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AMENDED IN ASSEMBLY APRIL 9, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 147

Introduced by Assembly Member V. Manuel Pérez

January 18, 2013

An act to amend Sections ~~3000.08 and 3451~~ of the Penal Code, relating to punishment; 63000, 63010, 63025.1, 63045, and 63084 of, and to add Article 5.5 (commencing with Section 63047.1) to Chapter 2 of Division 1 of Title 6.7 of, the Government Code, relating to economic development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 147, as amended, V. Manuel Pérez. ~~Realignment Omnibus Act of 2014. Economic development projects.~~

The Bergeson-Peace Infrastructure and Economic Development Bank Act authorizes the California Infrastructure and Economic Development Bank, governed by a board of directors, to make loans and provide other assistance to public and private entities for various types of economic development projects, among other things. The activities of the bank under these provisions are funded from the California

Infrastructure and Economic Development Bank Fund, which is continuously appropriated for these purposes.

This bill would authorize the board of directors to enter into development and financing agreements for projects within the California-Mexico border region, as defined. The bill would authorize the bank to establish and participate in a binational financing authority to facilitate and support the economic development of communities within the border region. The bill would require the bank to develop guidelines for the selection, review, and approval of border region projects and authorize the bank to issue bonds, the proceeds of which would be deposited in the Binational Development Account, which the bill would create within the fund. By expanding the purposes for which a continuously appropriated fund may be used, the bill would make an appropriation. The bill would state that certain provisions of this bill shall become operative only if the Executive Director of the California Infrastructure and Economic Development Bank determines that there are sufficient funds available to implement those provisions and submits a letter to the Legislature to that effect.

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

~~Existing law requires that all persons released from prison after serving a prison term for a felony, be subject to postrelease community supervision provided by a county agency for a period of 3 years immediately following release, except for persons released after serving a term for a serious felony, a violent felony, an offense for which the person was sentenced pursuant to the 3 strikes law, a crime where the person is classified as a high-risk sex offender, or a crime where the person is required to undergo treatment by the State Department of State Hospitals because the person has a severe mental disorder. Existing law requires that these persons be subject to parole supervision by the Department of Corrections and Rehabilitation following release from state prison and the jurisdiction of the court in the county in which the parolee is released, resides, or in which an alleged violation of supervision has occurred.~~

~~This bill would also require that any person who is released from prison who has a prior conviction for any of the above crimes be subject to parole supervision by the department and the jurisdiction of the court in the county in which the parolee is released, resides, or in which an alleged violation of supervision has occurred.~~

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

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

1 SECTION 1. *The Legislature finds and declares all of the*
2 *following:*

3 (a) *Mexico is California's largest trading partner in the world.*
4 *The two economies are highly integrated with a substantial*
5 *dependence on cross-border trade, especially in southern*
6 *California. A modern border that provides for safe and efficient*
7 *movement of people and goods is therefore critical to both entities*
8 *to maintain continued growth in the economy and trade.*

9 (b) *The increased security demands since September 11, 2001,*
10 *have resulted in the need to have an even greater focus on the*
11 *operations of border crossings and approaches so that efficiency*
12 *improvements are made in concert with the implementation of*
13 *enhanced safety and security measures.*

14 (c) *One barrier to the expansion of trade and binational*
15 *commerce is the deficit in border infrastructure, which has not*
16 *kept pace with increases in trade and transit since ratification of*
17 *the North American Free Trade Agreement. Increased federal*
18 *spending on ports of entry is essential, as well as encouraging*
19 *recapitalization of binational border financing entities that include*
20 *the North American Development Bank. Even with increased*
21 *federal funding, however, the long-term success of the binational*
22 *region is attracting more private sector investment. Attracting new*
23 *private capital will require new ways of financing infrastructure*
24 *and other economic development-related projects and streamlining*
25 *local and environmental approvals.*

26 (d) *A binational approach to economic development also serves*
27 *to provide a vital, yet often overlooked, component to*
28 *comprehensive immigration reform. Workers from Mexico have*
29 *historically served a valuable role within many California industry*
30 *sectors, including the agriculture and tourism sectors. In some*
31 *instances, however, immigration creates economic and social*
32 *challenges for the sending and receiving countries, as well as for*
33 *workers and businesses. It is therefore in the interest of the state*
34 *to find appropriate, cost-effective ways to limit immigration by*
35 *supporting economic development and job creation.*

1 (e) *Funding business development and job creation activities*
2 *along the California-Mexico border region is a practical strategy*
3 *for minimizing and discouraging the undocumented flow of*
4 *immigration from Mexico. Economic development projects along*
5 *the border and within the north-south economic corridors benefit*
6 *communities on both sides of the border. Projects that stimulate*
7 *job creation and strengthen the local and regional economies can*
8 *serve as a cost-effective immigration control method, while*
9 *strengthening the manufacturing, trade, and goods movement*
10 *capacity of California communities.*

11 (f) *A coherent economic strategy for the border region, based*
12 *on expediting legitimate commerce, relaxing federally imposed*
13 *restrictions on what border communities can do to build new*
14 *infrastructure, and endowing existing development institutions*
15 *with greater authority will result in immediate and long-term*
16 *benefits to the people of California.*

17 (g) *Supporting economic development activities within the*
18 *border region is not in conflict with clause 3 of Section 8 of Article*
19 *I of the U.S. Constitution because facilitating economic*
20 *development activities does not rise to the level of regulating*
21 *commerce with foreign nations and is consistent with the prior*
22 *actions of the United States Congress that have sanctioned and*
23 *defined the trade and commerce relationship between the United*
24 *States and Mexico through a range of legislative actions, including,*
25 *but not limited to, the approval of the North American Free Trade*
26 *Agreement.*

27 *SEC. 2. Section 63000 of the Government Code is amended to*
28 *read:*

29 63000. The Legislature finds and declares the following:

30 (a) *Economic revitalization, future development, and a healthy*
31 *climate for jobs in California will depend upon a well-conceived*
32 *system of public improvements that are essential to the economic*
33 *well-being of the citizens of the state and are necessary to maintain,*
34 *as well as create, employment within the state for business.*

35 (b) *It is necessary for public policy to support the efforts of*
36 *businesses attempting to expand, businesses seeking to locate in*
37 *California, and local economic development organizations, public*
38 *agencies, and new entrepreneurs by dedicating public fiscal*
39 *resources to confront obstacles and barriers that impede economic*
40 *growth.*

1 (c) Existing mechanisms that coordinate federal, state, local,
2 and private financial resources are inadequate to attract and sustain
3 ~~that~~ *the* level of private investment that is essential to a growth
4 economy.

5 (d) In order to secure and enhance the economic well-being of
6 Californians, promote economic development in the state, and
7 provide a healthy climate for the creation of jobs, it is necessary
8 for public policy to support the efforts of expanding businesses,
9 businesses seeking to locate in California, local development
10 organizations, public bodies, and new entrepreneurs to gain access
11 to capital through current and potential operations of financial
12 markets.

13 (e) The high cost and the lack of availability of industrial loans
14 for small- and medium-size businesses is making it difficult for
15 thousands of these enterprises to get established, to maintain their
16 present employment levels, or to expand employment.

17 (f) The problem of access to capital is acute in the high
18 technology industry clusters because companies must often finance
19 large capital expenditures early in their development cycle, and
20 cannot obtain financing sufficient to cover the cost of those
21 expenditures. Consideration should be given to industry clusters
22 that may include the following:

- 23 (1) Health care technology.
- 24 (2) Multimedia.
- 25 (3) Environmental technology.
- 26 (4) Information technology.

27 (g) The high cost and limited availability of loans and capital
28 has led a number of states to take action to remedy these conditions
29 through concerted public and private investment programs that
30 include efforts to do the following:

- 31 (1) Use the state's access to capital markets more effectively
32 for economic development.
- 33 (2) Create financing pools to access national *and international*
34 capital markets or help government sponsors and public-private
35 economic development organizations obtain credit enhancement
36 on their own.
- 37 (3) Facilitate credit enhancement for selected specific projects.
- 38 (4) Provide or arrange for loan insurance.
- 39 (5) Create and support secondary markets for loan portfolios of
40 urban and rural economic development corporations and others.

1 (6) Improve access to international capital markets.

2 (7) Provide opportunities for public pension funds and other
3 institutional investors to play a larger role in state economic
4 development.

5 (8) Arrange for or provide subordinated debt for selected
6 projects.

7 (9) Increase support for ~~local~~ *local, regional, and state*
8 infrastructure development.

9 (10) *Improve access to global markets by supporting*
10 *manufacturing-linked goods and movement-related infrastructure*
11 *within state, national, and international transportation corridors.*

12 (h) Local governments in California bear a primary
13 responsibility for the business of promoting job creation and
14 economic development efforts. California’s continued reliance on
15 autonomous local entities often fails to adequately consider regional
16 impacts of business expansion. Projects of a regional nature need
17 the benefit of a state coordinating function to augment and enhance
18 local economic development and environmental efforts.

19 (i) The State of California has not embarked on a major
20 infrastructure financing effort since the decade of the ~~1960’s~~;
21 *1960s*, despite persistent unemployment and soaring population
22 growth.

23 (j) California’s ability to compete in a global economy depends
24 upon its capacity to implement policies that take maximum
25 advantage of public and private resources at the local, regional,
26 state, and national levels. These policies should be coordinated
27 with any future legislative plan involving growth management
28 strategies designed to make economic growth compatible with
29 environmental protections. It is the intent of the Legislature in
30 enacting this act to create a mechanism to finance projects needed
31 to implement economic development and job creation and growth
32 management strategies, and to provide a secure and stable funding
33 source for implementation of this act in order to meet critical
34 economic, social, and environmental concerns.

35 (k) The State of California needs a financing entity structured
36 with broad authority to issue bonds, provide guarantees, and
37 leverage state and federal funds using techniques that will target
38 public investment to facilitate *private sector* economic
39 ~~development.~~ *growth.* The goal is to *expand private sector*

1 *investment within the state and produce more private sector jobs*
2 *with less public sector investment.*

3 (l) The mechanisms for financing public improvements and
4 private job creation strategies provided for in this act are in the
5 public interest, serve a public purpose, and will promote the health,
6 welfare, and safety of the citizens of the state.

7 (m) *The lack of economic development along the border region*
8 *with Mexico has caused economic challenges to the state. The*
9 *existence of an economic development authority that addresses*
10 *economic development needs in these areas serves a public purpose*
11 *and promotes the health, welfare, and safety of the citizens of the*
12 *state.*

13 (m)

14 (n) The public policies and responsibilities of the state, including
15 all of the above purposes and functions, cannot be fully obtained
16 without the use of financing assistance and can be most effectively
17 furthered by the creation of the California Infrastructure and
18 Economic Development Bank.

19 SEC. 3. Section 63010 of the Government Code is amended to
20 read:

21 63010. For purposes of this division, the following words and
22 terms shall have the following meanings unless the context clearly
23 indicates or requires another or different meaning or intent:

24 (a) “Act” means the Bergeson-Peace Infrastructure and
25 Economic Development Bank Act.

26 (b) “Bank” means the California Infrastructure and Economic
27 Development Bank.

28 (c) “Board” or “bank board” means the Board of Directors of
29 the California Infrastructure and Economic Development Bank.

30 (d) “Bond purchase agreement” means a contractual agreement
31 executed between the bank and a sponsor, or a special purpose
32 trust authorized by the bank or a sponsor, or both, whereby the
33 bank or special purpose trust authorized by the bank agrees to
34 purchase bonds of the sponsor for retention or sale.

35 (e) (1) “Bonds” means bonds, including structured, senior, and
36 subordinated bonds or other securities; loans; notes, including
37 bond, revenue, ~~tax~~ tax, or grant anticipation notes; commercial
38 paper; floating rate and variable maturity securities; and any other
39 evidences of indebtedness or ownership, including certificates of
40 participation or beneficial interest, asset backed certificates, or

1 lease-purchase or installment purchase agreements, whether taxable
2 or excludable from gross income for federal income taxation
3 purposes.

4 (2) “*Border region*” means the area within 125 miles on each
5 side of the California-Mexico border, including areas along the
6 north-south and east-west transportation networks on both sides
7 of the border.

8 (f) “Cost,” as applied to a project or portion thereof financed
9 under this division, means all or any part of the cost of construction,
10 renovation, and acquisition of all lands, structures, real or personal
11 property, rights, rights-of-way, franchises, licenses, easements,
12 and interests acquired or used for a project; the cost of demolishing
13 or removing any buildings or structures on land so acquired,
14 including the cost of acquiring any lands to which the buildings
15 or structures may be moved; the cost of all machinery, equipment,
16 and financing charges; interest prior to, during, and for a period
17 after completion of construction, renovation, or acquisition, as
18 determined by the bank; provisions for working capital; reserves
19 for principal and interest and for extensions, enlargements,
20 additions, replacements, renovations, and improvements; and the
21 cost of architectural, engineering, financial and legal services,
22 plans, specifications, estimates, administrative expenses, and other
23 expenses necessary or incidental to determining the feasibility of
24 any project or incidental to the construction, acquisition, or
25 financing of any project, and transition costs in the case of an
26 electrical corporation.

27 (g) “Economic development facilities” means real and personal
28 property, structures, buildings, equipment, and supporting
29 components thereof that are used to provide industrial, recreational,
30 research, commercial, utility, *goods movement*, or service enterprise
31 facilities, community, educational, cultural, or social welfare
32 facilities and any parts or combinations thereof, and all facilities
33 or infrastructure necessary or desirable in connection therewith,
34 including provision for working capital, but shall not include any
35 housing.

36 (h) “Electrical corporation” has the meaning set forth in Section
37 218 of the Public Utilities Code.

38 (i) “Executive director” means the Executive Director of the
39 California Infrastructure and Economic Development Bank
40 appointed pursuant to Section 63021.

1 (j) “Financial assistance” in connection with a project, includes,
2 but is not limited to, any combination of grants, loans, the proceeds
3 of bonds issued by the bank or special purpose trust, insurance,
4 guarantees or other credit enhancements or liquidity facilities, and
5 contributions of money, property, labor, or other things of value,
6 as may be approved by resolution of the board or the sponsor, or
7 both; the purchase or retention of bank bonds, the bonds of a
8 sponsor for their retention or for sale by the bank, or the issuance
9 of bank bonds or the bonds of a special purpose trust used to fund
10 the cost of a project for which a sponsor is directly or indirectly
11 liable, including, but not limited to, bonds, the security for which
12 is provided in whole or in part pursuant to the powers granted by
13 Section 63025; bonds for which the bank has provided a guarantee
14 or enhancement, including, but not limited to, the purchase of the
15 subordinated bonds of the sponsor, the subordinated bonds of a
16 special purpose trust, or the retention of the subordinated bonds
17 of the bank pursuant to Chapter 4 (commencing with Section
18 63060); or any other type of assistance deemed appropriate by the
19 bank or the sponsor, except that no direct loans shall be made to
20 nonpublic entities other than in connection with the issuance of
21 rate reduction bonds pursuant to a financing order or in connection
22 with a financing for an economic development ~~facility~~. *facility*
23 *located within the state or the border region, or both. Financial*
24 *assistance within areas outside of California shall meet the*
25 *requirements under Article 5.5 (commencing with Section 63047.1)*
26 *of Chapter 2.*

27 For purposes of this subdivision, “grant” does not include grants
28 made by the bank except when acting as an agent or intermediary
29 for the distribution or packaging of financing available from
30 federal, private, or other public sources.

31 (k) “Financing order” has the meaning set forth in Section 840
32 of the Public Utilities Code.

33 (l) “Guarantee trust fund” means the California Infrastructure
34 Guarantee Trust Fund.

35 (m) “Infrastructure bank fund” means the California
36 Infrastructure and Economic Development Bank Fund.

37 (n) “Loan agreement” means a contractual agreement executed
38 between the bank or a special purpose trust and a sponsor that
39 provides that the bank or special purpose trust will loan funds to

1 the sponsor and that the sponsor will repay the principal and pay
2 the interest and redemption premium, if any, on the loan.

3 (o) “Participating party” means any person, company,
4 corporation, association, ~~state~~ *state, international*, or municipal
5 governmental entity, partnership, firm, or other entity or group of
6 entities, whether organized for profit or not for profit, engaged in
7 business or operations within the state *or border region* and that
8 applies for financing from the bank in conjunction with a sponsor
9 for the purpose of implementing a project. However, in the case
10 of a project relating to the financing of transition costs or the
11 acquisition of transition property, or both, on the request of an
12 electrical corporation, or in connection with a financing for an
13 economic development facility, or for the financing of insurance
14 claims, the participating party shall be deemed to be the same
15 entity as the sponsor for the financing.

16 (p) “Project” means designing, acquiring, planning, permitting,
17 entitling, constructing, improving, extending, restoring, financing,
18 and generally developing public development facilities or economic
19 development facilities within the state *or border region or*
20 financing transition costs or the acquisition of transition property,
21 or both, upon approval of a financing order by the Public Utilities
22 Commission, as provided in Article 5.5 (commencing with Section
23 840) of Chapter 4 of Part 1 of Division 1 of the Public Utilities
24 Code. *Projects within areas outside of California shall meet the*
25 *requirements under Article 5.5 (commencing with Section 63047.1)*
26 *of Chapter 2.*

27 (q) “Public development facilities” means real and personal
28 property, structures, conveyances, equipment, thoroughfares,
29 buildings, and supporting components thereof, excluding any
30 housing, that are directly related to providing the following:

31 (1) “City streets” including any street, avenue, boulevard, road,
32 parkway, drive, or other way that is any of the following:

33 (A) An existing municipal roadway.

34 (B) Is shown upon a plat approved pursuant to law and includes
35 the land between the street lines, whether improved or unimproved,
36 and may comprise pavement, bridges, shoulders, gutters, curbs,
37 guardrails, sidewalks, parking areas, benches, fountains, plantings,
38 lighting systems, and other areas within the street lines, as well as
39 equipment and facilities used in the cleaning, grading, clearance,
40 maintenance, and upkeep thereof.

1 (2) “County highways” including any county highway as defined
2 in Section 25 of the Streets and Highways Code, that includes the
3 land between the highway lines, whether improved or unimproved,
4 and may comprise pavement, bridges, shoulders, gutters, curbs,
5 guardrails, sidewalks, parking areas, benches, fountains, plantings,
6 lighting systems, and other areas within the street lines, as well as
7 equipment and facilities used in the cleaning, grading, clearance,
8 maintenance, and upkeep thereof.

9 (3) “Drainage, water supply, and flood control” including, but
10 not limited to, ditches, canals, levees, pumps, dams, conduits,
11 pipes, storm sewers, and dikes necessary to keep or direct water
12 away from people, equipment, buildings, and other protected areas
13 as may be established by lawful authority, as well as the
14 acquisition, improvement, maintenance, and management of
15 floodplain areas and all equipment used in the maintenance and
16 operation of the foregoing.

17 (4) “Educational facilities” including libraries, child care
18 facilities, including, but not limited to, day care ~~facilities~~, *facilities*
19 and employment training facilities.

20 (5) “Environmental mitigation measures” including required
21 construction or modification of public infrastructure and purchase
22 and installation of pollution control and noise abatement
23 equipment.

24 (6) “Parks and recreational facilities” including local parks,
25 recreational property and equipment, ~~parkways~~ *parkways*, and
26 property.

27 (7) “Port facilities” including *airports, landports, waterports,*
28 *railports*, docks, harbors, ports of entry, piers, ships, small boat
29 harbors and marinas, and any other facilities, additions, or
30 improvements in connection ~~therewith~~. *therewith, that transport*
31 *goods or persons.*

32 (8) “Power and communications” including facilities for the
33 transmission or distribution of electrical energy, natural gas, and
34 telephone and telecommunications service.

35 (9) “Public transit” including air and rail ~~transport of goods,~~
36 *transport*, airports, guideways, vehicles, rights-of-way, passenger
37 stations, maintenance and storage yards, and related structures,
38 including public parking ~~facilities~~, *facilities and* equipment used
39 to provide or enhance transportation by bus, rail, ferry, or other
40 conveyance, either publicly or privately owned, that provides to

1 the public general or special service on a regular and continuing
2 basis.

3 (10) “Sewage collection and treatment” including pipes, pumps,
4 and conduits that collect wastewater from residential,
5 manufacturing, and commercial establishments, the equipment,
6 structures, and facilities used in treating wastewater to reduce or
7 eliminate impurities or contaminants, and the facilities used in
8 disposing of, or transporting, remaining sludge, as well as all
9 equipment used in the maintenance and operation of the foregoing.

10 (11) “Solid waste collection and disposal” including vehicles,
11 vehicle-compatible waste receptacles, transfer stations, recycling
12 centers, sanitary landfills, and waste conversion facilities necessary
13 to remove solid waste, except that which is hazardous as defined
14 by law, from its point of origin.

15 (12) “Water treatment and distribution” including facilities in
16 which water is purified and otherwise treated to meet residential,
17 manufacturing, or commercial purposes and the conduits, pipes,
18 and pumps that transport it to places of use.

19 (13) “Defense conversion” including, but not limited to, facilities
20 necessary for successfully converting military bases consistent
21 with an adopted base reuse plan.

22 (14) “Public safety facilities” including, but not limited to, police
23 stations, fire stations, court buildings, jails, juvenile halls, and
24 juvenile detention facilities.

25 (15) “State highways” including any state highway as described
26 in Chapter 2 (commencing with Section 230) of Division 1 of the
27 Streets and Highways Code, and the related components necessary
28 for safe operation of the highway.

29 (16) (A) ~~Military infrastructure~~,—“*Military infrastructure*”
30 including, but not limited to, facilities on or near a military
31 installation, that enhance the military operations and mission of
32 one or more military installations in this state. To be eligible for
33 funding, the project shall be endorsed by the Office of Military
34 and Aerospace Support established pursuant to Section 13998.2.

35 (B) For purposes of this subdivision, “military installation”
36 means any facility under the jurisdiction of the Department of
37 Defense, as defined in paragraph (1) of subsection (e) of Section
38 2687 of Title 10 of the United States Code.

1 (17) “Goods movement-related infrastructure” including port
2 facilities, roads, rail, and other facilities and projects that move
3 goods, energy, and information.

4 (r) “Rate reduction bonds” has the meaning set forth in Section
5 840 of the Public Utilities Code.

6 (s) “Revenues” means all receipts, purchase payments, loan
7 repayments, lease payments, and all other income or receipts
8 derived by the bank or a sponsor from the sale, lease, or other
9 financing arrangement undertaken by the bank, a ~~sponsor~~ sponsor,
10 or a participating party, including, but not limited to, all receipts
11 from a bond purchase ~~agreement~~, *agreement* and any income or
12 revenue derived from the investment of any money in any fund or
13 account of the bank or a sponsor and any receipts derived from
14 transition property. Revenues shall not include moneys in the
15 General Fund of the state.

16 (t) “Special purpose trust” means a trust, partnership, limited
17 partnership, association, corporation, nonprofit corporation, or
18 other entity authorized under the laws of the state to serve as an
19 instrumentality of the state to accomplish public purposes and
20 authorized by the bank to acquire, by purchase or otherwise, for
21 retention or sale, the bonds of a sponsor or of the bank made or
22 entered into pursuant to this division and to issue special purpose
23 trust bonds or other obligations secured by these bonds or other
24 sources of public or private revenues. Special purpose trust also
25 means any entity authorized by the bank to acquire transition
26 property or to issue rate reduction bonds, or both, subject to the
27 approvals by the bank and powers of the bank as are provided by
28 the bank in its resolution authorizing the entity to issue rate
29 reduction bonds.

30 (u) “Sponsor” means any subdivision of the state or local
31 government including departments, agencies, commissions, cities,
32 counties, nonprofit corporations formed on behalf of a sponsor,
33 special districts, assessment districts, and joint powers authorities
34 within the state or any combination of these subdivisions that
35 makes an application to the bank for financial assistance in
36 connection with a project in a manner prescribed by the bank. This
37 definition shall not be construed to require that an applicant have
38 an ownership interest in the project. In addition, an electrical
39 corporation shall be deemed to be the sponsor as well as the
40 participating party for any project relating to the financing of

1 transition costs and the acquisition of transition property on the
2 request of the electrical corporation and any person, company,
3 corporation, partnership, firm, or other entity or group engaged in
4 business or operation within the state that applies for financing of
5 any economic development facility, shall be deemed to be the
6 sponsor as well as the participating party for the project relating
7 to the financing of that economic development facility.

8 (v) “State” means the State of California.

9 (w) “Transition costs” has the meaning set forth in Section 840
10 of the Public Utilities Code.

11 (x) “Transition property” has the meaning set forth in Section
12 840 of the Public Utilities Code.

13 *SEC. 4. Section 63025.1 of the Government Code is amended*
14 *to read:*

15 63025.1. The bank board may do or delegate the following to
16 the executive director:

17 (a) Sue and be sued in its own name.

18 (b) As provided in Chapter 5 (commencing with Section 63070),
19 issue bonds and authorize special purpose trusts to issue bonds,
20 including, at the option of the board, bonds bearing interest that
21 is taxable for the purpose of federal income taxation, or borrow
22 money to pay all or any part of the cost of any project, or to
23 otherwise carry out the purposes of this division.

24 (c) Engage the services of private consultants to render
25 professional and technical assistance and advice in carrying out
26 the purposes of this division.

27 (d) Employ attorneys, financial consultants, and other advisers
28 as may, in the bank’s judgment, be necessary in connection with
29 the issuance and sale, or authorization of special purpose trusts for
30 the issuance and sale, of any bonds, notwithstanding Sections
31 11042 and 11043.

32 (e) Contract for engineering, architectural, accounting, or other
33 services of appropriate state agencies as may, in its judgment, be
34 necessary for the successful development of a project.

35 (f) Pay the reasonable costs of consulting engineers, architects,
36 accountants, and construction, land use, recreation, and
37 environmental experts employed by any sponsor or participating
38 party if, in the bank’s judgment, those services are necessary for
39 the successful development of a project.

1 (g) Acquire, take title to, and sell by installment sale or
2 otherwise, lands, structures, real or personal property, rights,
3 rights-of-way, franchises, easements, and other interests in lands
4 that are located within the state, or transition property as the bank
5 may deem necessary or convenient for the financing of the project,
6 upon terms and conditions that it considers to be reasonable.

7 (h) Receive and accept from any ~~source~~ *source*, including, but
8 not limited to, the federal government, the state, or any agency
9 thereof, loans, contributions, or grants, in money, property, labor,
10 or other things of value, for, or in aid of, a project, or any portion
11 thereof.

12 (i) Make loans to any sponsor or participating party, either
13 directly or by making a loan to a lending institution, in connection
14 with the financing of a project in accordance with an agreement
15 between the bank and the sponsor or a participating party, either
16 as a sole lender or in participation with other lenders. However,
17 no loan shall exceed the total cost of the project as determined by
18 the sponsor or the participating party and approved by the bank.

19 (j) Make loans to any sponsor or participating party, either
20 directly or by making a loan to a lending institution, in accordance
21 with an agreement between the bank and the sponsor or
22 participating party to refinance indebtedness incurred by the
23 sponsor or participating party in connection with projects
24 undertaken and completed prior to any agreement with the bank
25 or expectation that the bank would provide financing, either as a
26 sole lender or in participation with other lenders.

27 (k) Mortgage all or any portion of the bank's interest in a project
28 and the property on which any project is located, whether owned
29 or thereafter acquired, including the granting of a security interest
30 in any property, tangible or intangible.

31 (l) Assign or pledge all or any portion of the bank's interests in
32 transition property and the revenues therefrom, or assets, things
33 of value, mortgages, deeds of trust, bonds, bond purchase
34 agreements, loan agreements, indentures of mortgage or trust, or
35 similar instruments, notes, and security interests in property,
36 tangible or intangible and the revenues therefrom, of a sponsor or
37 a participating party to which the bank has made loans, and the
38 revenues therefrom, including payment or income from any interest
39 owned or held by the bank, for the benefit of the holders of bonds.

1 (m) Make, receive, or serve as a conduit for the making of, or
2 otherwise provide for, grants, contributions, guarantees, insurance,
3 credit enhancements or liquidity facilities, or other financial
4 enhancements to a sponsor or a participating party as financial
5 assistance for a project.

6 (n) Lease the project being financed to a sponsor or a
7 participating party, upon terms and conditions that the bank deems
8 proper but shall not be leased at a loss; charge and collect rents
9 therefor; terminate any lease upon the failure of the lessee to
10 comply with any of the obligations thereof; include in any lease,
11 if desired, provisions that the lessee shall have options to renew
12 the lease for a period or periods, and at rents determined by the
13 bank; purchase any or all of the project; or, upon payment of all
14 the indebtedness incurred by the bank for the financing of the
15 project, the bank may convey any or all of the project to the lessee
16 or lessees.

17 (o) Charge and equitably apportion among sponsors and
18 participating parties the bank's administrative costs and expenses
19 incurred in the exercise of the powers and duties conferred by this
20 division.

21 (p) Issue, obtain, or aid in obtaining, from any department or
22 agency of the United States, from other agencies of the state, or
23 from any private company, any insurance or guarantee to, or for,
24 the payment or repayment of interest or principal, or both, or any
25 part thereof, on any loan, lease, or obligation or any instrument
26 evidencing or securing the same, made or entered into pursuant to
27 this division.

28 (q) Notwithstanding any other provision of this division, enter
29 into any agreement, contract, or any other instrument with respect
30 to any insurance or guarantee; accept payment in the manner and
31 form as provided therein in the event of default by a sponsor or a
32 participating party; and issue or assign any insurance or guarantee
33 as security for the bank's bonds.

34 (r) Enter into any agreement or contract, execute any instrument,
35 and perform any act or thing necessary or convenient to, directly
36 or indirectly, secure the bank's bonds, the bonds issued by a special
37 purpose trust, or a sponsor's obligations to the bank or to a special
38 purpose trust, including, but not limited to, bonds of a sponsor
39 purchased by the bank or a special purpose trust for retention or
40 sale, with funds or moneys that are legally available and that are

1 due or payable to the sponsor by reason of any grant, allocation,
2 apportionment or appropriation of the state or agencies thereof, to
3 the extent that the Controller shall be the custodian at any time of
4 these funds or moneys, or with funds or moneys that are or will
5 be legally available to the sponsor, the bank, or the state or any
6 agencies thereof by reason of any grant, allocation, apportionment,
7 or appropriation of the federal government or agencies thereof;
8 and in the event of written notice that the sponsor has not paid or
9 is in default on its obligations to the bank or a special purpose
10 trust, direct the Controller to withhold payment of those funds or
11 moneys from the sponsor over which it is or will be custodian and
12 to pay the same to the bank or special purpose trust or their
13 assignee, or direct the state or any agencies thereof to which any
14 grant, allocation, apportionment or appropriation of the federal
15 government or agencies thereof is or will be legally available to
16 pay the same upon receipt by the bank or special purpose trust or
17 their assignee, until the default has been cured and the amounts
18 then due and unpaid have been paid to the bank or special purpose
19 trust or their assignee, or until arrangements satisfactory to the
20 bank or special purpose trust have been made to cure the default.

21 (s) Enter into any agreement or contract, execute any instrument,
22 and perform any act or thing necessary, convenient, or appropriate
23 to carry out any power expressly given to the bank by this division,
24 including, but not limited to, agreements for the sale of all or any
25 part, including principal, interest, redemption rights or any other
26 rights or obligations, of bonds of the bank or of a special purpose
27 trust, liquidity agreements, contracts commonly known as interest
28 rate swap agreements, forward payment conversion agreements,
29 futures or contracts providing for payments based on levels of, or
30 changes in, interest rates or currency exchange rates, or contracts
31 to exchange ~~cash-flows~~ *cashflows* or a series of payments, or
32 contracts, including options, puts or calls to hedge payments, rate,
33 spread, currency exchange, or similar exposure, or any other
34 financial instrument commonly known as a structured financial
35 product.

36 (t) Purchase, with the proceeds of the bank's bonds, transition
37 property or bonds issued by, or for the benefit of, any sponsor in
38 connection with a project, pursuant to a bond purchase agreement
39 or otherwise. Bonds or transition property purchased pursuant to
40 this division may be held by the bank, pledged or assigned by the

1 bank, or sold to public or private purchasers at public or negotiated
2 sale, in whole or in part, separately or together with other bonds
3 issued by the bank, and notwithstanding any other provision of
4 law, may be bought by the bank at private sale.

5 (u) (1) Enter into purchase and sale agreements with all entities,
6 public and private, including state and local government pension
7 funds, with respect to the sale or purchase of bonds or transition
8 property.

9 (2) *Enter into development and financing agreements for*
10 *projects within the border region, as prescribed in Article 5.5*
11 *(commencing with Section 63047.1) of Chapter 2.*

12 (v) Invest any moneys held in reserve or sinking funds, or any
13 moneys not required for immediate use or disbursement, in
14 obligations that are authorized by law for the investment of trust
15 funds in the custody of the Treasurer.

16 (w) Authorize a special purpose trust or trusts to purchase or
17 retain, with the proceeds of the bonds of a special purpose trust,
18 transition property or bonds issued by, or for the benefit of, any
19 sponsor in connection with a project or issued by the bank or a
20 special purpose trust, pursuant to a bond purchase agreement or
21 otherwise. Bonds or transition property purchased pursuant to this
22 title may be held by a special purpose entity, pledged or assigned
23 by a special purpose entity, or sold to public or private purchasers
24 at public or negotiated sale, in whole or in part, with or without
25 structuring, subordination or credit enhancement, separately or
26 together with other bonds issued by a special purpose trust, and
27 notwithstanding any other provision of law, may be bought by the
28 bank or by a special purpose trust at private sale.

29 (x) Approve the issuance of any bonds, notes, or other evidences
30 of indebtedness by the Rural Economic Development Infrastructure
31 Panel, established pursuant to Section 15373.7.

32 (y) Approve the issuance of rate reduction bonds by an entity
33 other than the bank or a special purpose trust to acquire transition
34 property upon approval of the transaction in a financing order by
35 the Public Utilities Commission, as provided in Article 5.5
36 (commencing with Section 840) of Chapter 4 of Part 1 of Division
37 1 of the Public Utilities Code.

38 (z) Apply for and accept subventions, grants, loans, advances,
39 and contributions from any source of money, property, labor, or
40 other things of value. The sources may include bond proceeds,

1 dedicated taxes, state appropriations, federal appropriations, federal
2 grant and loan funds, public and private sector retirement system
3 funds, and proceeds of loans from the Pooled Money Investment
4 Account.

5 (aa) Do all things necessary and convenient to carry out its
6 purposes and exercise its powers, provided, however, that nothing
7 herein shall be construed to authorize the bank to engage directly
8 in the business of a manufacturing, industrial, real estate
9 development, or nongovernmental service enterprise. Further, the
10 bank shall not be organized to accept deposits of money for time
11 or demand deposits or to constitute a bank or trust company.

12 *SEC. 5. Section 63045 of the Government Code is amended to*
13 *read:*

14 63045. In order to provide or arrange for the financing of
15 economic development facilities, the bank may:

16 (a) Issue taxable revenue bonds pursuant to Chapter 5
17 (commencing with Section 63070) to provide financing for
18 economic development projects compatible with the public interest
19 as specified in Section 63046.

20 (b) Issue taxable revenue bonds pursuant to Chapter 5
21 (commencing with Section 63070) to provide financing for the
22 revolving loan funds and economic development projects of small
23 business development corporations, local economic development
24 corporations, community development corporations, *community*
25 *development financial institutions*, and nonprofit organizations,
26 which revolving loan funds and economic development projects
27 shall be compatible with the public interest.

28 (c) Issue tax-exempt revenue bonds pursuant to Chapter 5
29 (commencing with Section 63070) to provide financing for
30 economic development facilities as permitted by federal law and
31 in accordance with applicable California law relating to the
32 distribution of state allocations for private activity bonds. Projects
33 so financed shall be compatible with the public interest as specified
34 in Section 63046.

35 (d) Issue tax-exempt revenue bonds pursuant to Chapter 5
36 (commencing with Section 63070) for economic development
37 facilities of public sector and nonprofit organizations qualifying
38 for exemption under federal law.

1 *SEC. 6. Article 5.5 (commencing with Section 63047.1) is added*
2 *to Chapter 2 of Division 1 of Title 6.7 of the Government Code,*
3 *to read:*

4

5

Article 5.5. Binational Financing Authority

6

7 63047.1. *The bank is hereby authorized to establish and*
8 *participate in a binational financing authority for the purpose of*
9 *facilitating and supporting the economic development of*
10 *communities within both sides of the border region, thereby*
11 *advancing job opportunities for the economic well-being of the*
12 *people of California. Other participants in the authority may*
13 *include, but are not limited to, cities, counties, and other local*
14 *government entities within the Imperial Valley, San Diego County,*
15 *the Coachella Valley, the North American Development Bank, and*
16 *governmental entities within the border region of Mexico.*

17 63047.2. (a) *The bank may enter into an agreement with any*
18 *federal, state, local, or foreign economic and infrastructure*
19 *authority for the purpose of developing projects that include, but*
20 *are not limited to, predevelopment, economic development, and*
21 *goods movement-related infrastructure that benefit communities*
22 *within the border region. The bank's purpose is to serve a role*
23 *that is similar to the North American Development Bank.*

24 (b) *All projects funded pursuant to this article shall be consistent*
25 *with and included within an economic development plan that has*
26 *been jointly developed with participation from government,*
27 *business, and other stakeholders from the State of California and*
28 *the States of Baja and Sonora, Mexico. Participation by federal*
29 *representatives is encouraged but not required. The purpose of*
30 *the plan shall be to identify synergistic opportunities to address*
31 *existing problems and to meet the future needs of border crossings*
32 *along the California and Mexico border in order to support trade*
33 *and tourism.*

34 (c) *The bank shall develop guidelines for the selection, review,*
35 *and approval of projects within the border region.*

36 (d) *The bank shall report on its activities under this article as*
37 *part of its report pursuant to Section 63035.*

38 (e) *The bank shall have all of the powers that it has under*
39 *Section 63025.1 to implement this article, including, but not limited*
40 *to, the authority to receive and accept from any public or private*

1 source, loans, contributions, or grants, in money, property, labor,
2 or other things of value, for, or in aid of, a project, or any portion
3 thereof.

4 (f) Bank funds under this article shall not be used to finance the
5 construction of a project outside of California unless those moneys
6 have come from a source other than the bank, including, but not
7 limited to, the North American Development Bank, the
8 Export-Import Bank of the United States, or the United States
9 Department of State.

10 (g) Funds from the state General Fund shall not be used to
11 finance the activities authorized by this article.

12 63047.3. (a) The bank may issue taxable or tax-exempt revenue
13 bonds pursuant to Chapter 5 (commencing with Section 63070)
14 and deposit the proceeds from the bonds into the Binational
15 Development Account, which is hereby created, within the
16 California Infrastructure and Economic Development Bank Fund,
17 established pursuant to Section 63050. The bank may use the
18 proceeds to refund bonds previously issued under this article. Bond
19 proceeds may also be used to fund necessary reserves, capitalized
20 interest, or costs of issuance.

21 (b) Except as may be provided in the governing documents with
22 respect to bond anticipation notes, each of the bonds issued under
23 this article shall, to the extent provided in the governing documents,
24 be payable from, and secured by, all or a portion of the revenues
25 in the account and the assets of the fund, to the extent the revenues
26 and assets are pledged by the board for those purposes.

27 (c) Bonds issued under this article shall not be deemed to
28 constitute a debt or liability of the state or of any political
29 subdivision thereof, other than the bank, or a pledge of the faith
30 and credit of the state or of any political subdivision, but shall be
31 payable solely from the revolving fund and the assets of the
32 revolving fund, and the security provided by the revolving fund.
33 All bonds issued under this article shall contain on the face of the
34 bonds a statement to the same effect.

35 63047.4. Sections 63047.1, 63047.2, and 63047.3 shall become
36 operative only if the executive director determines that there are
37 sufficient funds available to implement this article and submits a
38 letter to that effect to the Legislature.

39 SEC. 7. Section 63084 of the Government Code is amended to
40 read:

1 63084. (a) Any issue of revenue bonds by the bank may be
 2 secured and made more attractive to capital markets through
 3 financial instruments, including, but not limited to:

4 (1) Deeds of trust on the resources, facilities, and revenues of
 5 the projects.

6 (2) Credit enhancements, including, but not limited to, letters
 7 of credit, bond insurance, and surety bonds provided by private
 8 financial institutions.

9 (3) Insurance and guarantees provided by the bank itself.

10 (b) The bank may make loans to help establish and support the
 11 revolving loan funds of small business development corporations,
 12 economic development corporations, community development
 13 corporations, and nonprofit corporations. The loans may be made
 14 from any appropriate account or subaccount of the California
 15 Infrastructure and Economic Development Bank Fund and as
 16 determined by the bank. *Loans may be made to a joint powers
 17 authority and any binational development authority undertaking
 18 economic and infrastructure development work within the border
 19 region to the extent that at least one of the participants in the
 20 authority is a nonprofit entity in good standing in California.*

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

25 *In order to facilitate and support the economic recovery of the
 26 border region of California, it is necessary that this act take effect
 27 immediately.*

28 ~~SECTION 1. This act shall be known, and may be cited, as the
 29 Realignment Omnibus Act of 2014.~~

30 ~~SEC. 2. Section 3000.08 of the Penal Code is amended to read:~~

31 ~~3000.08. (a) A person released from state prison prior to or
 32 on or after July 1, 2013, after serving a prison term, or whose
 33 sentence has been deemed served pursuant to Section 2900.5, for
 34 any of the following crimes is subject to parole supervision by the
 35 Department of Corrections and Rehabilitation and the jurisdiction
 36 of the court in the county in which the parolee is released, resides,
 37 or in which an alleged violation of supervision has occurred, for
 38 the purpose of hearing petitions to revoke parole and impose a
 39 term of custody:~~

- 1 ~~(1) A serious felony as described in subdivision (c) of Section~~
2 ~~1192.7.~~
- 3 ~~(2) A violent felony as described in subdivision (c) of Section~~
4 ~~667.5.~~
- 5 ~~(3) A crime for which the person was sentenced pursuant to~~
6 ~~paragraph (2) of subdivision (c) of Section 667 or paragraph (2)~~
7 ~~of subdivision (c) of Section 1170.12.~~
- 8 ~~(4) Any crime for which the person is classified as a high-risk~~
9 ~~sex offender.~~
- 10 ~~(5) Any crime for which the person is required, as a condition~~
11 ~~of parole, to undergo treatment by the State Department of State~~
12 ~~Hospitals pursuant to Section 2962.~~
- 13 ~~(b) A person released from state prison on or after January 1,~~
14 ~~2015, after serving a prison term, or whose sentence has been~~
15 ~~deemed served pursuant to Section 2900.5, to whom any of the~~
16 ~~following apply, is subject to the jurisdiction of, and parole~~
17 ~~supervision by, the Department of Corrections and Rehabilitation~~
18 ~~and the jurisdiction of the court in the county in which the parolee~~
19 ~~is released, resides, or in which an alleged violation of supervision~~
20 ~~has occurred, for the purpose of hearing petitions to revoke parole~~
21 ~~and impose a term of custody:~~
- 22 ~~(1) The person has a prior conviction of a serious felony~~
23 ~~described in subdivision (c) of Section 1192.7.~~
- 24 ~~(2) The person has a prior conviction of a violent felony~~
25 ~~described in subdivision (c) of Section 667.5.~~
- 26 ~~(3) The person has a prior conviction for which the person was~~
27 ~~sentenced pursuant to paragraph (2) of subdivision (c) of Section~~
28 ~~667 or paragraph (2) of subdivision (c) of Section 1170.12.~~
- 29 ~~(4) The person has a prior conviction of a crime for which the~~
30 ~~person was classified as a high-risk sex offender.~~
- 31 ~~(5) The person has a conviction of a crime for which the person~~
32 ~~was required, as a condition of parole, to undergo treatment by the~~
33 ~~State Department of State Hospitals pursuant to Section 2962.~~
- 34 ~~(c) Notwithstanding any other law, all other offenders released~~
35 ~~from prison shall be placed on postrelease supervision pursuant~~
36 ~~to Title 2.05 (commencing with Section 3450).~~
- 37 ~~(d) At any time during the period of parole of a person subject~~
38 ~~to this section, if any parole agent or peace officer has probable~~
39 ~~cause to believe that the parolee is violating any term or condition~~
40 ~~of his or her parole, the agent or officer may, without warrant or~~

1 other process and at any time until the final disposition of the case,
2 arrest the person and bring him or her before the court, or the court
3 may, in its discretion, issue a warrant for that person's arrest
4 pursuant to Section 1203.2.

5 (e) Upon review of the alleged violation and a finding of good
6 cause that the parolee has committed a violation of law or violated
7 his or her conditions of parole, the supervising parole agency may
8 impose additional and appropriate conditions of supervision,
9 including rehabilitation and treatment services and appropriate
10 incentives for compliance, and impose immediate, structured, and
11 intermediate sanctions for parole violations, including flash
12 incarceration in a city or a county jail. Periods of "flash
13 incarceration," as defined in subdivision (f) are encouraged as one
14 method of punishment for violations of a parolee's conditions of
15 parole. This section does not preclude referrals to a reentry court
16 pursuant to Section 3015.

17 (f) "Flash incarceration" is a period of detention in a city or a
18 county jail due to a violation of a parolee's conditions of parole.
19 The length of the detention period can range between one and 10
20 consecutive days. Shorter, but if necessary more frequent, periods
21 of detention for violations of a parolee's conditions of parole shall
22 appropriately punish a parolee while preventing the disruption in
23 a work or home establishment that typically arises from longer
24 periods of detention.

25 (g) If the supervising parole agency has determined, following
26 application of its assessment processes, that intermediate sanctions
27 up to and including flash incarceration are not appropriate, the
28 supervising parole agency shall, pursuant to Section 1203.2,
29 petition either the court in the county in which the parolee is being
30 supervised or the court in the county in which the alleged violation
31 of supervision occurred, to revoke parole. At any point during the
32 process initiated pursuant to this section, a parolee may waive, in
33 writing, his or her right to counsel, admit the parole violation,
34 waive a court hearing, and accept the proposed parole modification
35 or revocation. The petition shall include a written report that
36 contains additional information regarding the petition, including
37 the relevant terms and conditions of parole, the circumstances of
38 the alleged underlying violation, the history and background of
39 the parolee, and any recommendations. The Judicial Council shall
40 adopt forms and rules of court to establish uniform statewide

1 procedures to implement this subdivision, including the minimum
2 contents of supervision agency reports. Upon a finding that the
3 person has violated the conditions of parole, the court shall have
4 authority to do any of the following:

5 (1) Return the person to parole supervision with modifications
6 of conditions, if appropriate, including a period of incarceration
7 in county jail.

8 (2) Revoke parole and order the person to confinement in the
9 county jail.

10 (3) Refer the person to a reentry court pursuant to Section 3015
11 or other evidence-based program in the court's discretion.

12 (h) ~~Confinement pursuant to paragraphs (1) and (2) of~~
13 ~~subdivision (g) shall not exceed a period of 180 days in the county~~
14 ~~jail.~~

15 (i) ~~Notwithstanding any other law, if Section 3000.1 or~~
16 ~~paragraph (4) of subdivision (b) of Section 3000 applies to a person~~
17 ~~who is on parole and the court determines that the person has~~
18 ~~committed a violation of law or violated his or her conditions of~~
19 ~~parole, the person on parole shall be remanded to the custody of~~
20 ~~the Department of Corrections and Rehabilitation and the~~
21 ~~jurisdiction of the Board of Parole Hearings for the purpose of~~
22 ~~future parole consideration.~~

23 (j) ~~Notwithstanding subdivision (a), any of the following persons~~
24 ~~released from state prison shall be subject to the jurisdiction of,~~
25 ~~and parole supervision by, the Department of Corrections and~~
26 ~~Rehabilitation for a period of parole up to three years or the parole~~
27 ~~term the person was subject to at the time of the commission of~~
28 ~~the offense, whichever is greater.~~

29 (1) ~~The person is required to register as a sex offender pursuant~~
30 ~~to Chapter 5.5 (commencing with Section 290) of Title 9 of Part~~
31 ~~1, and was subject to a period of parole exceeding three years at~~
32 ~~the time he or she committed a felony for which they were~~
33 ~~convicted and subsequently sentenced to state prison.~~

34 (2) ~~The person was subject to parole for life pursuant to Section~~
35 ~~3000.1 at the time of the commission of the offense that resulted~~
36 ~~in a conviction and state prison sentence.~~

37 (k) ~~Parolees subject to this section who have a pending~~
38 ~~adjudication for a parole violation on July 1, 2013, are subject to~~
39 ~~the jurisdiction of the Board of Parole Hearings. Parole revocation~~
40 ~~proceedings conducted by the Board of Parole Hearings prior to~~

1 July 1, 2013, if reopened on or after July 1, 2013, are subject to
2 the jurisdiction of the Board of Parole Hearings.

3 ~~(l) Except as described in subdivision (d), any person who is~~
4 ~~convicted of a felony that requires community supervision and~~
5 ~~who still has a period of state parole to serve shall discharge from~~
6 ~~state parole at the time of release to community supervision.~~

7 ~~(m) Any person released to parole supervision pursuant to~~
8 ~~subdivision (a) or (b) shall, regardless of any subsequent~~
9 ~~determination that the person should have been released pursuant~~
10 ~~to subdivision (e), remain subject to subdivision (a) or (b) after~~
11 ~~having served 60 days under supervision pursuant to subdivision~~
12 ~~(a) or (b).~~

13 SEC. 3. Section 3451 of the Penal Code is amended to read:

14 3451. (a) Notwithstanding any other law and except for persons
15 serving a prison term for any crime described in subdivision (b),
16 all persons released from prison on and after October 1, 2011, or,
17 whose sentence has been deemed served pursuant to Section 2900.5
18 after serving a prison term for a felony shall, upon release from
19 prison and for a period not exceeding three years immediately
20 following release, be subject to community supervision provided
21 by a county agency designated by each county's board of
22 supervisors which is consistent with evidence-based practices,
23 including, but not limited to, supervision policies, procedures,
24 programs, and practices demonstrated by scientific research to
25 reduce recidivism among individuals under postrelease supervision.

26 (b) This section shall not apply to any person released from
27 prison after having served a prison term for any of the following:

28 (1) A serious felony described in subdivision (c) of Section
29 1192.7.

30 (2) A violent felony described in subdivision (c) of Section
31 667.5.

32 (3) A crime for which the person was sentenced pursuant to
33 paragraph (2) of subdivision (c) of Section 667 or paragraph (2)
34 of subdivision (c) of Section 1170.12.

35 (4) Any crime for which the person is classified as a high risk
36 sex-offender.

37 (5) Any crime for which the person is required, as a condition
38 of parole, to undergo treatment by the State Department of State
39 Hospitals pursuant to Section 2962.

- 1 ~~(e) This section shall not apply to any person released from~~
2 ~~prison to whom any of the following apply:~~
- 3 ~~(1) The person has a prior conviction of a serious felony~~
4 ~~described in subdivision (e) of Section 1192.7.~~
- 5 ~~(2) The person has a prior conviction of a violent felony~~
6 ~~described in subdivision (e) of Section 667.5.~~
- 7 ~~(3) The person has a prior conviction for which the person was~~
8 ~~sentenced pursuant to paragraph (2) of subdivision (e) of Section~~
9 ~~667 or paragraph (2) of subdivision (e) of Section 1170.12.~~
- 10 ~~(4) The person has a prior conviction of a crime for which the~~
11 ~~person was classified as a high-risk sex offender.~~
- 12 ~~(5) The person has a conviction of a crime for which the person~~
13 ~~was required, as a condition of parole, to undergo treatment by the~~
14 ~~State Department of State Hospitals pursuant to Section 2962.~~
- 15 ~~(d) (1) Postrelease supervision under this title shall be~~
16 ~~implemented by a county agency according to a postrelease strategy~~
17 ~~designated by each county's board of supervisors.~~
- 18 ~~(2) The Department of Corrections and Rehabilitation shall~~
19 ~~inform every prisoner subject to the provisions of this title, upon~~
20 ~~release from state prison, of the requirements of this title and of~~
21 ~~his or her responsibility to report to the county agency responsible~~
22 ~~for serving that inmate. The department shall also inform persons~~
23 ~~serving a term of parole for a felony offense who are subject to~~
24 ~~this section of the requirements of this title and of his or her~~
25 ~~responsibility to report to the county agency responsible for serving~~
26 ~~that parolee. Thirty days prior to the release of any person subject~~
27 ~~to postrelease supervision by a county, the department shall notify~~
28 ~~the county of all information that would otherwise be required for~~
29 ~~parolees under subdivision (e) of Section 3003.~~
- 30 ~~(e) Any person released to postrelease community supervision~~
31 ~~pursuant to subdivision (a) shall, regardless of any subsequent~~
32 ~~determination that the person should have been released to parole~~
33 ~~pursuant to Section 3000.08, remain subject to subdivision (a) after~~
34 ~~having served 60 days under supervision pursuant to subdivision~~
35 ~~(a).~~