

AMENDED IN SENATE MARCH 27, 2014

SENATE BILL

No. 1418

Introduced by Senator DeSaulnier

February 21, 2014

An act to amend ~~Section 14536~~ *Sections 16773 and 16965* of the Government Code, to amend *Section 2103 of the Streets and Highways Code*, and to amend *Sections 9400.1 and 42205* of, and to repeal *Section 9400.4 of, the Vehicle Code*, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1418, as amended, DeSaulnier. ~~California Transportation Commission: annual report.~~ *Vehicle weight fees: transportation bond debt service.*

(1) Existing law imposes weight fees on the registration of commercial motor vehicles and provides for the deposit of net weight fee revenues into the State Highway Account. Existing law provides for the transfer of certain weight fee revenues from the State Highway Account to the Transportation Debt Service Fund to reimburse the General Fund for payment of debt service on general obligation bonds issued for transportation purposes. Existing law also provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on designated bonds, which are defined to be certain transportation general obligation bonds issued pursuant to Proposition 1B of 2006. Existing law also provides for loans of weight fee revenue to the General Fund to the extent the revenues are not needed for bond debt service purposes, with the loans

to be repaid when the revenues are later needed for those purposes, as specified.

This bill would repeal these provisions, thereby retaining the weight fee revenues in the State Highway Account. The bill would make other conforming changes in that regard.

(2) Existing law provides for the deposit of fuel excise tax revenues imposed by the state on fuels used in motor vehicles upon public streets and highways in the Highway Users Tax Account, and appropriates those revenues to various purposes. Existing law, with respect to the portion of these revenues that is derived from increases in the motor vehicle fuel excise tax beginning in 2010, requires an allocation of revenues to reimburse the State Highway Account for the amount of weight fee revenues that the State Highway Account is not receiving due to use of weight fee revenues to pay debt service on transportation general obligation bonds and to make certain loans to the General Fund, with the remaining amount of this portion of revenues allocated 44% to the State Transportation Improvement Program, 12% to the State Highway Operations and Protection Program, and 44% to city and county streets and roads.

This bill, with respect to the portion of these revenues that is derived from increases in the motor vehicle fuel excise tax beginning in 2010, would instead require 56% of the revenues to be deposited by the Controller in the State Highway Account and 44% to be allocated by the Controller to city and county streets and roads. This bill would require a minimum of 21.453% of the revenues deposited in the State Highway Account under these provisions to be allocated to the State Highway Operation and Protection Program. The bill would thereby make an appropriation.

(3) This bill would declare that it is to take effect immediately as an urgency statute, with certain provisions to become operative on July 1, 2014.

~~Existing law requires the California Transportation Commission to adopt an annual report for submission to the Legislature containing, among other things, a summary of the commission's prior-year decisions in allocating transportation capital outlay funds and an identification of timely and relevant transportation issues facing the state. Existing law, for the reports to be submitted between 2001 and 2008, requires a summary and discussion of certain loans and transfers of transportation revenues and the cashflow and project delivery impact of those loans and transfers.~~

This bill would delete the provisions relating to the loan and transfer summary and discussion that was to be included in the reports submitted between 2001 and 2008.

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

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

1 SECTION 1. Section 16773 of the Government Code is
2 amended to read:

3 16773. (a) Whenever any payment of principal of any bonds
4 shall become due, either upon the maturity of any of the bonds or
5 upon the redemption thereof prior to maturity, and whenever any
6 interest on any of the bonds shall fall due, warrants shall be drawn
7 against the appropriation made by the bond act from the General
8 Fund by the Controller in favor of the Treasurer, or state fiscal
9 agents, or other duly authorized agents, pursuant to claims filed
10 with the Controller by the Treasurer, in the amounts so falling due.

11 (b) For any payments of debt service, as defined in subdivision
12 (c) of Section 998.404 of the Military and Veterans Code, with
13 respect to any bonds issued pursuant to a veterans' farm and home
14 purchase bond act adopted pursuant to Chapter 6 (commencing
15 with Section 980) of Division 4 of the Military and Veterans Code,
16 the Controller shall first draw warrants against the appropriation
17 from the Veterans' Bonds Payment Fund in Section 988.6 of the
18 Military and Veterans Code, and, to the extent moneys in that fund
19 are insufficient to pay the amount of debt service then due, shall
20 draw warrants against the appropriation made by the bond act from
21 the General Fund for payment of any remaining amount then due.

22 ~~(c) (1) For any payments of debt service, as defined in~~
23 ~~paragraph (4) of subdivision (a) of Section 16965, with respect to~~
24 ~~any designated bonds issued pursuant to Proposition 1B, the~~
25 ~~Controller shall first draw warrants against the appropriation from~~
26 ~~the Transportation Bond Direct Payment Account of the~~
27 ~~Transportation Debt Service Fund created by subdivision (a) of~~
28 ~~Section 16965, and, to the extent moneys in that account are~~
29 ~~insufficient to pay the amount of debt service then due, shall draw~~
30 ~~warrants from the General Fund for payment of any remaining~~
31 ~~amount then due against such appropriation as may be available~~
32 ~~therefor, including the appropriation made by Proposition 1B.~~

1 ~~(2) (A) For purposes of this subdivision and Section 16965,~~
2 ~~“Proposition 1B” means the Highway Safety, Traffic Reduction,~~
3 ~~Air Quality, and Port Security Bond Act of 2006 (Chapter 12.49~~
4 ~~(commencing with Section 8879.20) of Division 1).~~

5 ~~(B) For purposes of this subdivision, Section 16965, and Section~~
6 ~~9400.4 of the Vehicle Code, the term “designated bond” means~~
7 ~~any designated bond under Proposition 1B, and the term~~
8 ~~“nondesignated bond” means any bond issued under Proposition~~
9 ~~1B, whether issued before or after the enactment of the act adding~~
10 ~~this subdivision, that is not a designated bond. For purposes of this~~
11 ~~subdivision, a “designated bond” is an issue of bonds (including~~
12 ~~refunding bonds) under Proposition 1B that has been designated~~
13 ~~by the Treasurer upon or prior to its issuance, with the approval~~
14 ~~of the related finance committee, to be paid pursuant to paragraph~~
15 ~~(1).~~

16 *SEC. 2. Section 16965 of the Government Code is amended to*
17 *read:*

18 16965. (a) ~~(1)~~The Transportation Debt Service Fund is hereby
19 created in the State Treasury. Moneys in the fund shall, *among*
20 *other things, as provided in this section,* be dedicated to ~~all of the~~
21 ~~following purposes:~~

22 ~~(A) Payment of debt service with respect to designated bonds,~~
23 ~~as defined in subdivision (c) of Section 16773, and as further~~
24 ~~provided in paragraph (3) and subdivision (b).~~

25 ~~(B) To reimburse the General Fund for debt service with respect~~
26 ~~to bonds.~~

27 ~~(C) To redeem or retire bonds, pursuant to Section 16774,~~
28 ~~maturing in a subsequent fiscal year.~~

29 ~~(2) The bonds eligible under subparagraph (B) or (C) of~~
30 ~~paragraph (1) include payment of debt service on bonds, or to~~
31 ~~redeem or retire bonds, pursuant to Section 16774, maturing in a~~
32 ~~subsequent fiscal year, including bonds issued pursuant to the~~
33 ~~Clean Air and Transportation Improvement Act of 1990 (Part 11.5~~
34 ~~(commencing with Section 99600) of Division 10 of the Public~~
35 ~~Utilities Code), the Passenger Rail and Clean Air Bond Act of~~
36 ~~1990 (Chapter 17 (commencing with Section 2701) of Division 3~~
37 ~~of the Streets and Highways Code), the Seismic Retrofit Bond Act~~
38 ~~of 1996 (Chapter 12.48 (commencing with Section 8879) of~~
39 ~~Division 1 of Title 2), the Highway Safety, Traffic Reduction, Air~~
40 ~~Quality, and Port Security Bond Act of 2006 (Chapter 12.49~~

1 (*commencing with Section 8879.20 of Division 1 of Title 2*), and
2 the Safe, Reliable High-Speed Passenger Train Bond Act for the
3 21st Century (Chapter 20 (*commencing with Section 2704*) of
4 Division 3 of the Streets and Highways Code), ~~and nondesignated~~
5 ~~bonds under Proposition 1B, as defined in subdivision (e) of~~
6 ~~Section 16773. If the moneys in the fund are insufficient to pay the~~
7 ~~balance of the debt consistent with existing obligations, the General~~
8 ~~Fund will be used to pay the balance of any debt service.~~

9 ~~(3) (A) The Transportation Bond Direct Payment Account is~~
10 ~~hereby created in the State Treasury, as a subaccount within the~~
11 ~~Transportation Debt Service Fund, for the purpose of directly~~
12 ~~paying the debt service, as defined in paragraph (4), of designated~~
13 ~~bonds of Proposition 1B, as defined in subdivision (e) of Section~~
14 ~~16773. Notwithstanding Section 13340, moneys in the~~
15 ~~Transportation Bond Direct Payment Account are continuously~~
16 ~~appropriated for payment of debt service with respect to designated~~
17 ~~bonds as provided in subdivision (e) of Section 16773. So long as~~
18 ~~any designated bonds remain outstanding, the moneys in the~~
19 ~~Transportation Bond Direct Payment Account may not be used~~
20 ~~for any other purpose, and may not be borrowed by or available~~
21 ~~for transfer to the General Fund pursuant to Section 16310 or any~~
22 ~~similar law, or to the General Cash Revolving Fund pursuant to~~
23 ~~Section 16381 or any similar law.~~

24 ~~(B) Once the Treasurer makes a certification that payment of~~
25 ~~debt service with respect to all designated bonds has been paid or~~
26 ~~provided for, any remaining moneys in the Transportation Bond~~
27 ~~Direct Payment Account shall be transferred back to the~~
28 ~~Transportation Debt Service Fund.~~

29 ~~(C) The moneys in the Transportation Bond Direct Payment~~
30 ~~Account shall be invested in the Surplus Money Investment Fund,~~
31 ~~and all investment earnings shall accrue to the account.~~

32 ~~(D) The Controller may establish subaccounts within the~~
33 ~~Transportation Bond Direct Payment Account as may be required~~
34 ~~by the resolution, indenture, or other documents governing any~~
35 ~~designated bonds.~~

36 ~~(4) For purposes of this subdivision and subdivision (b), and~~
37 ~~subdivision (e) of Section 16773, “debt service” means payment~~
38 ~~of all of the following costs and expenses with respect to any~~
39 ~~designated bond:~~

40 ~~(A) The principal of and interest on the bonds.~~

1 ~~(B) Amounts payable as the result of tender on any bonds, as~~
2 ~~described in clause (iv) of subparagraph (B) of paragraph (1) of~~
3 ~~subdivision (d) of Section 16731.~~

4 ~~(C) Amounts payable under any contractual obligation of the~~
5 ~~state to repay advances and pay interest thereon under a credit~~
6 ~~enhancement or liquidity agreement as described in clause (iv) of~~
7 ~~subparagraph (B) of paragraph (1) of subdivision (d) of Section~~
8 ~~16731.~~

9 ~~(D) Any amount owed by the state to a counterparty after any~~
10 ~~offset for payments owed to the state on any hedging contract as~~
11 ~~described in subparagraph (A) of paragraph (2) of subdivision (d)~~
12 ~~of Section 16731.~~

13 ~~(b) From the moneys transferred to the fund pursuant to~~
14 ~~paragraph (2) or (3) of subdivision (e) of Section 9400.4 of the~~
15 ~~Vehicle Code *prior to July 1, 2014*, there shall first be deposited~~
16 ~~into the Transportation Bond Direct Payment Account in each~~
17 ~~month sufficient funds to equal the amount designated in a~~
18 ~~certificate submitted by the Treasurer to the Controller and the~~
19 ~~Director of Finance at the start of each fiscal year, and as may be~~
20 ~~modified by the Treasurer thereafter upon issuance of any new~~
21 ~~issue of designated bonds or upon change in circumstances that~~
22 ~~requires such a modification. This certificate shall be calculated~~
23 ~~by the Treasurer to identify, for each month, the amount necessary~~
24 ~~to fund all of the debt service with respect to all designated bonds.~~
25 ~~This calculation shall be done in a manner provided in the~~
26 ~~resolution, indenture, or other documents governing the designated~~
27 ~~bonds. In the event that transfers to the Transportation Bond Direct~~
28 ~~Payment Account in any month are less than the amounts required~~
29 ~~in the Treasurer's certificate, the shortfall shall carry over to be~~
30 ~~part of the required payment in the succeeding month or months.~~

31 ~~(e) The state hereby covenants with the holders from time to~~
32 ~~time of any designated bonds that it will not alter, amend, or restrict~~
33 ~~the provisions of subdivision (e) of Section 16773 of the~~
34 ~~Government Code, or Sections 9400, 9400.1, 9400.4, and 42205~~
35 ~~of the Vehicle Code, which provide directly or indirectly for the~~
36 ~~transfer of weight fees to the Transportation Debt Service Fund~~
37 ~~or the Transportation Bond Direct Payment Account, or~~
38 ~~subdivisions (a) and (b) of this section, or reduce the rate of~~
39 ~~imposition of vehicle weight fees under Sections 9400 and 9400.1~~
40 ~~of the Vehicle Code as they existed on the date of the first issuance~~

1 of any designated bonds, if that alteration, amendment, restriction,
2 or reduction would result in projected weight fees for the next
3 fiscal year determined by the Director of Finance being less than
4 two times the maximum annual debt service with respect to all
5 outstanding designated bonds, as such calculation is determined
6 pursuant to the resolution, indenture, or other documents governing
7 the designated bonds. The state may include this covenant in the
8 resolution, indenture, or other documents governing the designated
9 bonds.

10 (d) ~~Once the required monthly deposit, including makeup of~~
11 ~~any shortfalls from any prior month, has been made pursuant to~~
12 ~~subdivision (b), from moneys transferred to the fund pursuant to~~
13 ~~paragraph (2) or (3) of subdivision (c) of Section 9400.4 of the~~
14 ~~Vehicle Code, or on an ongoing basis pursuant to Section 16965.1~~
15 ~~or 63048.67, the Controller shall transfer as an expenditure~~
16 ~~reduction to the General Fund any amount necessary to offset the~~
17 ~~cost of current year debt service payments made from the General~~
18 ~~Fund with respect to any bonds issued pursuant to Proposition 192~~
19 ~~(1996) and three-quarters of the amount of current year debt service~~
20 ~~payments made from the General Fund with respect to any~~
21 ~~nondesignated bonds, as defined in subdivision (c) of Section~~
22 ~~16773, issued pursuant to Proposition 1B (2006). In the alternative,~~
23 ~~these funds may also be used to redeem or retire the applicable~~
24 ~~bonds, pursuant to Section 16774, maturing in a subsequent fiscal~~
25 ~~year as directed by the Director of Finance.~~

26 (e)

27 (c) From moneys transferred to the fund pursuant to Section
28 183.1 of the Streets and Highways Code, the Controller shall
29 transfer as an expenditure reduction to the General Fund any
30 amount necessary to offset the cost of current year debt service
31 payments made from the General Fund with respect to any bonds
32 issued pursuant to Proposition 116 (1990). In the alternative, these
33 funds may also be used to redeem or retire the applicable bonds,
34 pursuant to Section 16774, maturing in a subsequent fiscal year
35 as directed by the Director of Finance.

36 (f) ~~Once the required monthly deposit, including makeup of any~~
37 ~~shortfalls from any prior month, has been made pursuant to~~
38 ~~subdivision (b), from~~

39 (d) From moneys transferred to the fund pursuant to paragraph
40 (2) or (3) of subdivision (c) of Section 9400.4 of the Vehicle Code

1 *prior to July 1, 2014, or on an ongoing basis* pursuant to Section
 2 16965.1 or 63048.67, the Controller shall transfer as an expenditure
 3 reduction to the General Fund any amount necessary to offset the
 4 eligible cost of current year debt service payments made from the
 5 General Fund with respect to any bonds issued pursuant to
 6 Proposition 108 (1990) and Proposition 1A (2008), and one-quarter
 7 of the amount of current year debt service payments made from
 8 the General Fund with respect to any ~~nondesignated~~ bonds, ~~as~~
 9 ~~defined in subdivision (e) of Section 16773~~, issued pursuant to
 10 Proposition 1B (2006). The Department of Finance shall notify
 11 the Controller by July 30 of every year of the percentage of debt
 12 service that is expected to be paid in that fiscal year with respect
 13 to bond-funded projects that qualify as eligible guideway projects
 14 consistent with the requirements applicable to the expenditure of
 15 revenues under Article XIX of the California Constitution, and the
 16 Controller shall make payments only for those eligible projects.
 17 In the alternative, these funds may also be used to redeem or retire
 18 the applicable bonds, pursuant to Section 16774, maturing in a
 19 subsequent fiscal year as directed by the Director of Finance.

20 ~~(g)~~
 21 *(e)* On or before the second business day following the date on
 22 which transfers are made to the Transportation Debt Service Fund,
 23 ~~and after the required monthly deposits for that month, including~~
 24 ~~makeup of any shortfalls from any prior month, have been made~~
 25 ~~to the Transportation Bond Direct Payment Account~~, the Controller
 26 shall transfer the funds designated for reimbursement of bond debt
 27 service ~~with respect to nondesignated bonds, as defined in~~
 28 ~~subdivision (e) of Section 16773, and other bonds identified in~~
 29 ~~subdivisions (d), (e), and (f) in that month from the fund to the~~
 30 General Fund pursuant to this section.

31 *SEC. 3. Section 2103 of the Streets and Highways Code is*
 32 *amended to read:*

33 2103. (a) Notwithstanding Section 13340 of the Government
 34 Code, of the net revenues deposited to the credit of the Highway
 35 Users Tax Account *in the Transportation Tax Fund* that are derived
 36 from the increases in the rates of taxes that are imposed pursuant
 37 to subdivision (b) of Section 7360 and Section 7361.1 of the
 38 Revenue and Taxation Code, all of the following shall occur on a
 39 monthly basis:

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

5 (B) Within two business days following the 28th day of each
6 month, the Controller shall transfer to the Transportation Debt
7 Service Fund an amount equal to the amount of monthly debt
8 service paid by the General Fund on any bonds issued pursuant to
9 the Seismic Retrofit Bond Act of 1996 (Chapter 12.48
10 (commencing with Section 8879) of Division 1 of Title 2 of the
11 Government Code) or any other bonds issued for highway or
12 eligible guideway projects consistent with the requirements
13 applicable to the expenditure of revenues under Article XIX of the
14 California Constitution as identified by the Department of Finance
15 pursuant to Section 16965 of the Government Code, and
16 three-quarters of the amount of monthly debt service paid on any
17 bonds issued pursuant to the Highway Safety, Traffic Reduction,
18 Air Quality, and Port Security Bond Act of 2006 (Chapter 12.49
19 (commencing with Section 8879.20) of Division 1 of Title 2) for
20 reimbursement of the General Fund for these costs. If revenues
21 available pursuant to this subdivision in any given month are
22 insufficient to fully reimburse the General Fund for the debt service
23 payments made, the first revenues available pursuant to this
24 subdivision in the following month or months shall be transferred
25 to the Transportation Debt Service Fund so that all debt service
26 payments made on these bonds from the General Fund in a given
27 fiscal year are fully reimbursed. However, no further transfers
28 shall be made pursuant to this subparagraph once the transfers for
29 the months of July to October, inclusive, in 2010 have been made.
30 Any transfers made from the net revenues identified in this
31 paragraph for highway and eligible guideway bond debt service
32 for months after October 2010 shall be reversed and shall instead
33 be made from weight fee revenues in the State Highway Account,
34 as described in subparagraph (F).

35 (C) Beginning November 2, 2010, the Controller shall transfer
36 to the State Highway Account within two business days following
37 the 28th day of each month all of the monthly net revenues
38 identified in subparagraph (B) that were designated for highway
39 and eligible guideway bond debt service reimbursement but that
40 have not been transferred, or that were transferred by means of a

1 transfer that was reversed, pursuant to that subparagraph. To the
2 extent the Controller has distributed any of those net revenues to
3 cities and counties pursuant to subparagraph (C) of paragraph (3)
4 between November 2, 2010, and March 24, 2011, the Controller
5 shall subsequently reduce the amount transferred to cities and
6 counties on a monthly basis pursuant to subparagraph (C) of
7 paragraph (3) and shall instead transfer these funds to the State
8 Highway Account until all of the revenues that would otherwise
9 have been transferred to the State Highway Account on and after
10 November 2, 2010, pursuant to this subparagraph have been so
11 transferred. For the 2011-12 fiscal year, the Controller shall
12 transfer to the State Highway Account within two business days
13 following the 28th day of each month an amount equal to the
14 weight fee revenues transferred to the Transportation Debt Service
15 Fund pursuant to subdivision (b) of Section 9400.4 of the Vehicle
16 Code, including forty-three million seven hundred thousand dollars
17 (\$43,700,000) authorized pursuant to Item 2660-013-0042 of
18 Section 2.00 of the Budget Act of 2011 and an amount equal to
19 weight fee revenues transferred to the General Fund as a loan
20 pursuant to subdivision (b) of Section 9400.4 of the Vehicle Code.
21 To the extent the Controller has distributed any of those revenues
22 to cities and counties pursuant to subparagraph (C) of paragraph
23 (3), the Controller shall subsequently reduce the amount transferred
24 to cities and counties on a monthly basis pursuant to subparagraph
25 (C) of paragraph (3) and instead transfer these funds to the State
26 Highway Account until all of the revenues that would otherwise
27 have been transferred to the State Highway Account in the 2011-12
28 fiscal year pursuant to this subparagraph have been so transferred.
29 (D) Notwithstanding subparagraph (C), commencing with the
30 2012-13 fiscal year and every fiscal year thereafter, the Controller
31 shall transfer to the State Highway Account within two business
32 days following the 28th day of each month an amount equal to the
33 amount of weight fee revenues transferred to the Transportation
34 Debt Service Fund for highway and eligible guideway bond debt
35 service and to the General Fund as a loan pursuant to subdivision
36 (e) of Section 9400.4 of the Vehicle Code.
37 (E) Beginning July 1, 2011, transfers made under subparagraphs
38 (C) and (D) during a fiscal year shall not exceed the annual revenue
39 generated from weight fees, as determined by Sections 9400.4 and

1 42205 of the Vehicle Code, at the rates in effect as of March 24,
2 2011, as determined by the Department of Finance.

3 ~~(F) Any remaining amount of the highway or eligible guideway~~
4 ~~bond debt service reimbursement authorized by this paragraph that~~
5 ~~has not been made pursuant to subparagraph (B) on and after~~
6 ~~November 2, 2010, shall instead be made pursuant to subdivisions~~
7 ~~(a), (b), and (c) of Section 9400.4 of the Vehicle Code from~~
8 ~~revenues in the State Highway Account derived from weight fees~~
9 ~~deposited in the account pursuant to subdivision (c) of Section~~
10 ~~9400.1 and Section 42205 of the Vehicle Code.~~

11 (2) (A) ~~In the 2010–11 fiscal year, after the monthly transfer~~
12 ~~made pursuant to paragraph (1), the sum of fifty-four million one~~
13 ~~hundred sixty-seven thousand dollars (\$54,167,000) per month~~
14 ~~shall be held in the account for future appropriation by the~~
15 ~~Legislature.~~

16 (B) ~~Notwithstanding any other provision of law, with respect~~
17 ~~to the monthly net revenues described in subparagraph (A), no~~
18 ~~further transfers of these revenues for the purpose of loans to the~~
19 ~~General Fund shall be made pursuant to Item 2660-011-0062 of~~
20 ~~Section 2.00 of the Budget Act of 2010 once the loan transfers for~~
21 ~~the months of July to October, inclusive, in 2010 have been made.~~
22 ~~Notwithstanding the loan repayment date specified in the~~
23 ~~provisional language for that item, the funds loaned shall be repaid~~
24 ~~by June 30, 2021. Any transfers made from the monthly net~~
25 ~~revenues in subparagraph (A) for months after October 2010 shall~~
26 ~~be reversed and shall instead be made from weight fee revenues~~
27 ~~in the State Highway Account, as described in subparagraph (D).~~
28 ~~The revenues from loan repayments shall be held in the Highway~~
29 ~~Users Tax Account for future appropriation by the Legislature.~~

30 (C) ~~Beginning November 2, 2010, all of the monthly net~~
31 ~~revenues described in subparagraph (A) shall instead be transferred~~
32 ~~by the Controller to the State Highway Account within two~~
33 ~~business days following the 28th day of each month. To the extent~~
34 ~~that the Controller has distributed any of the revenues identified~~
35 ~~in this paragraph to cities and counties pursuant to subparagraph~~
36 ~~(C) of paragraph (3) between October 14, 2010, and March 24,~~
37 ~~2011, the Controller shall subsequently reduce the amount~~
38 ~~transferred to cities and counties on a monthly basis pursuant to~~
39 ~~subparagraph (C) of paragraph (3) and shall instead transfer these~~
40 ~~funds to the State Highway Account until all of the revenues that~~

1 would have been transferred to the General Fund as a loan pursuant
2 to Item 2660-011-0062 of Section 2.00 of the Budget Act of 2010
3 on and after November 2, 2010, have instead been transferred to
4 the State Highway Account.

5 ~~(D) Any remaining amount of the loans to the General Fund~~
6 ~~authorized pursuant to Item 2660-011-0062 of Section 2.00 of the~~
7 ~~Budget Act of 2010 that has not been made pursuant to~~
8 ~~subparagraph (B) on and after November 2, 2010, shall instead be~~
9 ~~made pursuant to subdivisions (a), (b), and (c) of Section 9400.4~~
10 ~~of the Vehicle Code from revenues in the State Highway Account~~
11 ~~derived from weight fees deposited in the account pursuant to~~
12 ~~subdivision (c) of Section 9400.1 and Section 42205 of the Vehicle~~
13 ~~Code.~~

14 ~~(3) The Controller shall transfer any remaining net revenues~~
15 ~~subject to this subdivision as follows:~~

16 ~~(A) Forty-four~~

17 ~~(1) Fifty-six percent shall be transferred by the Controller to the~~
18 ~~State Highway Account to fund projects in the State Transportation~~
19 ~~Improvement Program that are consistent with Section 1 of Article~~
20 ~~XIX of the California Constitution, except in the 2010-11 fiscal~~
21 ~~year, 50 percent shall be transferred for purposes of this~~
22 ~~subparagraph with a minimum of 21.43 percent of the revenues~~
23 ~~transferred under this paragraph to be used to fund projects in~~
24 ~~the State Highway Operation and Protection Program.~~

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

29 ~~(C)~~

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

34 ~~(i)~~

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

39 ~~(ii)~~

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

4 (⊕)

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

9 (⊕)

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

17 (b) After the transfers or other actions pursuant to subdivision
18 (a), at least 90 percent of the balance deposited to the credit of the
19 Highway Users Tax Account in the Transportation Tax Fund by
20 the 28th day of each month shall be apportioned or transferred, as
21 applicable, by the Controller by the second working day thereafter,
22 except for June, in which case the apportionment or transfer shall
23 be made the same day. These apportionments or transfers shall be
24 made as provided for in Sections 2104 to 2122, inclusive. If
25 information is not available to make the apportionment or transfer
26 as required, the apportionment or transfer shall be made on the
27 basis of the information of the previous month. Amounts not
28 apportioned or transferred shall be included in the apportionment
29 or transfer of the subsequent month.

30 (c) Notwithstanding any other law, the funds apportioned by
31 the Controller to cities and counties pursuant to ~~subparagraph (C)~~
32 ~~of paragraph (3) (2)~~ of subdivision (a) are not subject to Section
33 7104 or 7104.2 of the Revenue and Taxation Code. These funds
34 may be expended for any street and road purpose consistent with
35 the requirements of this chapter.

36 *SEC. 4. Section 9400.1 of the Vehicle Code is amended to read:*

37 9400.1. (a) (1) In addition to any other required fee, there
38 shall be paid the fees set forth in this section for the registration
39 of commercial motor vehicles operated either singly or in
40 combination with a declared gross vehicle weight of 10,001 pounds

1 or more. Pickup truck and electric vehicle weight fees are not
2 calculated under this section.

3 (2) The weight of a vehicle issued an identification plate
4 pursuant to an application under Section 5014, and the weight of
5 an implement of husbandry as defined in Section 36000, shall not
6 be considered when calculating, pursuant to this section, the
7 declared gross vehicle weight of a towing commercial motor
8 vehicle that is owned and operated exclusively by a farmer or an
9 employee of a farmer in the conduct of agricultural operations.

10 (3) Tow trucks that are utilized to render assistance to the
11 motoring public or to tow or carry impounded vehicles shall pay
12 fees in accordance with this section, except that the fee calculation
13 shall be based only on the gross vehicle weight rating of the towing
14 or carrying vehicle. Upon each initial or transfer application for
15 registration of a tow truck described in this paragraph, the
16 registered owner or lessee or that owner’s or lessee’s designee,
17 shall certify to the department the gross vehicle weight rating of
18 the tow truck:

19	Gross Vehicle Weight Range	Fee
20	10,001–15,000	\$ 257
21	15,001–20,000	353
22	20,001–26,000	435
23	26,001–30,000	552
24	30,001–35,000	648
25	35,001–40,000	761
26	40,001–45,000	837
27	45,001–50,000	948
28	50,001–54,999	1,039
29	55,000–60,000	1,173
30	60,001–65,000	1,282
31	65,001–70,000	1,398
32	70,001–75,000	1,650
33	75,001–80,000	1,700
34		
35		

36 (b) The fees specified in subdivision (a) apply to both of the
37 following:

38 (1) An initial or original registration occurring on or after
39 December 31, 2001, to December 30, 2003, inclusive, of a

1 commercial motor vehicle operated either singly or in combination
2 with a declared gross vehicle weight of 10,001 pounds or more.

3 (2) The renewal of registration of a commercial motor vehicle
4 operated either singly or in combination, with a declared gross
5 vehicle weight of 10,001 pounds or more for which registration
6 expires on or after December 31, 2001, to December 30, 2003,
7 inclusive.

8 (c) (1) For both an initial or original registration occurring on
9 or after December 31, 2003, of a commercial motor vehicle
10 operated either singly or in combination with a declared gross
11 vehicle weight of 10,001 pounds or more, and the renewal of
12 registration of a commercial motor vehicle operated either singly
13 or in combination, with a declared gross vehicle weight of 10,001
14 pounds or more for which registration expires on or after December
15 31, 2003, there shall be paid fees as follows:

16	17	18	19
	Gross Vehicle Weight Range	Weight Code	Fee
18	10,001–15,000	A	\$ 332
19	15,001–20,000	B	447
20	20,001–26,000	C	546
21	26,001–30,000	D	586
22	30,001–35,000	E	801
23	35,001–40,000	F	937
24	40,001–45,000	G	1,028
25	45,001–50,000	H	1,161
26	50,001–54,999	I	1,270
27	55,000–60,000	J	1,431
28	60,001–65,000	K	1,562
29	65,001–70,000	L	1,701
30	70,001–75,000	M	2,004
31	75,001–80,000	N	2,064

32
33 (2) For the purpose of obtaining “revenue neutrality” as
34 described in Sections 1 and 59 of Senate Bill 2084 of the
35 1999–2000 Regular Session (Chapter 861 of the Statutes of 2000),
36 the Director of Finance shall review the final 2003–04 Statement
37 of Transactions of the State Highway Account. If that review
38 indicates that the actual truck weight fee revenues deposited in the
39 State Highway Account do not total at least seven hundred
40 eighty-nine million dollars (\$789,000,000), the Director of Finance

1 shall instruct the department to adjust the schedule set forth in
2 paragraph (1), but not to exceed the following fee amounts:

3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Gross Vehicle Weight Range		Weight Code												
	10,001–15,000		A												
	15,001–20,000		B												
	20,001–26,000		C												
	26,001–30,000		D												
	30,001–35,000		E												
	35,001–40,000		F												
	40,001–45,000		G												
	45,001–50,000		H												
	50,001–54,999		I												
	55,000–60,000		J												
	60,001–65,000		K												
	65,001–70,000		L												
	70,001–75,000		M												
	75,001–80,000		N												

19
20 (d) (1) In addition to the fees set forth in subdivision (a), a
21 Cargo Theft Interdiction Program fee of three dollars (\$3) shall
22 be paid at the time of initial or original registration or renewal of
23 registration of each motor vehicle subject to weight fees under this
24 section.

25 (2) This subdivision does not apply to vehicles used or
26 maintained for the transportation of persons for hire, compensation
27 or profit, and tow trucks.

28 (3) For vehicles registered under Article 4 (commencing with
29 Section 8050) of Chapter 4, the fee imposed under this subdivision
30 shall be apportioned as required for registration fees under that
31 article.

32 (4) Funds collected pursuant to the Cargo Theft Interdiction
33 Program shall not be proportionately reduced for each month and
34 shall be transferred to the Motor Carriers Safety Improvement
35 Fund.

36 (e) Notwithstanding Section 42270 or any other provision of
37 law, of the moneys collected by the department under this section,
38 one hundred twenty-two dollars (\$122) for each initial, original,
39 and renewal registration shall be reported monthly to the Controller,
40 and at the same time, deposited in the State Treasury to the credit

1 of the Motor Vehicle Account in the State Transportation Fund.
2 All other moneys collected by the department under this section
3 shall be deposited to the credit of the State Highway Account in
4 the State Transportation Fund, ~~or directly to the credit of the~~
5 ~~Transportation Debt Service Fund as provided in paragraph (2) of~~
6 ~~subdivision (e) of Section 9400.4, as applicable.~~ One hundred
7 twenty-two dollars (\$122) of the fee imposed under this section
8 shall not be proportionately reduced for each month. For vehicles
9 registered under Article 4 (commencing with Section 8050) of
10 Chapter 4, the fee shall be apportioned as required for registration
11 under that article.

12 (f) (1) The department, in consultation with the Department of
13 the California Highway Patrol, shall design and make available a
14 set of distinctive weight decals that reflect the declared gross
15 combined weight or gross operating weight reported to the
16 department at the time of initial registration, registration renewal,
17 or when a weight change is reported to the department pursuant
18 to Section 9406.1. A new decal shall be issued on each renewal
19 or when the weight is changed pursuant to Section 9406.1. The
20 decal for a tow truck that is subject to this section shall reflect the
21 gross vehicle weight rating or weight code.

22 (2) The department may charge a fee, not to exceed ten dollars
23 (\$10), for the department's actual cost of producing and issuing
24 each set of decals issued under paragraph (1).

25 (3) The weight decal shall be in sharp contrast to the background
26 and shall be of a size, shape, and color that is readily legible during
27 daylight hours from a distance of 50 feet.

28 (4) Each vehicle subject to this section shall display the weight
29 decal on both the right and left sides of the vehicle.

30 (5) A person may not display upon a vehicle a decal issued
31 pursuant to this subdivision that does not reflect the declared weight
32 reported to the department.

33 (6) Notwithstanding subdivision (e) or any other provision of
34 law, the moneys collected by the department under this subdivision
35 shall be deposited in the State Treasury to the credit of the Motor
36 Vehicle Account in the State Transportation Fund.

37 (7) This subdivision shall apply to vehicles subject to this section
38 at the time of an initial registration, registration renewal, or reported
39 weight change that occurs on or after July 1, 2004.

1 (8) The following shall apply to vehicles registered under the
2 permanent fleet registration program pursuant to Article 9.5
3 (commencing with Section 5301) of Chapter 1:

4 (A) The department, in consultation with the Department of the
5 California Highway Patrol, shall distinguish the weight decals
6 issued to permanent fleet registration vehicles from those issued
7 to other vehicles.

8 (B) The department shall issue the distinguishable weight decals
9 only to the following:

10 (i) A permanent fleet registration vehicle that is registered with
11 the department on January 1, 2005.

12 (ii) On and after January 1, 2005, a vehicle for which the
13 department has an application for initial registration as a permanent
14 fleet registration vehicle.

15 (iii) On and after January 1, 2005, a permanent fleet registration
16 vehicle that has a weight change pursuant to Section 9406.1.

17 (C) The weight decal issued under this paragraph shall comply
18 with the applicable provisions of paragraphs (1) to (6), inclusive.

19 *SEC. 5. Section 9400.4 of the Vehicle Code is repealed.*

20 ~~9400.4. Weight fee revenue deposited into the State Highway
21 Account pursuant to subdivision (e) of Section 9400.1 and
22 subdivision (a) of Section 42205 net of amounts appropriated for
23 other purposes pursuant to subdivision (b) of Section 42205, and
24 weight fee revenues deposited directly into the Transportation
25 Debt Service Fund pursuant to subdivision (c) of Section 9400.1
26 and subdivision (a) of Section 42205, as applicable, shall be used
27 as follows:~~

28 ~~(a) For the 2010–11 fiscal year, seven hundred fifty-six million
29 three hundred ninety-six thousand dollars (\$756,396,000) is hereby
30 appropriated from weight fee revenues in the State Highway
31 Account for transfer to the General Fund as transportation bond
32 debt service reimbursement and loans as follows:~~

33 ~~(1) The Controller shall transfer all weight fee revenues
34 deposited into the State Highway Account in any month to the
35 Transportation Debt Service Fund for transfer to the General Fund
36 as reimbursement for debt service costs until all of the debt service
37 paid on transportation bonds for projects that the Director of
38 Finance indicates qualify for reimbursement as provided for in
39 Section 16965 of the Government Code have been reimbursed.~~

1 ~~(2) After the Director of Finance has notified the Controller that~~
2 ~~all debt service costs for the 2010–11 fiscal year have been~~
3 ~~reimbursed, the Controller shall transfer any remaining monthly~~
4 ~~weight fee revenues in the State Highway Account to the General~~
5 ~~Fund as a loan until the full amount appropriated in this subdivision~~
6 ~~has been transferred to the General Fund. The Director of Finance~~
7 ~~may repay any remaining portion of the outstanding balance of~~
8 ~~this loan in any year in which the Director of Finance determines~~
9 ~~the funds are needed to reimburse the General Fund for current~~
10 ~~year transportation bond debt service or to redeem or retire those~~
11 ~~bonds, pursuant to Section 16774 of the Government Code,~~
12 ~~maturing in a subsequent fiscal year, provided that the loans shall~~
13 ~~be repaid no later than June 30, 2021. All funds loaned pursuant~~
14 ~~to this section, upon repayment to the State Highway Account,~~
15 ~~shall be immediately transferred by the Controller to the~~
16 ~~Transportation Debt Service Fund for use pursuant to Section~~
17 ~~16965 of the Government Code.~~

18 ~~(3) By June 15, 2011, the Director of Finance in consultation~~
19 ~~with the Treasurer shall notify the Controller regarding the final~~
20 ~~amount of debt service paid from the General Fund during the~~
21 ~~2010–11 fiscal year pursuant to Section 16965 of the Government~~
22 ~~Code and shall direct the Controller to reverse and adjust any~~
23 ~~transfers made as debt service reimbursements or loans so that a~~
24 ~~maximum amount of transfers are made for debt service~~
25 ~~reimbursements and with any loan amounts limited to the~~
26 ~~difference between this amount and the total amount appropriated~~
27 ~~in this subdivision. The total amount of weight fee revenues~~
28 ~~transferred from the State Highway Account for the 2010–11 fiscal~~
29 ~~year shall not be greater than the total amount of weight fee~~
30 ~~revenues deposited into the State Highway Account for that year.~~

31 ~~(4) With respect to transfers or portions of transfers that cannot~~
32 ~~be made in any given month if weight fee revenues are insufficient,~~
33 ~~the first weight fee revenues available in the following month or~~
34 ~~months shall be used to complete the transfers for the previous~~
35 ~~month or months prior to making additional transfers for later~~
36 ~~months.~~

37 ~~(b) For the 2011–12 fiscal year, all revenue generated from~~
38 ~~weight fees in the State Highway Account, as determined by~~
39 ~~Sections 9400.1 and 42205, excluding an amount equal to the loan~~
40 ~~of forty-three million seven hundred thousand dollars~~

1 ~~(\$43,700,000) authorized pursuant to Item 2660-013-0042 of~~
2 ~~Section 2.00 of the Budget Act of 2011, is hereby appropriated for~~
3 ~~transfer to the General Fund as debt service reimbursement and~~
4 ~~loans as follows:~~

5 ~~(1) The Controller shall transfer all weight fee revenues~~
6 ~~deposited into the State Highway Account in any month to the~~
7 ~~Transportation Debt Service Fund for transfer to the General Fund~~
8 ~~as reimbursement for debt service costs until all of the debt service~~
9 ~~paid on transportation bonds for projects that the Director of~~
10 ~~Finance indicates qualify for reimbursement as provided for in~~
11 ~~Section 16965 of the Government Code have been reimbursed.~~

12 ~~(2) After the Director of Finance has notified the Controller that~~
13 ~~all debt service costs for the 2011-12 fiscal year have been~~
14 ~~reimbursed, the Controller shall transfer any remaining weight fee~~
15 ~~revenues for that fiscal year in the State Highway Account to the~~
16 ~~General Fund as a loan until all weight fee revenues for that fiscal~~
17 ~~year appropriated in this subdivision have been transferred to the~~
18 ~~General Fund, excluding forty-two million dollars (\$42,000,000),~~
19 ~~which shall be transferred to the General Fund as a loan on July~~
20 ~~1, 2012. The Director of Finance may repay any portion of the~~
21 ~~balance of this loan in any year in which the Director of Finance~~
22 ~~determines the funds are needed to reimburse the General Fund~~
23 ~~for current year transportation bond debt service or to redeem or~~
24 ~~retire those bonds, pursuant to Section 16774 of the Government~~
25 ~~Code, maturing in a subsequent year, provided that the loans shall~~
26 ~~be repaid no later than June 30, 2021. All funds loaned pursuant~~
27 ~~to this section, upon repayment to the State Highway Account,~~
28 ~~shall be immediately transferred by the Controller to the~~
29 ~~Transportation Debt Service Fund for use pursuant to Section~~
30 ~~16965 of the Government Code.~~

31 ~~(3) By June 15, 2012, the Director of Finance in consultation~~
32 ~~with the Treasurer shall notify the Controller regarding the final~~
33 ~~amount of debt service paid from the General Fund during the~~
34 ~~2011-12 fiscal year pursuant to Section 16965 of the Government~~
35 ~~Code and shall direct the Controller to reverse and adjust any~~
36 ~~transfers made as debt service reimbursements or loans so that a~~
37 ~~maximum amount of transfers are made for debt service~~
38 ~~reimbursements and with any loan amounts limited to the~~
39 ~~difference between this amount and the total amount appropriated~~
40 ~~in this subdivision. The total amount of weight fee revenues~~

1 transferred from the State Highway Account for the 2011–12 fiscal
2 year shall not be greater than the total amount of weight fee
3 revenues deposited into the State Highway Account in that year.

4 ~~(4) With respect to transfers or portions of transfers that cannot
5 be made in any given month if weight fee revenues are insufficient,
6 the first weight fee revenues available in the following month or
7 months shall be used to complete the transfers for the previous
8 month or months prior to making additional transfers for later
9 months.~~

10 ~~(e) (1) (A) Until the month of first issuance of designated bonds
11 as defined in subdivision (c) of Section 16773 of the Government
12 Code, and at any time thereafter that a Treasurer's certification
13 pursuant to subparagraph (B) of paragraph (3) of subdivision (a)
14 of Section 16965 of the Government Code applies, all weight fee
15 revenues subject to this section in any month shall be transferred
16 from the State Highway Account to the Transportation Debt
17 Service Fund.~~

18 ~~(B) Except as provided in paragraph (3), or when subparagraph
19 (A) applies pursuant to a Treasurer's certification, upon the first
20 issuance of designated bonds, as defined in subdivision (c) of
21 Section 16773 of the Government Code, starting in the month
22 following that first issuance, all weight fee revenues received by
23 the Controller from the first day through the 14th day of every
24 month shall be transferred from the State Highway Account to the
25 Transportation Debt Service Fund.~~

26 ~~(C) All funds transferred pursuant to subparagraphs (A) and (B)
27 are hereby appropriated for transfer to the General Fund by the
28 Controller as reimbursement for debt service costs paid with respect
29 to eligible bonds described in subparagraph (A) of paragraph (2)
30 of subdivision (a) of Section 16965 of the Government Code, until
31 all debt service that the Director of Finance indicates qualifies for
32 reimbursement as provided for in subdivision (d), (e), or (f) of
33 Section 16965 of the Government Code has been reimbursed, or
34 to redeem or retire bonds, pursuant to Section 16774 of the
35 Government Code, as referenced in subdivision (d), (e), or (f) of
36 Section 16965 of the Government Code, that are maturing in a
37 subsequent year. After the Director of Finance has notified the
38 Controller that all debt service costs for the fiscal year have been
39 reimbursed, the Controller shall transfer any remaining revenue
40 generated from weight fees subject to this section for that fiscal~~

1 year in the State Highway Account to the General Fund as a loan.
2 The Director of Finance may repay any portion of the balance of
3 this loan in any year in which the Director of Finance determines
4 that the funds are needed to reimburse the General Fund for current
5 year transportation bond debt service or to redeem or retire those
6 bonds pursuant to Section 16774 of the Government Code,
7 maturing in a future fiscal year, provided that the loans shall be
8 repaid no later than June 30, 2021. All funds loaned pursuant to
9 this section, upon repayment to the State Highway Account, shall
10 be immediately transferred by the Controller to the Transportation
11 Debt Service Fund for use pursuant to Section 16965 of the
12 Government Code. By June 15 of each year, the Director of
13 Finance, in consultation with the Treasurer, shall notify the
14 Controller regarding the final amount of debt service paid from
15 the General Fund during that fiscal year pursuant to subdivision
16 (d), (e), or (f) of Section 16965 of the Government Code and shall
17 direct the Controller to reverse or adjust any transfers made as debt
18 service reimbursements or loans so that a maximum amount of
19 transfers are made for debt service reimbursements and with any
20 loan amounts limited to the difference between this amount and
21 the total amount of revenue for that fiscal year generated from
22 weight fees, as determined by Sections 9400.1 and 42205. The
23 total amount of weight fee revenues transferred from the State
24 Highway Account in any fiscal year shall not be greater than the
25 total amount of weight fee revenues deposited into the State
26 Highway Account in that year.

27 (2) Starting in the month following the first issuance of any
28 designated bonds, unless a Treasurer's certification pursuant to
29 subparagraph (B) of paragraph (3) of subdivision (a) of Section
30 16965 of the Government Code applies, all weight fee revenues
31 subject to this section that are received by the Controller from the
32 15th day of every month, or the first business day thereafter if not
33 a business day, through the last day of the month shall be deposited
34 directly in the Transportation Debt Service Fund and are hereby
35 appropriated for transfer as follows:

36 (A) First, to the Transportation Bond Direct Payment Account
37 as set forth in subdivision (b) of Section 16965 of the Government
38 Code, to provide for payment of debt service with respect to
39 designated bonds.

1 ~~(B) Thereafter, as provided in subparagraph (C) of paragraph~~
2 ~~(1).~~

3 ~~(3) Notwithstanding paragraphs (1) and (2), if by the last day~~
4 ~~of a month the transfer for that month relating to designated bonds~~
5 ~~required by the Treasurer's certificate described in subdivision (b)~~
6 ~~of Section 16965 of the Government Code has not been made due~~
7 ~~to insufficient weight fee revenue, weight fee revenue shall~~
8 ~~continue to be transferred pursuant to paragraph (2) beginning~~
9 ~~with the first day of the subsequent month and continuing every~~
10 ~~day until such time as sufficient revenue for full compliance with~~
11 ~~the certificate has been transferred.~~

12 ~~(4) Except as otherwise provided in paragraph (1), (2), or (3),~~
13 ~~with respect to any transfers or portions of transfers that cannot~~
14 ~~be made in any given month if weight fee revenues are insufficient,~~
15 ~~the first weight fee revenues available in the following month or~~
16 ~~months shall be used to complete the transfers for the previous~~
17 ~~month or months prior to making additional transfers for later~~
18 ~~months.~~

19 *SEC. 6. Section 42205 of the Vehicle Code is amended to read:*

20 42205. (a) Notwithstanding Chapter 3 (commencing with
21 Section 42270), the department shall file, at least monthly with
22 the Controller, a report of money received by the department
23 pursuant to Section 9400 for the previous month and shall, at the
24 same time, remit all money so reported to the Treasurer. On order
25 of the Controller, the Treasurer shall deposit all money so remitted
26 into the State Highway Account in the State Transportation Fund;
27 ~~or directly into the Transportation Debt Service Fund as provided~~
28 ~~in paragraph (2) of subdivision (c) of Section 9400.4, as applicable.~~

29 (b) The Legislature shall appropriate from the State Highway
30 Account in the State Transportation Fund to the department and
31 the Franchise Tax Board amounts equal to the costs incurred by
32 each in performing their duties pursuant to Article 3 (commencing
33 with Section 9400) of Chapter 6 of Division 3. The applicable
34 amounts shall be determined so that the appropriate costs for
35 registration and weight fee collection activities are appropriated
36 between the recipients of revenues in proportion to the revenues
37 that would have been received individually by those recipients if
38 the total fee imposed under the Vehicle License Fee Law (Part 5
39 (commencing with Section 10701) of Division 2 of the Revenue
40 and Taxation Code) was 2 percent of the market value of a vehicle.

1 The remainder of the funds collected under Section 9400 and
2 deposited in the account, ~~other than the direct deposits to the~~
3 ~~Transportation Debt Service Fund~~ referenced in subdivision (a),
4 may be appropriated to the Department of Transportation, the
5 Department of the California Highway Patrol, and the Department
6 of Motor Vehicles for the purposes authorized under Section 3 of
7 Article XIX of the California Constitution.

8 *SEC. 7. Sections 1 to 6, inclusive, of this act shall become*
9 *operative on July 1, 2014.*

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

14 *In order to make vehicle weight fees available for critically*
15 *needed transportation improvements as quickly as possible, it is*
16 *necessary that this act take effect immediately.*

17 ~~SECTION 1. Section 14536 of the Government Code is~~
18 ~~amended to read:~~

19 ~~14536. (a) The annual report shall include an explanation and~~
20 ~~summary of major policies and decisions adopted by the~~
21 ~~commission during the previously completed state and federal~~
22 ~~fiscal year, with an explanation of any changes in policy associated~~
23 ~~with the performance of its duties and responsibilities over the~~
24 ~~past year.~~

25 ~~(b) The annual report may also include a discussion of any~~
26 ~~significant upcoming transportation issues anticipated to be of~~
27 ~~concern to the public and the Legislature.~~