

AMENDED IN ASSEMBLY OCTOBER 7, 2010

SENATE BILL

No. 854

Introduced by Committee on Budget and Fiscal Review

January 11, 2010

~~An act relating to the Budget Act of 2010.~~ *An act to amend Sections 8879.52, 8879.61, 8879.65, and 14556.7 of the Government Code, to amend Sections 185024 and 185035 of, and to add Section 185032.1 to, the Public Utilities Code, to amend Sections 167 and 2103 of, and to add Article 4.6 (commencing with Section 172) to Chapter 1 of Division 1 of, the Streets and Highways Code, and to amend Sections 2413 and 12811 of the Vehicle Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 854, as amended, Committee on Budget and Fiscal Review.
~~Budget Act of 2010.~~ *Transportation.*

(1) *Existing law creates the California Transportation Commission, with various duties and responsibilities relative to the programming and allocation of funds for transportation capital projects. Existing law requires the commission to submit, by December 15 of each year, an annual report to the Legislature summarizing the commission's prior year decisions in allocating transportation capital funds and identifying timely and relevant transportation issues facing the state. Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of \$19.25 billion of general obligation bonds for specified purposes, including \$2 billion to be transferred to the Trade Corridors Improvement Fund to be available, upon appropriation in the annual Budget Act by the Legislature and subject to such conditions and criteria as the Legislature may provide*

by statute, for allocation by the commission. Existing law requires the Department of Transportation to, on or before February 18, 2009, report to specified committees of the Legislature a summary of any memorandum of understanding or any other agreement executed between a railroad company and any state or local transportation agency relative to any project funded with moneys allocated from the Trade Corridors Improvement Fund.

This bill would instead require the commission to provide that report to specified committees of the Legislature within 30 days of receiving such a memorandum of understanding or executed agreement. The bill would also, commencing January 1, 2011, require the commission to provide semiannual reports to those committees on the status of all railroad projects programmed in the Trade Corridors Improvement Fund program. The bill would make these reporting requirements inoperative on January 1, 2015.

(2) The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 also requires that \$1,000,000,000 of bond funds be deposited in the Transit System Safety, Security, and Disaster Response Account, administered by the California Emergency Management Agency (Cal EMA), for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems, as specified. Existing law requires 25% of available funds to be allocated to certain regional public waterborne transit agencies. Existing law requires entities receiving funds from that account to expend those funds within 3 fiscal years of the fiscal year in which the funds were allocated and requires that funds remaining unexpended after those 3 years revert to Cal EMA for reallocation in subsequent fiscal years.

This bill, notwithstanding these provisions, would provide that entities receiving an allocation of the funds set aside for regional public waterborne transit agencies, relative to allocations of funds made prior to June 30, 2011, shall have 4 fiscal years from the last day of the fiscal year in which the funds were received by that entity to expend those funds.

(3) Existing law requires funds from the Local Street and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006 to be made available to the Controller for allocation to cities, counties, and a city and county, for purposes of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, as specified.

Upon receipt of funds, a city, county, or city and county is required to expend those funds within 3 fiscal years from the date that the funds are allocated to it by the Controller, and any funds not expended within that period are required to be returned to the Controller and reallocated to other cities, counties, or a city and county, as specified.

Existing law establishes the Highway Users Tax Account in the Transportation Tax Fund for various purposes, including the research, planning, construction, improvement, maintenance, and operation of public streets and highways, the research and planning for exclusive public mass transit guideways, and the construction and improvement of exclusive public mass transit guideways, as specified.

This bill would authorize a city, county, or city and county that receives these funds in a fiscal year in which funds from the Highway Users Tax Account are deferred, suspended, borrowed, or shifted, to expend those funds within 4 fiscal years from the last date of the fiscal year in which the funds are allocated to it by the Controller.

(4) Existing law authorizes the Department of Transportation to transfer funds among 5 specified transportation funds or accounts as short-term loans, subject to certain conditions and any terms and conditions imposed by the Director of Finance. These provisions are inoperative on July 1, 2011, and are repealed on January 1, 2012.

This bill would extend the inoperative and repeal dates of these provisions to July 1, 2014, and January 1, 2015, respectively.

(5) Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law provides for appointment of an executive director by the authority, who is exempt from civil service and serves at the pleasure of the authority. Existing law requires the executive director to be paid a salary established by the authority and approved by the Department of Personnel Administration.

This bill, for purposes of managing and administering the ongoing work of the authority in implementing the high-speed train project, would authorize the Governor, upon the recommendation of the executive director, to appoint up to 6 additional authority employees, exempt from civil service, who would serve in specified positions at the pleasure of the executive director. The bill would require a salary survey to be conducted to determine the compensation for the executive director and additional exempt employees, and would require the salaries to be

established by the authority and approved by the Department of Personnel Administration.

(6) Existing law requires the High-Speed Rail Authority to establish an independent peer review group for the purpose of reviewing the authority's plans and issuing analyses of the authority's assumptions and the authority's funding plan for each corridor. Existing law requires the peer review group to consist of persons meeting specified requirements and to be designated by certain public officers.

This bill would require the initial designations to the peer group to be made by November 1, 2010. The bill would require the peer review group to designate a chairperson and would require the authority to designate a member of its staff to serve as a liaison to the peer review group. The bill would require members of the peer review group to receive specified per diem compensation and reimbursement for travel expenses.

The bill would require the authority to provide a specified progress report to the Legislature commencing March 1, 2011, and biannually thereafter.

(7) Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law creates various programs to fund transportation capital improvement programs and provides for allocation of those funds. Existing law requires the department to prepare an annual budget, as specified for submission to the Governor.

This bill would require the department to submit specified supplemental information by May 1 of each year to the Legislative Analyst and to the appropriations committees to substantiate the department's proposed capital outlay support budget.

(8) Existing law, the Outdoor Advertising Act, provides for the regulation by the Department of Transportation of advertising displays, as defined, within view of public highways.

This bill would enact the Transportation Revenue Partnership Act. The bill would authorize the department, upon approval of the Federal Highway Administration, to enter into an agreement pursuant to a competitive process for an experimental project to plan, develop, finance, maintain, and operate a network of changeable message signs within the rights-of-way of the state highway system, as specified. The bill would authorize the department to allow the person with whom it has entered into the agreement to place advertisements, meeting certain standards established by the department, on the changeable message

signs when they are not being used by the department. The bill would require revenues derived from the experimental project to be allocated between the department and the person with whom the department has entered into the agreement and would require those revenues received by the department to be subject to appropriation by the Legislature. The bill would authorize the department to adopt guidelines and procedures relative to advertising on changeable message signs. The bill would require the department to submit specified reports to the fiscal ad policy committees of the Legislature having jurisdiction over transportation matters, and would prohibit an agreement from being entered into on or after January 1, 2014.

(9) Existing law requires specified revenues from an increase in the gasoline excise tax, pursuant to Chapters 11 and 12 of the 8th Extraordinary Session of the Statutes of 2010, to be used to reimburse the General Fund for the amount needed for debt service on specified general obligation transportation bonds, and in the 2010–11 fiscal year, after the reimbursement of the General Fund, requires the sum of \$54,167,000 per month to be held in the Highway Users Tax Account for future appropriation by the Legislature.

This bill would instead require, in the 2010–11 fiscal year, after the reimbursement of the General Fund for debt service on those specified general obligation transportation bonds, the sum of \$63,470,000 per month to be held in the account for future appropriation by the Legislature.

Existing law also provides for apportionment by the Controller of a specified amount of gasoline excise tax revenues in the Highway Users Tax Account to cities and counties for local street and road purposes, including revenues from the increase in the gasoline excise tax, pursuant to Chapters 11 and 12 of the 8th Extraordinary Session of the Statutes of 2010. These revenues, including the revenues from the increase in the gasoline excise tax, are not subject to expenditure requirements and restrictions that were applicable to revenues from the gasoline sales tax that was repealed by the above-referenced legislation.

This bill would clarify that the revenues apportioned to cities and counties from the increase in the gasoline excise tax may be used for any local street and road purpose and are not subject to the requirements and restrictions applicable to the former gasoline sales tax revenues.

(10) Existing law designates the Commissioner of the California Highway Patrol as the Statewide Vehicle Theft Investigation and

Apprehension Coordinator and authorizes the commissioner to establish vehicle theft prevention, investigation, and apprehension programs and to assist local, state, and federal law enforcement agencies in combating vehicle theft.

Existing law requires the commissioner to submit a report to the Legislature, no later than 90 days following the end of the fiscal year, accounting for funds received and disbursed from the Motor Vehicle Account for the purposes of preventing and enhancing investigative efforts to deter economic automobile theft.

This bill would authorize the Department of the California Highway Patrol to retain license plate data captured by a license plate reader (LPR) for not more than 72 hours unless the data is being used as evidence or for a legitimate law enforcement purpose. The bill would prohibit the department from selling the data or from making the data available to an agency that is not a law enforcement agency or an individual that is not a law enforcement officer. The bill would authorize the use of the data for purposes of locating vehicles or persons reasonably suspected of being involved in the commission of a public offense. The bill would require the department to monitor internal use of the data to prevent unauthorized use and to submit to the Legislature, as a part of the annual automobile theft report, information on the department's LPR practices and usage.

(11) Under existing law, when the Department of Motor Vehicles determines that an applicant is lawfully entitled to a driver's license, the department is required to issue that license to the applicant. Existing law specifies the contents of a driver's license. Existing law requires that the front of an application for an original or renewal of a driver's license or identification card contain a space for an applicant to give his or her consent to be an organ and tissue donor upon death.

This bill would also require the front of an application for an original or renewal of a driver's license or identification card to contain a space for an applicant to indicate whether he or she has served in the Armed Forces of the United States and to give his or her consent to be contacted regarding eligibility to receive state or federal veteran benefits. The bill would require the Department of Motor Vehicles to electronically transmit to the Department of Veterans Affairs specified information on an applicant who has identified on his or her application for a driver's license or identification card that he or she has served in the Armed Forces of the United States and consents to being contacted about veterans benefits.

(12) *This bill would declare that it is to take effect immediately as an urgency statute.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2010.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: no.

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

1 SECTION 1. Section 8879.52 of the Government Code is
2 amended to read:

3 8879.52. (a) The commission shall evaluate, consistent with
4 the commission's Trade Corridors Improvement Fund (TCIF)
5 Guidelines, adopted November 27, 2007, as part of the 2010 TCIF
6 review, the total potential costs and total potential economic and
7 noneconomic benefits of the program to California's economy,
8 environment, and public health. The commission shall consult with
9 the State Air Resources Board in order to utilize the appropriate
10 models, techniques, and methods to develop the evaluation required
11 by this subdivision.

12 (b) With respect to the two billion dollars (\$2,000,000,000)
13 appropriated from the TCIF, as described in paragraph (1) of
14 subdivision (c) of Section 8879.23, and the five hundred million
15 dollars (\$500,000,000) to be made available from the State
16 Highway Account, the following programming schedule shall
17 apply:

18 (1) The Los Angeles/Inland Empire Corridor shall receive a
19 minimum of one billion five hundred million dollars
20 (\$1,500,000,000).

21 (2) The San Diego/International Border Corridor shall receive
22 a minimum of two hundred fifty million dollars (\$250,000,000).

23 (3) The San Francisco Bay/Central Valley Corridor shall receive
24 a minimum of six hundred forty million dollars (\$640,000,000).

25 (4) Other corridors, as determined by the commission, shall
26 receive a minimum of sixty million dollars (\$60,000,000).

27 (c) The corridors referenced in subdivision (b) shall receive the
28 minimum amount of funding programmed for that corridor
29 notwithstanding the deprogramming of any project or projects in
30 that corridor by the commission. If a project is or projects are
31 deprogrammed, the commission shall collaborate with the local

1 transportation agencies in that corridor to select another project or
2 projects for programming of those funds within the minimum
3 amount provided to each corridor pursuant to subdivision (b).

4 (d) If the Colton Crossing project programmed in the
5 commission's TCIF Program as of April 10, 2008, does not meet
6 the requirements or delivery schedule contained in its project
7 baseline agreement when reviewed by the commission no later
8 than March 2010, the project shall be ineligible to receive an
9 allocation from the TCIF. The ninety-seven million dollars
10 (\$97,000,000) associated with the project shall then be available
11 for programming in the Los Angeles/Inland Empire Corridor. In
12 that event, the commission shall collaborate with the local
13 transportation agencies in that corridor to select another project or
14 projects for programming of those funds, and, in making that
15 selection, shall take into consideration the Los Angeles/Inland
16 Empire Corridor Tier One or Tier Two Project Lists and any other
17 project identified by the local agencies. Projects currently receiving
18 TCIF funding shall not be considered for selection.

19 ~~(e) On or before February 18, 2009, the department shall report~~
20 ~~to the policy committees of each house of the Legislature with~~
21 ~~jurisdiction over transportation matters, a summary of any~~
22 ~~memorandum of understanding or any other agreement executed~~
23 ~~between a railroad company and any state or local transportation~~
24 ~~agency as it relates to any project funded with moneys allocated~~
25 ~~from the TCIF.~~

26 (e) (1) *The commission shall report to the Assembly Committee*
27 *on Transportation, the Senate Committee on Transportation and*
28 *Housing, and the Senate and Assembly Committees on Budget and*
29 *on Appropriations a summary of any memorandum of*
30 *understanding, along with a copy of the memorandum, or any*
31 *agreement executed between a railroad company and any state or*
32 *local transportation agency as it relates to any project funded with*
33 *moneys allocated from the TCIF within 30 days of the commission's*
34 *receipt of those documents.*

35 (2) *Commencing January 1, 2011, the commission shall provide*
36 *semiannual reports to the Assembly Committee on Transportation,*
37 *the Senate Committee on Transportation and Housing, and the*
38 *Senate and Assembly Committees on Budget and on Appropriations*
39 *on the status of all railroad projects programmed in the TCIF*
40 *program.*

1 (3) *This subdivision shall become inoperative on January 1,*
2 *2015, pursuant to Section 10231.5.*

3 *SEC. 2. Section 8879.61 of the Government Code is amended*
4 *to read:*

5 8879.61. (a) (1) Entities described in subdivisions (a), (b),
6 and (c) of Section 8879.57 receiving an allocation of funds pursuant
7 to this article shall expend those funds within three fiscal years of
8 the fiscal year in which the funds were allocated. Funds remaining
9 unexpended thereafter shall revert to ~~OHS or OES, as applicable,~~
10 *the California Emergency Management Agency (Cal EMA) for*
11 *reallocation under this article in subsequent fiscal years.*

12 (2) *Notwithstanding paragraph (1), for an allocation of funds*
13 *made prior to June 30, 2011, to an entity described in subdivision*
14 *(b) of Section 8879.57, that entity shall have four fiscal years from*
15 *the last day of the fiscal year in which the funds were received by*
16 *that entity to expend those funds.*

17 (b) Entities that receive grant awards from funds allocated
18 pursuant to subdivisions (b) or (c) of Section 8879.57 are not
19 eligible to receive awards from the funds allocated pursuant to
20 subdivision (a) of Section 8879.57.

21 (c) On or before May 1 of each year, ~~OHS and OES Cal EMA~~
22 shall report to the Legislature on ~~their~~ *its* activities under this
23 article. The report shall include a summary of the projects selected
24 for funding during the fiscal year in which awards were made, as
25 well as the status of projects selected for funding in prior fiscal
26 years.

27 (d) Funds appropriated for the program established by this article
28 in the Budget Act of 2007 shall be allocated consistent with the
29 allocation schedule established in Section 8879.57.

30 *SEC. 3. Section 8879.65 of the Government Code is amended*
31 *to read:*

32 8879.65. (a) Funds appropriated from the Local Street and
33 Road Improvement, Congestion Relief, and Traffic Safety Account
34 of 2006, established by subdivision (l) of Section 8879.23, shall
35 be made available to the Controller for allocation to cities, counties,
36 and a city and county. From bond funds appropriated in the
37 2007–08 fiscal year for cities, including a city and county, each
38 city, and city and county, shall receive at least a minimum
39 allocation of four hundred thousand dollars (\$400,000), as
40 described in subparagraph (B) of paragraph (1) of subdivision (l)

1 of Section 8879.23. The remainder of the funds appropriated for
2 cities, including a city and county, shall be allocated in the
3 proportion described in subparagraph (B) of paragraph (1) of
4 subdivision (I) of Section 8879.23. In no case shall a city, or a city
5 and county, receive an allocation in excess of its total share, as
6 described in subdivision (I) of Section 8879.23, except as described
7 in subdivision (d).

8 (b) Prior to receiving an allocation of funds from the Controller
9 in a fiscal year, an eligible local agency shall submit to the
10 Department of Finance a list of projects expected to be funded
11 with bond funds pursuant to an adopted city, county, or city and
12 county budget. All projects proposed to be funded with funds from
13 the account shall be included in a city, county, or city and county
14 budget that is adopted by the applicable city council or board of
15 supervisors at a regular public meeting. The list of projects
16 expected to be funded with bond funds shall include a description
17 and the location of the proposed project, a proposed schedule for
18 the project's completion, and the estimated useful life of the
19 improvement. The project list shall not limit the flexibility of an
20 eligible local agency to fund projects in accordance with local
21 needs and priorities so long as the projects are consistent with
22 subparagraph (B) of paragraph (1) of subdivision (I) of Section
23 8879.23.

24 (1) The Department of Finance shall report monthly to the
25 Controller the eligible local agencies that have submitted a list of
26 projects as described in this subdivision.

27 (2) Upon receipt of the information described in paragraph (1),
28 the Controller shall allocate funds to those agencies that have
29 submitted a list of projects, as reported by the Department of
30 Finance.

31 (c) Each fiscal year upon expending funds from the account, a
32 city, county, or city and county shall submit documentation to the
33 Department of Finance which includes a description and location
34 of each completed project, the amount of funds expended on the
35 project, the completion date, and the project's estimated useful
36 life. The documentation shall be forwarded to the department, in
37 a manner and form approved by the department, at the end of each
38 fiscal year until the funds in the account are exhausted. The
39 department may post the information contained in the
40 documentation on the department's official Web site.

(d) (1) A city, county, or city and county receiving funds pursuant to this section shall have three fiscal years to expend the funds following the fiscal year in which the allocation was made by the Controller, and any funds not expended within that period shall be returned to the Controller and be reallocated to other cities, counties, or a city and county, as applicable, pursuant to the allocation formulas set forth in subparagraph (A) or (B) of paragraph (1) of subdivision (I) of Section 8879.23, but excluding the requirement for a minimum city allocation as described in subparagraph (B) of paragraph (1) of that subdivision and section.

(2) *Notwithstanding paragraph (1), a city, county, or city and county receiving funds pursuant to this section, during any fiscal year in which funds from the Highway Users Tax Account are deferred, suspended, borrowed, or shifted, shall have four fiscal years from the last date of the fiscal year in which the funds are allocated to it by the Controller to expend the funds.*

(e) Subject to the requirements and conditions of this section, it is the intent of the Legislature to appropriate funds from the account so that the Controller may allocate the balance of these funds to eligible local agencies over the next four years, following the 2007–08 fiscal year. Nothing in this section shall prevent the Legislature from appropriating funds on a more expedited basis based on local agency need.

(f) The sum of three hundred fifty million dollars (\$350,000,000) is hereby appropriated from funds in the Local Street and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006 created pursuant to subdivision (I) of Section 8879.23, for allocation pursuant to this article, as an augmentation to the amount appropriated in Item 9350-104-6065 of the Budget Act of 2007. The total 2007–08 fiscal year appropriation of nine hundred fifty million dollars (\$950,000,000) shall be allocated as follows: four hundred million dollars (\$400,000,000) to counties and five hundred fifty million dollars (\$550,000,000) to cities.

(g) Notwithstanding the provisions of Item 9350-104-6065 of the Budget Act of 2008, a city or city and county that receives any portion of the funds appropriated by that item shall agree to encumber the funds before July 1, 2010.

SEC. 4. *Section 14556.7 of the Government Code is amended to read:*

14556.7. (a) To provide adequate cash for projects, including, but not limited to, projects in the State Transportation Improvement Program, the State Highway Operation and Protection Program, and the Traffic Congestion Relief Program, and for the support of the department, the department may transfer funds as short-term loans among and between the State Highway Account in the State Transportation Fund, the Transportation Investment Fund in the State Treasury, the Transportation Deferred Investment Fund, the Public Transportation Account in the State Transportation Fund and the Traffic Congestion Relief Fund (TCRF), subject to those terms and conditions that the Director of Finance may impose upon those transfers. When loan balances authorized in this subdivision are outstanding, the Director of Transportation shall report the amounts of loans outstanding with respect to each fund or account as of the last business day of each quarter to the commission. The commission shall monitor the cash-flow loan program authorized in this section and shall provide guidance to the department to ensure that sufficient resources will be available for all projects and all other authorized expenditures from each fund or account so as to not delay any authorized expenditure.

(b) For the purposes of this section, a “short-term loan” is a transfer that is made subject to the following conditions:

(1) That any amount loaned is to be repaid in full to the fund or account from which it was loaned during the same fiscal year in which the loan was made, except that repayment may be delayed until a date not more than 30 days after the date of enactment of the annual Budget Act for the subsequent fiscal year.

(2) That loans shall be repaid whenever the funds are needed to meet cash expenditure needs in the loaning fund or account.

(c) This section shall become inoperative on July 1, ~~2011~~ 2014, and, as of January 1, ~~2012~~ 2015, is repealed, unless a later enacted statute, that becomes operative on or before January 1, ~~2012~~ 2015, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 5. Section 185024 of the Public Utilities Code is amended to read:

185024. (a) The authority shall appoint an executive director, *exempt from civil service*, who shall serve at the pleasure of the authority, to administer the affairs of the authority as directed by the authority.

(b) ~~The executive director is exempt from civil service and shall be paid a salary established by the authority and approved by the Department of Personnel Administration.~~ For purposes of managing and administering the ongoing work of the authority in implementing the high-speed train project, the Governor, upon the recommendation of the executive director, may appoint up to six additional employees, exempt from civil service, who shall serve at the pleasure of the executive director. Pursuant to this subdivision, the Governor may appoint employees only for the following positions:

- (1) Chief program manager.
- (2) Regional director.
- (3) Chief financial officer.
- (4) Director of risk management and project controls.

(c) The compensation of the executive director and the additional employees authorized by subdivision (b) shall be established by the authority, and approved by the Department of Personnel Administration, in an amount that is reasonably necessary, in the discretion of the authority, to attract and hold a person of superior qualifications. The authority shall cause to be conducted, through the use of independent outside advisers, a salary survey to determine the compensation for the positions under this subdivision. The Department of Personnel Administration may, in its discretion, accept a previously completed salary survey that meets the requirements of this subdivision, and shall review the methodology used in the survey. The salary survey shall consider both of the following:

- (1) Other state, regional, and local transportation agencies that are most comparable to the authority and its responsibilities.
- (2) Other relevant labor pools.

The compensation set by the authority shall not exceed the highest comparable compensation for a position of that type, as determined by the salary survey. Based on the salary survey, these positions shall be paid a salary established by the authority and approved by the Department of Personnel Administration.

(e)

(d) The executive director may, as authorized by the authority, appoint necessary staff to carry out the provisions of this part.

SEC. 6. Section 185032.1 is added to the Public Utilities Code, to read:

1 185032.1. (a) Commencing March 1, 2011, and biannually
2 thereafter, the authority shall provide a report to the Senate
3 Committee on Transportation and Housing, the Assembly
4 Committee on Transportation, the Senate Committee on Budget
5 and Fiscal Review, and the Assembly Committee on Budget for
6 the development and implementation of intercity high-speed rail
7 service pursuant to Section 185030.

8 (b) The report, at a minimum, shall include a programwide
9 summary, as well as details by project segment, with all
10 information necessary to clearly describe the status of the project,
11 including, but not limited to, all of the following:

12 (1) A summary describing the overall progress of the project.

13 (2) The baseline budget for all project phase costs, by segment
14 or contract, beginning with the 2009 business plan.

15 (3) The current and projected budget, by segment or contract,
16 for all project phase costs.

17 (4) Expenditures to date, by segment or contract, for all project
18 phase costs.

19 (5) A comparison of the current and projected work schedule
20 and the baseline schedule contained in the 2009 business plan.

21 (6) A summary of milestones achieved during the prior year
22 and milestones expected to be reached in the coming year.

23 (7) Any issues identified during the prior year and actions taken
24 to address those issues.

25 (8) A thorough discussion of various risks to the project and
26 steps taken to mitigate those risks.

27 SEC. 7. Section 185035 of the Public Utilities Code is amended
28 to read:

29 185035. (a) The authority shall establish an independent peer
30 review group for the purpose of reviewing the planning,
31 engineering, financing, and other elements of the authority's plans
32 and issuing an analysis of appropriateness and accuracy of the
33 authority's assumptions and an analysis of the viability of the
34 authority's financing plan, including the funding plan for each
35 corridor required pursuant to subdivision (b) of Section 2704.08
36 of the Streets and Highways Code.

37 (b) The peer review group shall include all of the following:

38 (1) Two individuals with experience in the construction or
39 operation of high-speed trains in Europe, Asia, or both, designated
40 by the Treasurer.

1 (2) Two individuals, one with experience in engineering and
2 construction of high-speed trains and one with experience in project
3 finance, designated by the Controller.

4 (3) One representative from a financial services or financial
5 consulting firm who shall not have been a contractor or
6 subcontractor of the authority for the previous three years,
7 designated by the Director of Finance.

8 (4) One representative with experience in environmental
9 planning, designated by the Secretary of Business, Transportation
10 and Housing.

11 (5) Two expert representatives from agencies providing intercity
12 or commuter passenger train services in California, designated by
13 the Secretary of Business, Transportation and Housing.

14 *(c) (1) The initial designations to the peer review group*
15 *described in subdivision (b) shall be made by November 1, 2010.*

16 *(2) The peer review group shall designate a chairperson.*

17 *(3) The authority shall designate a specific member of its staff*
18 *to serve as a liaison to the peer review group.*

19 *(d) (1) Each member of the peer review group shall receive*
20 *compensation of one hundred dollars (\$100) for each day that the*
21 *member is attending to the business of the peer review group, but*
22 *shall not receive more than five hundred dollars (\$500) in any*
23 *calendar month.*

24 *(2) Members of the peer review group shall be reimbursed for*
25 *their actual travel expenses incurred in attending to the business*
26 *of the peer review group.*

27 ~~(e)~~

28 *(e) The peer review group shall evaluate the authority's funding*
29 *plans and prepare its independent judgment as to the feasibility*
30 *and reasonableness of the plans, appropriateness of assumptions,*
31 *analyses, and estimates, and any other observations or evaluations*
32 *it deems necessary.*

33 ~~(f)~~

34 *(f) The authority shall provide the peer review group any and*
35 *all information that the peer review group may request to carry*
36 *out its responsibilities.*

37 ~~(g)~~

38 *(g) The peer review group shall report its findings and*
39 *conclusions to the Legislature no later than 60 days after receiving*
40 *the plans.*

1 *SEC. 8. Section 167 of the Streets and Highways Code is*
2 *amended to read:*

3 167. (a) Funds in the State Highway Account in the State
4 Transportation Fund shall be programmed, budgeted subject to
5 Section 163, and expended to maximize the use of federal funds
6 and shall be based on the following sequence of priorities:

7 (1) Operation, maintenance, and rehabilitation of the state
8 highway system.

9 (2) Safety improvements where physical changes, other than
10 adding additional lanes, would reduce fatalities and the number
11 and severity of injuries.

12 (3) Transportation capital improvements that expand capacity
13 or reduce congestion, or do both.

14 (4) Environmental enhancement and mitigation programs.

15 (b) With respect to the funds in the State Highway Account, in
16 the Public Transportation Account, and in the Passenger Rail Bond
17 Fund, the proposed budget shall be organized on a program basis.
18 The proposed budget shall list the proposed expenditures for the
19 transportation program under the following program elements:

20 (1) Administration.

21 (2) Program development.

22 (3) Maintenance.

23 (4) State highway operation and protection.

24 (5) Local assistance.

25 (6) Interregional improvements.

26 (7) Regional improvements.

27 (8) Environmental enhancement and mitigation programs.

28 (c) State operations expenditure amounts of the department for
29 interregional and regional transportation improvement projects
30 shall be listed as required by subdivision (b) of Section 14529 of
31 the Government Code, but those amounts other than those for the
32 acquisition of rights-of-way and construction shall not be subject
33 to allocation by the commission.

34 (d) To align the annual budget with the adopted state
35 transportation improvement program, the department may submit
36 to the Department of Finance revised capital outlay support and
37 capital outlay budget estimates as part of its May revision process.
38 *Budget proposals related to these changes shall be provided to*
39 *the Legislature no later than May 1.*

1 (e) The budget shall not include specific appropriations for
2 specific transportation improvement projects, and the Legislature
3 shall not enact legislation containing specific individual
4 transportation projects.

5 (f) The basis for defining major and minor capital outlay projects
6 shall be established by the commission.

7 (g) The Legislative Analyst shall prepare an analysis of the
8 proposed expenditures for each program element as a part of the
9 budget analysis.

10 (h) *The department shall submit to the Legislative Analyst and*
11 *the Appropriations Committees of the Senate and Assembly, on an*
12 *annual basis, supplemental information to substantiate the*
13 *department's proposed capital outlay support budget. The*
14 *information shall be provided no later than May 1 of each year,*
15 *and may be provided at an earlier date. The information shall*
16 *include, but not be limited to, the following:*

17 (1) *A list of projects for which the department will perform*
18 *capital outlay support work in the budget year. For each project,*
19 *the department shall include:*

20 (A) *The planned project support budget for support of*
21 *environmental, design, right-of-way, and construction phases.*

22 (B) *The planned capital costs, including construction capital*
23 *costs and right-of-way capital costs.*

24 (C) *The estimated or actual construction start date.*

25 (D) *The name and year of the state transportation program in*
26 *which the project is programmed, if applicable.*

27 (E) *Total prior fiscal year expenditures for capital outlay*
28 *support.*

29 (F) *The number of full-time equivalent positions requested to*
30 *perform support of environmental, design, right-of-way, and*
31 *construction support work in the fiscal year of the budget request.*

32 (G) *Milestones of project work by phases that are planned to*
33 *be completed in the fiscal year of the budget request.*

34 (2) *The capital-to-support ratio for all projects completed in*
35 *the prior fiscal year in each program in each district.*

36 (3) *The current total number of authorized and vacant positions*
37 *in the capital outlay support program in headquarters and in each*
38 *district.*

39 (4) *A five-year projection of the department's staffing needs to*
40 *support the state's transportation capital programs and any*

1 workload performed by the department related to federal or local
2 funding for highway capital projects.

3 (5) The average cost of a personnel-year equivalent in each
4 district based on the department's existing contracts for capital
5 outlay support work performed by a private company under
6 contract with the department. For each average cost, the
7 department shall provide a description of what factors are included
8 in that cost.

9 (6) The average cost of a state staff personnel-year in the capital
10 outlay support program in each district and in headquarters. The
11 cost shall include the salary and wages, benefits, program
12 overhead, and administrative and other costs. The department
13 shall provide a description of each component of the average cost.

14 SEC. 9. Article 4.6 (commencing with Section 172) is added
15 to Chapter 1 of Division 1 of the Streets and Highways Code, to
16 read:

17
18 *Article 4.6. Transportation Revenue Partnership Act*
19

20 172. This article shall be known and may be cited as the
21 Transportation Revenue Partnership Act.

22 172.1. The Legislature finds and declares all of the following:

23 (a) A network of changeable message signs may provide one
24 source of additional transportation funding. The department's
25 current network of changeable message signs has proven to be an
26 effective way to inform road users of critical safety and
27 transportation-related conditions and of other important
28 information and to protect the safe and efficient utilization of the
29 highways.

30 (b) Changeable message signs have played a critical role in the
31 success of California's Emergency Alert System, initiated by
32 Assembly Bill 415 in 2002 (Chapter 517, Statutes of 2002). The
33 current network of changeable message signs operated by the
34 department, in coordination with the Department of the California
35 Highway Patrol (CHP) and the Office of Traffic Safety, has helped
36 keep our children and families safer by bringing public resources
37 and private citizens together to help save lives during emergencies.

38 (c) Recent advances in technology have made it possible to
39 create a more reliable network of changeable message signs that
40 combine text with graphics in order to rapidly and clearly

1 communicate important information to the users of California's
2 highways more safely and effectively than the current network of
3 changeable message signs. This advanced technology could
4 improve the effectiveness and reliability of the network of
5 changeable message signs, thereby enhancing the health, safety,
6 and welfare of the people of California.

7 (d) Private sponsors and advertisers could provide additional
8 transportation funding in return for the right to place
9 advertisements on the changeable message signs in a manner that
10 does not detract from their system management function.

11 (e) All changeable message signs on state highway rights-of-way
12 shall be placed or upgraded in accordance with department
13 guidelines for orientation toward motorists on the traveled way
14 and minimal impact outside of those rights-of-way, and the
15 department shall retain the right to determine whether a location
16 will negatively impact a residential area or community.

17 (f) The authority to use changeable message signs for
18 commercial advertising shall require that the advertising and
19 department messaging, when displayed in combination, is safe
20 and does not create an unsafe distraction to motorists, and will
21 require either a waiver from the Federal Highway Administration
22 or a change in federal law.

23 172.2. For purposes of this article, the following definitions
24 shall apply:

25 (a) "Agreement" means a legally enforceable agreement
26 regarding changeable message signs or the network of changeable
27 message signs, including, but not limited to, a lease, highway
28 improvement agreement, easement, encroachment permit, or
29 operation and maintenance agreement.

30 (b) "Best value" means a value determined by objective criteria
31 that may include, but is not limited to, features, experience,
32 functions, life cycle costs, price, and other criteria deemed
33 appropriate by the department.

34 (c) "Changeable message sign" means a department-owned
35 sign that is designed to display various messages that benefit the
36 public, such as traffic information or advertising, by mechanical
37 or electronic means, including, but not limited to, light emitting
38 diode (LED) and liquid crystal display (LCD) technology.

39 (d) "Department" means the Department of Transportation.

1 (e) “Existing camera” means a camera located on a changeable
2 message sign on January 1, 2010.

3 (f) “Experimental project” means an agreement with a person
4 to study, plan, design, construct, reconstruct, develop, finance,
5 maintain, rebuild, improve, repair, lease, or operate a state-of-the
6 art, full-color network of changeable message signs within the
7 rights-of-way of the state highway system.

8 (g) “Network” means the integrated network of enhanced
9 changeable message signs. The network shall include upgraded
10 changeable message signs at existing sign locations, and new
11 changeable message signs at any additional locations as
12 determined by the department.

13 (h) “Person” means an individual, partnership, limited
14 partnership, trust, estate, association, corporation, limited liability
15 company, or other public or private entity.

16 172.3. (a) Notwithstanding any provision of law, and upon
17 approval of the Federal Highway Administration by the grant of
18 a waiver or a change in federal law authorizing the department
19 to do so, the department may enter into an agreement to conduct
20 an experimental project to utilize changeable message signs within
21 the state highway right-of-way in a manner to best effectuate the
22 purposes of this article. The department may issue requests for
23 proposals and develop tentative agreements before federal
24 approval is obtained. The department may provide services for
25 which it is reimbursed with respect to preliminary design,
26 inspection, and oversight of the experimental project.

27 (b) The agreement described in subdivision (a) shall do all of
28 the following:

29 (1) Provide for construction or reconstruction, operation, and
30 maintenance of the network of changeable message signs for an
31 initial period that shall not exceed 20 years.

32 (2) Provide for complete reversion of the privately constructed,
33 improved, operated, and maintained changeable message signs
34 to the department at the expiration of the agreement at no charge
35 to the department and free and clear of any encumbrances.

36 (3) Specify that the department shall retain ownership of the
37 changeable message signs, notwithstanding any improvement or
38 enhancement to the changeable message signs.

39 (4) Provide that emergency notifications and traveler
40 information shall have priority over advertising.

1 (5) Provide that the department, in consultation with the
2 Department of the California Highway Patrol, shall retain the
3 ability to make a determination on the safety of the changeable
4 message signs, and may take those actions deemed necessary to
5 protect public safety.

6 (6) Require the person to identify, defend, and hold harmless,
7 the department for any injury or damage in connection with the
8 advertising on changeable message signs.

9 (c) Advertising revenue derived from the experimental project
10 shall be allocated between the person selected and the department
11 in accordance with the agreement as provided in subdivision (a)
12 of Section 172.4. Advertising revenue derived from the
13 experimental project and received by the department shall be
14 subject to appropriation by the Legislature.

15 (d) The department shall have full responsibility and liability
16 for the operation and maintenance of all existing cameras.

17 (e) The changeable message signs on state highway
18 rights-of-way shall meet the design, construction, and operating
19 requirements in the department's standards and guidelines,
20 including, but not limited to, controls, such as state-of-the-art
21 sensors that control the brightness of the display based on the
22 surrounding ambient light levels and other technologies muting
23 adjacent glare, that focus the zone of vision toward motorists on
24 the traveled way and to prevent neighborhood impacts in the
25 vicinity of the changeable message signs.

26 (f) The department, in consultation with the Department of the
27 California Highway Patrol, shall retain the ultimate right to
28 determine whether the location of an existing changeable message
29 sign or proposed location for the placement of a new changeable
30 message sign will negatively impact a residential area or
31 community. If the department determines that the location of a
32 changeable message sign will have a negative impact, the
33 department may, in its discretion, either place additional
34 requirements on its placement or not allow its placement.

35 172.4. (a) The department may enter into an agreement, as
36 described in Section 172.3, with any person to place advertisements
37 on changeable message signs, to receive funds for commercial
38 advertising messages on those changeable message signs, except
39 during times and to the extent that they are in use by the
40 department, and to share revenues generated in connection with

1 *their use for commercial advertising in furtherance of the public*
2 *interest.*

3 *(b) The network of changeable message signs shall, during the*
4 *term of the experimental project, be deemed to be part of the state*
5 *highway system for purposes of identification and enforcement of*
6 *traffic laws, and the purposes of Division 3.6 (commencing with*
7 *Section 810) of Title 1 of the Government Code.*

8 *172.5. (a) Advertising on changeable message signs shall be*
9 *in the form and under those conditions as may be determined by*
10 *the department and as may be set forth in guidelines and*
11 *procedures to be developed and adopted by the department, and*
12 *shall not interfere with any traveler-information or emergency*
13 *notification message function of the network of changeable message*
14 *signs. All changeable message signs subject to this article shall*
15 *be exempt from Section 5408 of the Business and Professions Code*
16 *and from any and all regulations promulgated in connection with*
17 *Section 5408 of the Business and Professions Code.*

18 *(b) The experimental nature of the program established by this*
19 *article may require frequent modifications to the guidelines and*
20 *procedures. The department shall not be required to adopt*
21 *regulations to effectuate each modification to the guidelines and*
22 *procedures. The department shall post modifications to the*
23 *guidelines and procedures on the department's Internet Web site*
24 *and distribute directly to any person requesting to be notified of*
25 *those modifications at least 30 days prior to the effective date of*
26 *the modifications to the guidelines and procedures.*

27 *172.6. The department shall not enter into an agreement with*
28 *any person that would cause or permit any changeable message*
29 *sign to display or advertise tobacco, firearms, or sexually explicit*
30 *material. The department shall adopt policies and guidelines in*
31 *connection with the content of the advertising.*

32 *172.7. The department may use the changeable message signs*
33 *for emergency notification, traveler information, and motorist*
34 *safety and awareness campaigns without providing compensation*
35 *to the person with whom it enters into an agreement pursuant to*
36 *this article.*

37 *172.8. When choosing the person with which to partner*
38 *pursuant to Section 172.3 to effectuate the purposes of this article,*
39 *the department shall select, pursuant to a competitive process, the*
40 *person that the department determines will provide the best value.*

1 The competitive process shall require the bidders to provide a
2 technical proposal, which shall identify the proposed improvements
3 to the changeable message sign network with a cost and revenue
4 proposal. The department's selection criteria shall include the
5 demonstrated competence, experience, and qualifications of the
6 potential person to design, construct, operate, and maintain the
7 changeable message sign network; the potential person's
8 demonstrated competence and capacity to integrate changeable
9 message signs into an efficient network and to maintain and
10 operate the necessary equipment to manage the network and
11 related software systems; cost and revenue projections based on
12 advertising revenue; and any other criteria as the department, in
13 its sole discretion, may determine to consider. The department
14 may retain a consultant or advisor to assist in preparing the best
15 value criteria, selection of a person, and oversight of the program,
16 provided that the consultant or advisor may not bid on the
17 experimental project or work as an employee, consultant, or
18 advisor to any person or persons seeking to bid on the experimental
19 project.

20 172.9. (a) At least 30 days prior to executing an agreement
21 pursuant to Section 172.3, the department shall submit the
22 agreement to the appropriate fiscal and policy committees of the
23 Legislature.

24 (b) No later than one year after execution of an agreement
25 pursuant to Section 172.3, and every two years thereafter until the
26 completion of the experimental project, the department shall submit
27 a report to the fiscal and policy committees of the Legislature with
28 jurisdiction over transportation matters. The report shall include,
29 but not be limited to, all of the following:

30 (1) The status of implementation of the agreement, including
31 the number of signs placed and the locations of the signs placed.

32 (2) The amount of revenue received and the costs incurred by
33 the department from the experimental project, including costs
34 incurred prior to the time the department entered into an
35 agreement.

36 (3) An assessment of the effect the experimental project has had
37 on public safety, emergency notification, traveler information, and
38 motorist safety and awareness campaigns.

39 (4) A list of the types of advertising placed on the signs.

1 172.10. No agreement shall be entered into pursuant to this
2 article on or after January 1, 2014.

3 SEC. 10. Section 2103 of the Streets and Highways Code is
4 amended to read:

5 2103. (a) Of the net revenues deposited to the credit of the
6 Highway Users Tax Account that are derived from the increases
7 in the rates of taxes that are imposed pursuant to subdivision (b)
8 of Section 7360 and Section 7361.1 of the Revenue and Taxation
9 Code, all of the following shall occur on a monthly basis:

10 (1) (A) By the 15th day of every month, the Treasurer's office,
11 in consultation with the Department of Finance, shall notify the
12 Controller of the amount of debt service that will be paid on each
13 transportation bond during that month.

14 (B) Within two business days following the 28th day of each
15 month, the Controller shall transfer to the Transportation Debt
16 Service Fund an amount equal to the amount of monthly debt
17 service paid by the General Fund on any bonds issued pursuant to
18 the Seismic Retrofit Bond Act of 1996 (Chapter 12.48
19 (commencing with Section 8879) of Division 1 of Title 2 of the
20 Government Code) or any other highway bonds, and three-quarters
21 of the amount of monthly debt service paid on any bonds issued
22 pursuant to the Highway Safety, Traffic Reduction, Air Quality,
23 and Port Security Bond Act of 2006 (Chapter 12.49 (commencing
24 with Section 8879.20) of Division 1 of Title 2) for reimbursement
25 of the General Fund for these costs. If revenues available pursuant
26 to this subdivision in any given month are insufficient to fully
27 reimburse the General Fund for the debt service payments made,
28 the first revenues available pursuant to this subdivision in the
29 following month or months shall be transferred to the
30 Transportation Debt Service Fund so that all debt service payments
31 made on these bonds from the General Fund in a given fiscal year
32 are fully reimbursed.

33 (2) In the 2010–11 fiscal year, after the monthly transfer made
34 pursuant to paragraph (1), the sum of ~~fifty-four million one hundred~~
35 ~~sixty-seven thousand dollars (\$54,167,000)~~ *sixty-three million four*
36 *hundred seventy thousand dollars (\$63,470,000)* per month shall
37 be held in the account for future appropriation by the Legislature.

38 (3) The Controller shall transfer any remaining net revenues
39 subject to this subdivision as follows:

(A) Forty-four percent shall be transferred to the State Highway Account to fund projects in the State Transportation Improvement Program that are consistent with Section 1 of Article XIX of the California Constitution, except in the 2010–11 fiscal year, 50 percent shall be transferred for purposes of this subparagraph.

(B) Twelve percent shall be transferred to the State Highway Account to fund projects in the State Highway Operation and Protection Program, except in the 2010–11 fiscal year, no revenues shall be transferred for purposes of this subparagraph.

(C) Forty-four percent shall be apportioned by the Controller for local street and road purposes, except in the 2010–11 fiscal year, 50 percent shall be transferred for purposes of this subparagraph as follows:

(i) Fifty percent shall be apportioned by the Controller to cities, including a city and county, in the proportion that the total population of the city bears to the total population of all the cities in the state.

(ii) Fifty percent shall be apportioned by the Controller to counties, including a city and county, in accordance with the following formulas:

(I) Seventy-five percent shall be apportioned among the counties in the proportion that the number of fee-paid and exempt vehicles that are registered in the county bear to the number of fee-paid and exempt vehicles registered in the state.

(II) Twenty-five percent shall be apportioned among the counties in the proportion that the number of miles of maintained county roads in each county bear to the total number of miles of maintained county roads in the state. For the purposes of apportioning funds under this subparagraph, any roads within the boundaries of a city and county that are not state highways shall be deemed to be county roads.

(b) After the transfers or other actions pursuant to subdivision (a), at least 90 percent of the balance deposited to the credit of the Highway Users Tax Account in the Transportation Tax Fund by the 28th day of each month shall be apportioned or transferred, as applicable, by the Controller by the second working day thereafter, except for June, in which case the apportionment or transfer shall be made the same day. These apportionments or transfers shall be made as provided for in Sections 2104 to 2122, inclusive. If information is not available to make the apportionment or transfer

1 as required, the apportionment or transfer shall be made on the
2 basis of the information of the previous month. Amounts not
3 apportioned or transferred shall be included in the apportionment
4 or transfer of the subsequent month.

5 *(c) Notwithstanding any other law to the contrary, the funds*
6 *apportioned by the Controller to cities and counties pursuant to*
7 *subparagraph (C) of paragraph (3) of subdivision (a) are not*
8 *subject to Section 7104 or 7104.2 of the Revenue and Taxation*
9 *Code. These funds may be expended for any street and road*
10 *purpose consistent with the requirements of this chapter.*

11 *SEC. 11. Section 2413 of the Vehicle Code is amended to read:*

12 *2413. (a) The Commissioner of the California Highway Patrol*
13 *is designated as the Statewide Vehicle Theft Investigation and*
14 *Apprehension Coordinator. The commissioner may establish*
15 *vehicle theft prevention, investigation, and apprehension programs.*
16 *The commissioner may assist local, state, and federal law*
17 *enforcement agencies by coordinating multijurisdictional vehicle*
18 *theft investigations and may establish programs to improve the*
19 *ability of law enforcement to combat vehicle theft.*

20 *(b) The Department of the California Highway Patrol may retain*
21 *license plate data captured by a license plate reader (LPR) for no*
22 *more than 72 hours, except in circumstances when the data is*
23 *being used as evidence or for legitimate law enforcement purposes.*

24 *(c) The Department of the California Highway Patrol shall not*
25 *sell LPR data for any purpose and shall not make the data*
26 *available to an agency that is not a law enforcement agency or an*
27 *individual who is not a law enforcement officer. The data may only*
28 *be used by a law enforcement agency for purposes of locating*
29 *vehicles or persons when either are reasonably suspected of being*
30 *involved in the commission of a public offense.*

31 *(d) The Department of the California Highway Patrol shall*
32 *monitor internal use of the LPR data to prevent unauthorized use.*

33 *(e) The Department of the California Highway Patrol shall, as*
34 *a part of the annual automobile theft report submitted to the*
35 *Legislature pursuant to subdivision (b) of Section 10901, report*
36 *the LPR practices and usage, including the number of LPR data*
37 *disclosures, a record of the agencies to which data was disclosed*
38 *and for what purpose, and any changes in policy that affect privacy*
39 *concerns.*

1 *SEC. 12. Section 12811 of the Vehicle Code is amended to*
2 *read:*

3 12811. (a) (1) (A) When the department determines that the
4 applicant is lawfully entitled to a license, it shall issue to the person
5 a driver's license as applied for. The license shall state the class
6 of license for which the licensee has qualified and shall contain
7 the distinguishing number assigned to the applicant, the date of
8 expiration, the true full name, age, and mailing address of the
9 licensee, a brief description and engraved picture or photograph
10 of the licensee for the purpose of identification, and space for the
11 signature of the licensee.

12 (B) Each license shall also contain a space for the endorsement
13 of a record of each suspension or revocation ~~thereof~~ *of the license*.

14 (C) The department shall use whatever process or processes, in
15 the issuance of engraved or colored licenses, that prohibit, as near
16 as possible, the ability to alter or reproduce the license, or prohibit
17 the ability to superimpose a picture or photograph on the license
18 without ready detection.

19 (2) In addition to the requirements of paragraph (1), a license
20 issued to a person under 18 years of age shall display the words
21 "provisional until age 18."

22 (b) (1) The front of an application for an original or renewal
23 of a driver's license or identification card shall contain a space for
24 an applicant to give his or her consent to be an organ and tissue
25 donor upon death. An applicant who gives consent shall be directed
26 to read a statement on the back of the application that shall contain
27 the following statement:

28
29 "If you marked on the front of the application that you want to
30 be an organ and tissue donor upon death, your consent shall serve
31 as a legally binding document as outlined under the California
32 Uniform Anatomical Gift Act. Except in the case where the donor
33 is under the age of 18, the donation does not require the consent
34 of any other person. For donors under the age of 18, the legal
35 guardian of the donor shall make the final decision regarding the
36 donation. If you want to change your decision to consent in the
37 future, or if you want to limit the donation to specific organs,
38 tissues, or research, you must contact Donate Life California by
39 mail at 1760 Creekside Oaks Drive, #220, Sacramento, CA 95833,

1 or online at www.donateLIFeCalifornia.org, or
2 www.doneVIDAcalifornia.org.”

3

4 (2) Notwithstanding any other provision of law, a person under
5 age 18 may register as a donor. However, the legal guardian of
6 that person shall make the final decision regarding the donation.

7 (3) The department shall collect donor designation information
8 on all applications for an original or renewal driver’s license or
9 identification card.

10 (4) The department shall print the word “DONOR” or another
11 appropriate designation on the face of a driver’s license or
12 identification card to a person who registered as a donor on a form
13 issued pursuant to this section.

14 (5) On a weekly basis, the department shall electronically
15 transmit to Donate Life California, a nonprofit organization
16 established and designated as the California Organ and Tissue
17 Donor Registrar pursuant to Section 7150.90 of the Health and
18 Safety Code, all of the following information on every applicant
19 that has indicated his or her willingness to participate in the organ
20 donation program:

21 (A) His or her true full name.

22 (B) His or her residence or mailing address.

23 (C) His or her date of birth.

24 (D) His or her California driver’s license number or
25 identification card number.

26 (6) (A) A person who applies for an original or renewal driver’s
27 license or identification card may designate a voluntary
28 contribution of two dollars (\$2) for the purpose of promoting and
29 supporting organ and tissue donation. This contribution shall be
30 collected by the department, and treated as a voluntary contribution
31 to Donate Life California and not as a fee for the issuance of a
32 driver’s license or identification card.

33 (B) The department may use the donations collected pursuant
34 to this paragraph to cover its actual administrative costs incurred
35 pursuant to paragraphs (3) to (5), inclusive. The department shall
36 deposit all revenue derived pursuant to this paragraph and
37 remaining after the department’s deduction for administrative costs
38 in the Donate Life California Trust Subaccount, that is hereby
39 created in the Motor Vehicle Account in the State Transportation
40 Fund. Notwithstanding Section 13340 of the Government Code,

all revenue in this subaccount is continuously appropriated, without regard to fiscal years, to the Controller for allocation to Donate Life California and shall be expended for the purpose of increasing participation in organ donation programs.

(7) The enrollment form shall be posted on the Internet Web sites for the department and the California Health and Human Services Agency.

(8) The enrollment shall constitute a legal document pursuant to the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code) and shall remain binding after the donor's death despite any express desires of next of kin opposed to the donation. Except as provided in paragraph (2) of subdivision (b), the donation does not require the consent of any other person.

(9) Donate Life California shall ensure that all additions and deletions to the California Organ and Tissue Donor Registry, established pursuant to Section 7150.90 of the Health and Safety Code, shall occur within 30 days of receipt.

(10) Information obtained by Donate Life California for the purposes of this subdivision shall be used for these purposes only and shall not be disseminated further by Donate Life California.

(c) A public entity or employee shall not be liable for loss, detriment, or injury resulting directly or indirectly from false or inaccurate information contained in the form provided pursuant to subdivision (b).

(d) (1) The front of an application for an original or renewal of a driver's license or identification card shall contain a space for an applicant to indicate whether he or she has served in the Armed Forces of the United States and to give his or her consent to be contacted regarding eligibility to receive state or federal veteran benefits.

(2) The department shall collect the information obtained pursuant to paragraph (1).

(3) Periodically, as mutually agreed between the department and the Department of Veterans Affairs, the department shall electronically transmit to the Department of Veterans Affairs the following information on each applicant who has identified that he or she has served in the Armed Forces of the United States since the last data transfer and has consented to be contacted about veteran benefits:

1 (A) His or her true full name.

2 (B) His or her residence or mailing address.

3 (4) Information obtained by the Department of Veterans Affairs
4 for the purposes of this subdivision shall be used for the purpose
5 of assisting individuals to access veteran benefits and shall not be
6 disseminated except as needed for this purpose.

7 ~~(d)~~

8 (e) A contract shall not be awarded to a nongovernmental entity
9 for the processing of driver's licenses, unless the contract conforms
10 to all applicable state contracting laws and all applicable procedures
11 set forth in the State Contracting Manual.

12 ~~(e) This section shall become operative on July 1, 2006.~~

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

17 In order to make conforming changes necessary to implement
18 the Budget Act of 2010, it is necessary that this act take effect
19 immediately.

20 SECTION 1. ~~It is the intent of the Legislature to enact statutory~~
21 ~~changes relating to the Budget Act of 2010.~~