an amount that will equal the total of the  
2 following:

3 (a) The sum annually necessary to pay the principal of, and  
4 interest on, bonds issued and sold pursuant to this chapter, as the  
5 principal and interest become due and payable.

6 (b) The sum which is necessary to carry out Section 8879.32,  
7 appropriated without regard to fiscal years.

8 8879.31. The board may request the Pooled Money  
9 Investment Board to make a loan from the Pooled Money  
10 Investment Account, in accordance with Section 16312, for  
11 purposes of this chapter. The amount of the request shall not  
12 exceed the amount of the unsold bonds which the committee has,  
13 by resolution, authorized to be sold for the purpose of this  
14 chapter, less any amount withdrawn pursuant to Section 8879.32.  
15 The board shall execute any documents as required by the Pooled  
16 Money Investment Board to obtain and repay the loan. Any  
17 amount loaned shall be deposited in the fund to be allocated in  
18 accordance with this chapter.

19 8879.32. For the purpose of carrying out this chapter, the  
20 Director of Finance may, by executive order, authorize the  
21 withdrawal from the General Fund of any amount or amounts not  
22 to exceed the amount of the unsold bonds which the committee  
23 has, by resolution, authorized to be sold for the purpose of  
24 carrying out this chapter. Any amounts withdrawn shall be  
25 deposited in the Safe Facilities, Improved Mobility, and Clean  
26 Air Bond Fund of 2005. Any money made available under this  
27 section shall be returned to the General Fund, plus the interest  
28 that the amounts would have earned in the Pooled Money  
29 Investment Account, from money received from the sale of  
30 bonds which would otherwise be deposited in that fund.

31 8879.33. The bonds may be refunded in accordance with  
32 Article 6 (commencing with Section 16780) of the State General  
33 Obligation Bond Law. Approval by the electors of this act shall  
34 constitute approval of any refunding bonds issued pursuant to the  
35 State General Obligation Bond Law.

36 8879.34. Notwithstanding any provisions in the State General  
37 Obligation Bond Law, the maximum maturity of any bonds  
38 authorized by this chapter shall not exceed 30 years from the date  
39 of each respective series. The maturity of each series shall be  
40 calculated from the date of each series.

1 8879.35. The Legislature hereby finds and declares that,  
2 inasmuch as the proceeds from the sale of bonds authorized by  
3 this chapter are not “proceeds of taxes” as that term is used in  
4 Article XIII B of the California Constitution, the disbursement of  
5 these proceeds is not subject to the limitations imposed by that  
6 article.

7 8879.36. Notwithstanding any provision of the State General  
8 Obligation Bond Law with regard to the proceeds from the sale  
9 of bonds authorized by this chapter that are subject to investment  
10 under Article 4 (commencing with Section 16470) of Chapter 3  
11 of Part 2 of Division 4, the Treasurer may maintain a separate  
12 account for investment earnings, order the payment of those  
13 earnings to comply with any rebate requirement applicable under  
14 federal law, and may otherwise direct the use and investment of  
15 those proceeds so as to maintain the tax-exempt status of those  
16 bonds and to obtain any other advantage under federal law on  
17 behalf of the funds of this state.

18 SEC. 2. Section 1 of this act shall become operative upon  
19 adoption by the voters of the Safe Facilities, Improved Mobility,  
20 and Clean Air Bond Act of 2005, as set forth in Section 1 of this  
21 act.

22 SEC. 3. (a) Notwithstanding Sections 9040, 9043, 9044,  
23 9061, and 9094 of the Elections Code, or any other provision of  
24 law, the Secretary of State shall submit Section 1 of this act to  
25 the voters at the ~~June 6~~ *November 7, 2006*, election.

26 (b) The Secretary of State shall ensure the placement of  
27 Section 1 of this act on the ~~June 6~~ *November 7, 2006*, election  
28 ballot, in substantial compliance with any statutory time  
29 requirements applicable to the submission of statewide measures  
30 to the voters at a statewide election.

31 (c) The Secretary of State shall include, in the ballot pamphlet  
32 mailed pursuant to Section 9094 of the Elections Code, the  
33 information specified in Section 9084 of that code regarding the  
34 bond act contained in Section 1 of this act.

35 SEC. 4. Notwithstanding any other provision of law, all  
36 ballots shall have printed thereon and in a square thereof, the  
37 words: “ Safe Facilities, Improved Mobility, and Clean Air Bond  
38 Act of 2005,” and in the same square under those words, the  
39 following in 8-point type: “This act provides for a bond issue of  
40 ~~seven billion six hundred eighty-eight million dollars~~

1 (~~\$7,688,000,000~~) *seven billion eight hundred twenty-five million*  
2 *dollars (\$7,825,000,000)* to provide funds for an essential public  
3 works facilities retrofit program.” Opposite the square, there  
4 shall be left spaces in which the voters may place a cross in the  
5 manner required by law to indicate whether they vote for or  
6 against the act.

7 Where the voting in the election is done by means of voting  
8 machines used pursuant to law in the manner that carries out the  
9 intent of this section, the use of the voting machines and the  
10 expression of the voters’ choice by means thereof are in  
11 compliance with this section.

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

16 In order for this act to be submitted to voters at the earliest  
17 possible time, it is necessary for this act to take effect  
18 immediately.