

AMENDED IN SENATE JULY 7, 1996
AMENDED IN ASSEMBLY MAY 23, 1996

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 3493

**Introduced by Committee on Budget (Miller (Chairman),
Alby, Baugh, Cunneen, Harvey, Hawkins, Kaloogian,
Knowles, Kuykendall, Morrow, Olberg, and Richter)**

April 10, 1996

An act ~~relating to state government~~ to repeal Section 8002 of, and to repeal and add Section 8001 of, the Financial Code, to amend Section 4106 of, and to add Section 4101.5 to, the Food and Agricultural Code, to amend Sections 8690.6 and 11270 of, to amend and repeal Sections 8690, 8690.2, and 8690.4 of, to add Sections 8690.25 and 8690.45 to, and to repeal and add Section 13308 of, the Government Code, and to amend Sections 50531, 50661, 50661.5, 50697.1, 50740, 50778, and 50882 of the Health and Safety Code, to add Section 2105.1 to the Streets and Highways Code and to repeal Sections 11453.05, 12201.05, 12303.51, 14029, and 16702.01 of the Welfare and Institutions Code, relating to state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 3493, as amended, Committee on Budget. State government.

Existing

(1) Existing law sets forth various provisions for the administration of the state government, funded pursuant to the annual Budget Act.

This bill would express the intent of the Legislature in enacting its provisions to make the necessary statutory changes to implement the Budget Act of 1996 relative to the administration of state government.

The

(2) Under existing law, the chief officer of the Department of Savings and Loan is the Savings and Loan Commissioner who is appointed by the Governor with the consent of the Senate.

This bill would repeal this appointment authority and instead provide that the Superintendent of Banks shall also serve as the commissioner.

(3) Existing law provides for the Sixth District Agricultural Association, which is known as the California Museum of Science and Industry.

This bill would require the California Museum of Science and Industry to study the feasibility of transferring management and operation of the museum facilities to the California Museum Foundation of Los Angeles, or other alternatives for restructuring, and, if feasible, prepare a plan to accomplish that transfer or alternative restructuring plan. The bill would require the California Museum of Science and Industry to provide an interim and a final report of the study to the Legislature by specified dates.

(4) Under existing law, the first \$832,765 of revenues received each year by the California Museum of Science and Industry from parking facilities, rental of museum facilities, or other business activities are required to be deposited in the General Fund, and all funds received in excess of that amount from those activities are required to be deposited in the Exposition Park Improvement Fund.

This bill, instead, would require all revenue received by the museum from those sources during the 1996–97 fiscal year only to be deposited in the Exposition Park Improvement Fund.

(5) Existing law establishes the Natural Disaster Assistance Fund as a special fund in the State Treasury which, with its



subsidiary accounts, is continuously appropriated for the purposes of the Natural Disaster Assistance Act.

This bill would, effective July 1, 1997, delete 3 special accounts in the fund but retain the Earthquake Emergency Investigations Account.

(6) Existing law establishes in the Reserve for Economic Uncertainties a Disaster Response-Emergency Operations Account until June 30, 1996, to be used for specified purposes.

This bill would expressly provide that for recovery activities, as defined, funds shall be allocated pursuant to specified provisions of law, including specific provisions of the annual Budget Act, and would extend the operative date of the account to July 1, 1999.

(7) Existing law requires the Department of Finance to certify annually to the Controller the amount determined to be the fair share of administrative costs due and payable from each state agency and to certify to the Controller any amount redetermined to be the fair share of administrative costs due and payable from any state agency. Existing law defines "administrative costs" as the amounts expended by various specified state entities for supervision or administration of the state government or for services to the various state agencies.

This bill would include the Office of Information Technology among the above state entities for purposes of this definition.

(8) Existing law requires the Director of Finance to provide to the Legislature, on or before May 21 of each year, an estimate of the General Fund revenues for the ensuing fiscal year and an estimate of the General Fund workload budget for the ensuing fiscal year.

This bill would instead require the Director of Finance to provide to the Legislature (a) on or before February 1 of each year, all proposed statutory changes necessary to implement the Governor's Budget; (b) on or before April 1 of each year, certain proposed adjustments to the Governor's Budget; (c) on or before May 1 of each year, all proposed adjustment to the Governor's Budget in appropriations for capital outlay; (d) on or before May 14 of each year, an estimate of General Fund revenues for the current fiscal year and for the ensuing fiscal year, any proposals to reduce expenditures to reflect



undated revenue estimate, and all proposed adjustments to the Governor's Budget, as specified. This bill would also provide that the Director of Finance may authorize suspension for the current fiscal year of any of these provisions not sooner than 30 days after notification in writing of the necessity for this suspension to the chairpersons of the committee in each house that considers the state budget and the Chairperson of the Joint Legislative Budget Committee.

(9) Existing law authorizes the proportionate reduction or appropriations made in any fiscal year for the AFDC, SSP, IHSS, and Medi-Cal programs when the Director of Finance determines that estimated General Fund revenues are more than 5% less than the estimated General Fund workload budget with respect to the fiscal year.

This bill would repeal those authorizations.

(10) Under existing law, the Housing Rehabilitation Loan Fund is created in the State Treasury, and is continuously appropriated for specified purposes, including related administrative expenses of the Department of Housing and Community Development.

This bill would authorize expenditures for administrative expenses from the Housing Rehabilitation Loan Fund for additional programs, as specified. It would require that appropriations authorized by the Budget Act of 1996 for the support of the Department of Housing and Community Development from the California Disaster Housing Repair Fund and the California Homeownership Assistance Fund instead be authorized for expenditure from this fund. By authorizing additional purposes for the expenditure of funds from, and additional funds for the deposit into, this continuously appropriated fund, this bill would make an appropriation.

(11) Under existing law, the California Disaster Housing Repair Fund is continuously appropriated to the Department of Housing and Community Development for making deferred payment loans to provide disaster relief for repair of housing damaged or destroyed as a result of a natural disaster. Under existing law the director of the department may authorize the sale of the beneficiary interest of specified loans



the proceeds of which are required to be deposited into the California Disaster Housing Repair Fund.

This bill would require that proceeds from sales after July 1, 1996, be deposited in the General Fund. This bill also would require that, on or after July 1, 1996, the unencumbered fund balance and reserves be transferred to the Housing Rehabilitation Loan Fund and subsequent income and other specified resources be deposited to the Housing Rehabilitation Loan Fund with specified exceptions. By authorizing additional income and resources to be deposited into the continuously appropriated Housing Rehabilitation Loan Fund, this bill would make an appropriation.

(12) Existing law provides that the Self-Help Housing Fund, a continuously appropriated fund in the State Treasury, consists of specified moneys, including moneys that the California Self-Help Housing Program receives in repayment or return of the funds, including interest thereon. It provides that assistance under the program shall be considered a purchase or rehabilitation loan for purposes of specified provisions of law. However, commencing July 1, 1992, the Department of Housing and Community Development has not been required to make loans from this fund and the department may retain within the fund moneys necessary for administering and monitoring loans made prior to July 1, 1992.

This bill would again permit the use of these fund moneys for loans by deleting the provisions that prohibit the making of loans after the specified date and permit the retention of fund moneys for administration and monitoring of loans made prior to that date. By permitting the use of these continuously appropriated fund moneys for loan purposes, this bill would make an appropriation.

(13) Existing law establishes the Rental Housing Construction Fund in the State Treasury and continuously appropriates the moneys in that fund to the Department of Housing and Community Development.

This bill would provide that appropriations authorized for the support of the department from the Family Housing Demonstration Account and the Urban Predevelopment Loan Fund shall instead be authorized for expenditure from the Rental Housing Construction Fund. By authorizing



additional expenditures from the continuously appropriated Rental Housing Construction Fund, this bill would make an appropriation.

(14) Existing law establishes the Urban Housing Predevelopment Loan Fund in the State Treasury, funded from specified sources, and continuously appropriates that fund to the Department of Housing and Community Development for the administration of specified types of predevelopment loans and the repayment of specified fund transfers.

This bill would require that, notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered balance in the fund be transferred to the Rental Housing Construction Fund and that subsequent income and other resources received by the department pursuant to these provisions be deposited to the Rental Housing Construction Fund. By providing for a new use of continuously appropriated funds in the Urban Housing Predevelopment Loan Fund, and authorizing additional income and resources to be deposited into the continuously appropriated Rental Housing Construction Fund, this bill would make appropriation.

(15) Under existing law, the Department of Housing and Community Development is required to implement the Family Housing Implementation Program, under which it may make loans from the continuously appropriated Family Housing Demonstration Account to sponsors for purposes of assisting the development of community housing developments.

This bill would require that on or after July 1, 1996, the unencumbered account balance and reserves be transferred out of the Family Housing Demonstration Account, but be retained within the Rental Housing Construction Fund.

(16) Existing law authorizes the Department of Housing and Community Development to provide specified financial assistance to households from the continuously appropriated Homeownership Assistance Fund.

This bill would require that, on or after July 1, 1996, the unencumbered fund balance and reserves, along with subsequent income and resources, be transferred to, and



deposited in, the Housing Rehabilitation Loan Fund. By authorizing additional income and resources to be deposited into the continuously appropriated Housing Rehabilitation Loan Fund, this bill would make an appropriation.

(17) Existing law provides procedures for the allocation of gasoline tax revenues to cities and counties based in part on the city's or county's general fund expenditures, including fines and forfeitures expended for street and highway purposes, as specified.

This bill would provide that notwithstanding these provisions, specified Solano County municipal court fines and forfeitures in the amount of \$426,381 shall be deposited to the General Fund of Solano County.

(18) This bill would state that any appropriation made for support of the State Banking Department for supervision and regulation of savings associations, payable from the Savings Association Special Regulatory Fund, shall be deemed to be made for support of the Department of Savings and Loan for supervision and regulation of savings associations, payable from the Savings Associations Special Regulatory Fund.

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

Vote: 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. It is the intent of the Legislature in~~
2 ~~enacting this act to make the necessary statutory changes~~
3 ~~to implement the Budget Act of 1996 relative to the~~
4 ~~administration of state government.~~
5 ~~SEC. 2. This act is an urgency statute necessary for the~~
6 ~~immediate preservation of the public peace, health, or~~
7 ~~safety within the meaning of Article IV of the~~
8 ~~Constitution and shall go into immediate effect. The facts~~
9 ~~constituting the necessity are:~~
10 ~~In order to realize necessary cost savings and to~~
11 ~~expeditiously and efficiently implement the Budget Act~~
12 ~~of 1996 with respect to the administration of state~~



1 ~~government, it is necessary that this act take effect~~
2 ~~immediately.~~

3 *SECTION 1. It is the intent of the Legislature in*
4 *enacting this act to make the necessary statutory changes*
5 *to implement the Budget Act of 1996 relative to the*
6 *administration of state government.*

7 *SEC. 2. Section 8001 of the Financial Code is repealed.*

8 ~~8001. The commissioner shall be appointed by the~~
9 ~~Governor, with the consent of the Senate, and holds office~~
10 ~~at the pleasure of the Governor. The commissioner shall~~
11 ~~receive an annual salary as provided for by Chapter 6~~
12 ~~(commencing with Section 11550) of Part 1 of Division 3~~
13 ~~of Title 2 of the Government Code, payable monthly~~
14 ~~upon a warrant of the Controller.~~

15 *SEC. 3. Section 8001 is added to the Financial Code,*
16 *to read:*

17 *8001. The Superintendent of Banks shall also serve as*
18 *the commissioner and succeeds to all functions and duties*
19 *previously held by the commissioner.*

20 *SEC. 4. Section 8002 of the Financial Code is repealed.*

21 ~~8002. (a) Before entering upon the duties of his or~~
22 ~~her office, the commissioner shall take and subscribe an~~
23 ~~oath of office.~~

24 *SEC. 5. Section 4101.5 is added to the Food and*
25 *Agricultural Code, to read:*

26 *4101.5. The California Museum of Science and*
27 *Industry shall study the feasibility of transferring*
28 *management and operation of the museum facilities to*
29 *the California Museum Foundation of Los Angeles, and,*
30 *if feasible, prepare a plan to accomplish that transfer. The*
31 *California Museum of Science and Industry may study*
32 *other alternatives for restructuring, including, but not*
33 *limited to, obtaining funding from local educational*
34 *entities that participate in the museum programs and*
35 *operations, and prepare an alternative restructuring*
36 *plan. The California Museum of Science and Industry*
37 *shall provide an interim report of the study to the*
38 *Legislature by March 1, 1997, and a final report of the*
39 *study to the Legislature by May 1, 1997.*



1 SEC. 6. Section 4106 of the Food and Agricultural
2 Code is amended to read:

3 4106. (a) The California Museum of Science and
4 Industry shall work with the Los Angeles Memorial
5 Coliseum Commission, the City of Los Angeles, and the
6 County of Los Angeles to develop additional parking
7 facilities in Exposition Park to the extent necessary to
8 allow for expansion of the park.

9 (b) The California Museum of Science and Industry
10 shall manage or operate its parking facilities in a manner
11 which preserves and protects the interests of itself and
12 the California African-American Museum and recognizes
13 the cultural and educational character of Exposition Park.

14 (c) The first eight hundred thirty-two thousand seven
15 hundred sixty-five dollars (\$832,765) of revenues
16 received each year by the California Museum of Science
17 and Industry from parking facilities, from rental of
18 museum facilities, or from other business activities shall
19 be deposited in the General Fund.

20 (d) (1) The Exposition Park Improvement Fund is
21 hereby created in the State Treasury. All revenues
22 received by the California Museum of Science and
23 Industry from its parking facilities, from rental of
24 museum facilities, or from other business activities, in
25 excess of the eight hundred thirty-two thousand seven
26 hundred sixty-five dollars (\$832,765) deposited each year
27 in the General Fund, shall be deposited in the Exposition
28 Park Improvement Fund.

29 (2) *Notwithstanding subdivision (c), for the 1996-97*
30 *fiscal year only, all revenues received by the museum*
31 *during that fiscal year from the sources described in*
32 *paragraph (1) shall be deposited in the Exposition Park*
33 *Improvement Fund.*

34 (e) The moneys in the Exposition Park Improvement
35 Fund may only be used, upon appropriation by the
36 Legislature, for improvements to Exposition Park,
37 including, but not limited to, maintenance of existing
38 parking and museum facilities, replacement of museum
39 equipment, supplies and wages expended to generate
40 revenues from rental of museum facilities, development



1 of new parking facilities and acquisition of land within or
2 adjacent to Exposition Park.

3 (f) The Legislature hereby finds and declares that
4 there is a need for development of additional park,
5 recreation, museum, and parking facilities in Exposition
6 Park. The Legislature recognizes that the provision of
7 these needed improvements as identified in the
8 California Museum of Science and Industry Exposition
9 Park Master Plan may require the use of funds provided
10 by other governmental agencies or private donors.

11 The California Museum of Science and Industry may
12 accept funds from other governmental agencies or
13 private contributions for the purpose of implementation
14 of the California Museum of Science and Industry
15 Exposition Park Master Plan. The private contributions
16 and funds from governmental agencies other than state
17 governmental agencies shall be deposited in the
18 Exposition Park Improvement Fund in the State
19 Treasury and shall be available for expenditure without
20 regard to fiscal years by the California Museum of Science
21 and Industry for implementation of the California
22 Museum of Science and Industry Exposition Park Master
23 Plan. Funds from other state governmental agencies shall
24 be deposited in the Exposition Park Improvement Fund
25 and shall be available for expenditure, upon
26 appropriation, by the California Museum of Science and
27 Industry for implementation of the California Museum of
28 Science and Industry Exposition Park Master Plan.
29 However, any expenditure is not authorized sooner than
30 30 days after notification in writing of the necessity
31 therefor to the chairperson of the committee in each
32 house that considers appropriations and the Chairperson
33 of the Joint Legislative Budget Committee, or not sooner
34 than whatever lesser time as the chairperson of the joint
35 committee, or his or her designee, may in each instance
36 determine.

37 *SEC. 7. Section 8690 of the Government Code is*
38 *amended to read:*

39 8690. As used in this article:



1 (a) "Fund" means the Natural Disaster Assistance
2 Fund created by Section 8690.2.

3 (b) "Public Facilities and Local Agency Disaster
4 Response Account" means the special account
5 established in the fund pursuant to subdivision (a) of
6 Section 8690.4.

7 (c) "Street and Highway Account" means the special
8 account established in the fund pursuant to subdivision
9 (b) of Section 8690.4.

10 (d) "Office of Emergency Services Disaster
11 Administration Support Account" means the special
12 account established in the fund pursuant to subdivision
13 (c) of Section 8690.4.

14 (e) *This section shall remain in effect only until July 1,*
15 *1997, and as of that date is repealed, unless a later enacted*
16 *statute, that is enacted before July 1, 1997, deletes or*
17 *extends that date.*

18 *SEC. 8. Section 8690.2 of the Government Code is*
19 *amended to read:*

20 8690.2. The Natural Disaster Assistance Fund is
21 hereby created as a special fund in the State Treasury.
22 This fund and its subsidiary accounts are continuously
23 appropriated for purposes of this act. The fund is the
24 successor to the funds appropriated by Section 4 of
25 Chapter 624 of the Statutes of 1973 and to the Street and
26 Highway Disaster Fund, which funds are hereby
27 abolished, effective the 61st day after final adjournment
28 of the 1973–74 Regular Session of the Legislature. All of
29 the assets, liabilities, and surpluses of the two abolished
30 funds shall, on order of the Controller and as of the
31 effective date of their abolition, be transferred to and
32 become assets, liabilities, and surpluses of the Natural
33 Disaster Assistance Fund except that all assets, liabilities,
34 and surplus of the portion of the Street and Highway
35 Disaster Fund relating to state highways shall be
36 transferred to the State Highway Account in the State
37 Transportation Fund. The existing appropriations from
38 either of such funds shall continue to be available for
39 allocation, encumbrance, and expenditure in the same
40 manner and for the same purposes and periods from the



1 Natural Disaster Assistance Fund. Any reference in any
2 law or regulation to the Street and Highway Disaster
3 Fund shall be deemed to refer to the Street and Highway
4 Account of the Natural Disaster Assistance Fund.

5 Any moneys received by the director or any state
6 agency after the effective date of this section which, by
7 law, would otherwise be required to be deposited in
8 either of such funds, shall on order of the Controller, be
9 deposited in the State Treasury in the Natural Disaster
10 Assistance Fund.

11 *This section shall remain in effect only until July 1, 1997,*
12 *and as of that date is repealed, unless a later enacted*
13 *statute, that is enacted before July 1, 1997, deletes or*
14 *extends that date.*

15 SEC. 9. Section 8690.25 is added to the Government
16 Code, to read:

17 8690.25. *The Natural Disaster Assistance Fund,*
18 *referred to as "fund" in this article, is hereby created as*
19 *a special fund in the State Treasury. This fund and its*
20 *subsidiary account, the Earthquake Emergency*
21 *Investigations Account, are continuously appropriated,*
22 *without regard to fiscal years, for purposes of this act.*

23 *This section shall become operative on July 1, 1997.*

24 SEC. 10. Section 8690.4 of the Government Code is
25 amended to read:

26 8690.4. The Controller shall establish the following
27 four special accounts in the Natural Disaster Assistance
28 Fund:

29 (a) The Public Facilities and Local Agency Disaster
30 Response Account, into which shall be paid all moneys
31 appropriated by the Legislature for allocation for (1) the
32 repair, restoration, reconstruction, or replacement of
33 facilities belonging to local agencies damaged as a result
34 of natural disasters, (2) matching fund assistance for cost
35 sharing required under federal disaster assistance
36 programs, as specified in subdivisions (b) (c), and (e) of
37 Section 8685, and (3) local agency personnel overtime
38 costs and supplies used during eligible disaster response
39 and recovery activities, including the cost of



1 administering those activities, as specified in subdivisions
2 (a) and (d) of Section 8685.

3 (b) The Street and Highway Account, into which shall
4 be paid all resources transferred from the Street and
5 Highway Disaster Fund, any money received from the
6 federal government as reimbursement to any city or
7 county for expenditures from funds allocated, transferred
8 or expended pursuant to this chapter for a street and
9 highway project, any money hereafter appropriated by
10 the Legislature for allocation for street and highway
11 projects, and any income from investment of moneys in
12 the account and payments by local agencies in
13 reimbursement of moneys disbursed from the account
14 including deferred payments with charges, pursuant to
15 Section 8686.8.

16 (c) The Office of Emergency Services Disaster
17 Administration Support Account, into which shall be paid
18 all moneys appropriated by the Legislature for allocation
19 for state administrative and engineering support
20 required to respond to a specific disaster in accordance
21 with the state disaster assistance program authorized
22 under this chapter.

23 (d) The Earthquake Emergency Investigations
24 Account, into which shall be paid all moneys
25 appropriated by the Legislature to the Seismic Safety
26 Commission for allocation for the purpose of enabling
27 immediate investigation of damaging earthquakes.
28 Allocations may be made by the commission to assist
29 organizations which have incurred expenses in the course
30 of conducting earthquake investigations. Allocations may
31 be made to cover the following expenses:

- 32 (1) Travel, meals, and lodging.
- 33 (2) Publishing of findings.
- 34 (3) Contractor assistance in the investigation.
- 35 (4) Other expenses which the commission may allow
36 as necessary to assist the investigation.

37 The unpredictable nature of earthquakes necessitates
38 immediate access to funds for investigative purposes. For
39 this reason, notwithstanding any other provision of law,
40 funds in the Earthquake Emergency Investigations



1 Account shall be available for expenditure without regard
2 to fiscal years.

3 (e) It is the intent of the Legislature that the Public
4 Facilities and Local Agency Disaster Response Account,
5 the Street and Highway Account, and the Office of
6 Emergency Services Administration Support Account
7 each have an unencumbered balance of one million
8 dollars (\$1,000,000) at the beginning of each fiscal year.

9 In the event that any of these three accounts require
10 additional moneys to meet claims against the account, the
11 Director of Finance may transfer moneys from the
12 Special Fund for Economic Uncertainties to the account
13 in that amount sufficient to pay the amount of the claims
14 that exceed the unencumbered balance in the account,
15 provided that the transfer is not made prior to notification
16 in writing to the Joint Legislative Budget Committee of
17 the reason and amount of transfer.

18 *This section shall remain in effect only until July 1, 1997,*
19 *and as of that date is repealed, unless a later enacted*
20 *statute, that is enacted before July 1, 1997, deletes or*
21 *extends that date.*

22 *SEC. 11. Section 8690.45 is added to the Government*
23 *Code, to read:*

24 *8690.45. (a) The Controller shall establish the*
25 *following special account in the Natural Disaster*
26 *Assistance Fund.*

27 *The Earthquake Emergency Investigations Account,*
28 *into which shall be paid all moneys appropriated by the*
29 *Legislature to the Seismic Safety Commission for*
30 *allocation for the purpose of enabling immediate*
31 *investigation of damaging earthquakes. Allocations may*
32 *be made by the commission to assist organizations that*
33 *have incurred expenses in the course of conducting*
34 *earthquake investigations. Allocations may be made to*
35 *cover the following expenses:*

36 *(1) Travel, meals, and lodging.*

37 *(2) Publishing of findings.*

38 *(3) Contractor assistance in the investigation.*

39 *(4) Other expenses that the commission may allow as*
40 *necessary to assist the investigation.*



1 *The unpredictable nature of earthquakes necessitates*
2 *immediate access to funds for investigative purposes. For*
3 *this reason, notwithstanding any other provision of law,*
4 *funds in the Earthquake Emergency Investigations*
5 *Account shall be available for expenditure without regard*
6 *to fiscal years.*

7 *(b) This section shall become operative on July 1, 1997.*

8 *SEC. 12. Section 8690.6 of the Government Code is*
9 *amended to read:*

10 8690.6. (a) There is hereby established in the
11 Reserve for Economic Uncertainties a Disaster
12 Response-Emergency Operations Account.
13 Notwithstanding Section 13340, moneys in the account
14 are continuously appropriated, *subject to the limitations*
15 *specified in subdivisions (c) and (d),* without regard to
16 fiscal years, for allocation by the Director of Finance to
17 state agencies for disaster response operation costs
18 incurred by state agencies as a result of a state of
19 emergency proclamation by the Governor. These
20 allocations may be for ~~emergency protective measures~~
21 ~~for the preservation of life or property within the state,~~
22 ~~or activities necessary for the resumption of regular state~~
23 ~~and local government operations and services response~~
24 *activities, defined as any activity occurring within 365*
25 *days of a declaration of emergency by the Governor, or*
26 *for recovery activities, defined as any activity occurring*
27 *after the 365th day of a declaration of emergency by the*
28 *Governor.*

29 (b) It is the intent of the Legislature that the Disaster
30 Response-Emergency Operations Account have an
31 unencumbered balance of one million dollars
32 (\$1,000,000) at the beginning of each fiscal year. In the
33 event that this account requires additional moneys to
34 meet claims against the account, the Director of Finance
35 may transfer moneys from the Special Fund for
36 Economic Uncertainties to the account in that amount
37 sufficient to pay the amount of the claims that exceed the
38 unencumbered balance in the account.

39 (c) ~~The~~ *For response activities, as defined, the funds*
40 *shall be allocated subject to the conditions of this section*



1 and in accordance with Section 27.00 of the annual
2 Budget Act, except that the allocations may be made 30
3 days or less after notification of the Legislature pursuant
4 to subdivision (b) of that section.

5 (d) *For recovery activities, as defined, the funds shall*
6 *be allocated subject to the conditions of this section and*
7 *in accordance with all subdivisions of Section 27.00 of the*
8 *annual Budget Act, and shall include the Department of*
9 *Finance's determination as to whether the expenditure*
10 *for which the allocation is to be made was previously*
11 *proposed at some point in the legislative consideration of*
12 *the annual Budget Bill and was not approved and, if the*
13 *expenditure was not approved, for what reasons.*

14 (e) No funds allocated under this section shall be used
15 to supplant federal funds otherwise available in the
16 absence of state financial relief.

17 ~~(e)~~

18 (f) The amount of financial assistance provided to an
19 individual, business, or governmental entity under this
20 section, or pursuant to any other program of state-funded
21 disaster assistance, shall be deducted from sums received
22 in payment of damage claims asserted against the state,
23 its agents, or employees, for causing or contributing to the
24 effects of the proclaimed disaster.

25 ~~(f)~~

26 (g) No public entity administering disaster assistance
27 to individuals shall receive funds under this section unless
28 it administers that assistance pursuant to the following
29 criteria:

30 (1) All applications, forms, and other written materials
31 presented to persons seeking assistance shall be available
32 in English and in the same language as that used by the
33 major non-English-speaking group within the disaster
34 area.

35 (2) Bilingual staff who reflect the demographics of the
36 disaster area shall be available to applicants.

37 ~~(g)~~

38 (h) The Legislature finds and declares that the
39 amendments made to subdivision (c) of this section by
40 Chapter 16 of the Statutes of 1986 declare the intent of the



1 Legislature at the time when this section was originally
2 added to this code by Chapter 1562 of the Statutes of 1985.

3 ~~(h)~~

4 (i) This section shall become inoperative on ~~June 30,~~
5 ~~1996 July 1, 1999,~~ and, as of January 1, ~~1997 2000,~~ is
6 repealed, unless a later enacted statute, which becomes
7 effective on or before January 1, ~~1997 2000,~~ deletes or
8 extends the dates on which it becomes inoperative and is
9 repealed.

10 *SEC. 13. Section 11270 of the Government Code is*
11 *amended to read:*

12 11270. As used in this article “administrative costs”
13 means the amounts expended by the Legislature,
14 Controller, Treasurer, the State Personnel Board, the
15 Department of General Services, the State Board of
16 Control, the State Department of Finance, the Office of
17 Administrative Law, the Department of Personnel
18 Administration, the Secretary of the State and Consumer
19 Services Agency, the Secretary of the Business,
20 Transportation and Housing Agency, the Secretary of the
21 Health and Welfare Agency, the Secretary of the
22 Resources Agency, the Secretary of the Youth and Adult
23 Correctional Agency, ~~and~~ the California State Library,
24 ~~and the Department of Information Technology,~~ and a
25 proration of any other cost to or expense of the state for
26 services or facilities provided for the Legislature and the
27 above agencies, for supervision or administration of the
28 state government or for services to the various state
29 agencies.

30 *SEC. 14. Section 13308 of the Government Code, as*
31 *added by Chapter 455 of the Statutes of 1990, is repealed.*

32 ~~13308. (a) The Director of Finance shall provide to~~
33 ~~the Legislature, on or before May 21 of each year, an~~
34 ~~estimate of the general fund revenues for the ensuing~~
35 ~~fiscal year and an estimate of general fund workload~~
36 ~~budget for the ensuing fiscal year.~~

37 ~~(b) If the estimate of general fund revenues is more~~
38 ~~than .5 percent less than the estimated general fund~~
39 ~~workload budget, and the director so certifies to the~~
40 ~~Commission on State Finance, adjustments shall be made~~



1 to general fund appropriations pursuant to subdivision
2 (e) on July 1 of the ensuing fiscal year if the Commission
3 on State Finance certifies the general accuracy of the
4 estimates. If the commission fails to make the certification
5 within 14 days of receiving the estimates and does not
6 submit its reasons for refusing to do so to the Legislature
7 and Governor in writing within the 14-day period, it shall
8 be deemed to have certified the estimates.

9 (e) If the estimates are certified by the Commission on
10 State Finance or are deemed to be certified pursuant to
11 subdivision (b), appropriations from the general fund,
12 except appropriations required by operation of the
13 Constitution, shall be reduced by the same percentage as
14 the difference between estimated general fund revenues
15 and the projected general fund workload budget, on a pro
16 rata basis.

17 (d) Notwithstanding any other provision of law, in the
18 event a general fund appropriation which is reduced
19 pursuant to subdivision (e) is for a program under which
20 individuals other than an officer or employee of the state
21 receive an amount determined pursuant to statute,
22 whether that amount is an entitlement or not, that
23 amount shall be reduced by the same percentage as the
24 general fund appropriation from which that payment is
25 made is reduced.

26 (e) The total amount of any reduction in any general
27 fund appropriation pursuant to this section in any fiscal
28 year shall not exceed four percent of the appropriation
29 being reduced.

30 (f) The Legislature may suspend the operation of this
31 section for a fiscal year in which general fund
32 appropriations would otherwise be reduced pursuant to
33 subdivision (e). The suspension may be in the Budget
34 Act.

35 *SEC. 15. Section 13308 of the Government Code, as*
36 *added by Chapter 458 of the Statutes of 1990, is repealed.*

37 13308. (a) The Director of Finance shall provide to
38 the Legislature, on or before May 21 of each year, an
39 estimate of the General Fund revenues for the ensuing



1 ~~fiscal year and an estimate of General Fund workload~~
2 ~~budget for the ensuing fiscal year.~~

3 ~~(b) If the estimate of General Fund revenues is more~~
4 ~~than .5 percent less than the estimated General Fund~~
5 ~~workload budget, and the director so certifies to the~~
6 ~~Commission on State Finance, adjustments shall be made~~

7 ~~to General Fund appropriations pursuant to subdivision~~
8 ~~(c) on July 1 of the ensuing fiscal year if the Commission~~
9 ~~on State Finance certifies the general accuracy of the~~
10 ~~estimates. If the commission fails to make the certification~~
11 ~~within 14 days of receiving the estimates and does not~~
12 ~~submit its reasons for refusing to do so to the Legislature~~
13 ~~and Governor in writing within the 14 day period, it shall~~
14 ~~be deemed to have certified the estimates.~~

15 ~~(c) If the estimates are certified by the Commission on~~
16 ~~State Finance or are deemed to be certified pursuant to~~
17 ~~subdivision (b), appropriations from the General Fund,~~
18 ~~except appropriations required by operation of the~~
19 ~~Constitution, shall be reduced by the same percentage as~~
20 ~~the difference between estimated General Fund~~
21 ~~revenues and the estimated General Fund workload~~
22 ~~budget, on a pro rata basis.~~

23 ~~(d) Notwithstanding any other provision of law, in the~~
24 ~~event a General Fund appropriation which is reduced~~
25 ~~pursuant to subdivision (c) is for a program under which~~
26 ~~individuals other than an officer or employee of the state~~
27 ~~receive an amount determined pursuant to statute,~~
28 ~~whether that amount is an entitlement or not, that~~
29 ~~amount shall be reduced by the same percentage as the~~
30 ~~General Fund appropriation from which that payment is~~
31 ~~made is reduced.~~

32 ~~(e) The total amount of any reduction in any General~~
33 ~~Fund appropriation pursuant to this section in any fiscal~~
34 ~~year shall not exceed four percent of the appropriation~~
35 ~~being reduced.~~

36 ~~(f) The Legislature may suspend the operation of this~~
37 ~~section for a fiscal year in which General Fund~~
38 ~~appropriations would otherwise be reduced pursuant to~~
39 ~~subdivision (c). The suspension may be in the Budget~~
40 ~~Act.~~



1 SEC. 16. Section 13308 is added to the Government
2 Code, to read:

3 13308. (a) The Director of Finance shall provide to
4 the Legislature, on or before February 1 of each year, all
5 proposed statutory changes, as prepared by the
6 Legislative Counsel, that are necessary to implement the
7 Governor’s Budget, as described in subdivision (a) of
8 Section 13337.

9 (b) The Director of Finance shall provide to the
10 Legislature, on or before April 1 of each year, all proposed
11 adjustments to the Governor’s Budget except as specified
12 by subdivisions (c) and (d).

13 (c) The Director of Finance shall provide to the
14 Legislature, on or before May 1 of each year, all proposed
15 adjustments to the Governor’s Budget in appropriations
16 for capital outlay.

17 (d) The Director of Finance shall provide to the
18 Legislature, on or before May 14 of each year, all of the
19 following:

20 (1) An estimate of General Fund revenues for the
21 current fiscal year and for the ensuing fiscal year.

22 (2) Any proposals to reduce expenditures to reflect
23 updated revenue estimates.

24 (3) All proposed adjustments to the Governor’s
25 Budget that are necessary to reflect updated estimates of
26 state funding required pursuant to Section 8 of Article
27 XVI of the California Constitution, or to reflect caseload
28 enrollment or population changes.

29 (e) The Director of Finance may authorize suspension
30 for the current fiscal year of any provision of this section
31 not sooner than 30 days after notification in writing of the
32 necessity therefor to the chairperson of the committee in
33 each house that considers the state budget and the
34 Chairperson of the Joint Legislative Budget Committee.

35 SEC. 17. Section 50531 of the Health and Safety Code
36 is amended to read:

37 50531. (a) The Urban Housing Development Loan
38 Fund established in the State Treasury is hereby renamed
39 the Urban Predevelopment Loan Fund.



1 (b) Notwithstanding Section 13340 of the
2 Government Code, all money in the fund, including any
3 interest on loans made from the fund, is hereby
4 continuously appropriated to the department for
5 carrying out the purposes of this chapter and for repaying
6 any transfer made to the fund pursuant to Section 50748.1,
7 together with interest as provided in that section. The
8 fund shall be a revolving loan fund ~~which~~ *that* shall be
9 used to make predevelopment loans and land purchase
10 loans to eligible sponsors for assisted housing in urban
11 areas, for occupancy primarily by persons of low income.

12 (c) All interest, dividends, and pecuniary gains from
13 investments or deposits of moneys in the fund shall accrue
14 to the fund, notwithstanding Section 16305.7 of the
15 Government Code.

16 There shall be paid into the fund all of the following:

17 (1) Any moneys appropriated and made available by
18 the Legislature for the purposes of the fund.

19 (2) Any moneys ~~which~~ *that* the department receives
20 *prior to July 1, 1996*, in repayment of loans made from the
21 fund, including any interest on loans made from the fund.

22 (3) Any other moneys ~~which~~ *that* may be made
23 available to the department *prior to July 1, 1996*, for the
24 purposes of this chapter from any other source.

25 (d) *Notwithstanding any other provision of law, on or*
26 *after July 1, 1996, the unencumbered fund balance shall*
27 *be transferred to the Rental Housing Construction Fund*
28 *and subsequent income and other resources received by*
29 *the department pursuant to this section shall be*
30 *deposited in the Rental Housing Construction Fund.*

31 *SEC. 18. Section 50661 of the Health and Safety Code*
32 *is amended to read:*

33 50661. (a) There is hereby created in the State
34 Treasury the Housing Rehabilitation Loan Fund. All
35 interest or other increments resulting from the
36 investment of moneys in the Housing Rehabilitation
37 Loan Fund shall be deposited in the fund,
38 notwithstanding Section 16305.7 of the Government
39 Code. Notwithstanding Section 13340 of the Government



1 Code, all money in the fund is continuously appropriated
2 to the department for the following purposes:

3 (1) For making deferred-payment rehabilitation loans
4 for financing all or a portion of the cost of rehabilitating
5 existing housing to meet rehabilitation standards; as
6 provided in this chapter.

7 (2) For making deferred-payment loans ~~pursuant to~~ as
8 *provided in* Sections 50668.5, 50669, and 50670.

9 (3) For making deferred-payment loans pursuant to
10 Sections 50662.5 and 50671.

11 (4) ~~For related~~ *Subject to the restrictions of Section*
12 *53131, if applicable, for administrative expenses of the*
13 *department made pursuant to this chapter, Article 3*
14 *(commencing with Section 50693) of Chapter 7.5, and*
15 *Chapter 10 (commencing with Section 50775).*

16 (5) For related administrative costs of nonprofit
17 corporations and local public entities contracting with
18 the department pursuant to Section 50663 in an amount,
19 if any, as determined by the department, to enable the
20 entities and corporations to implement a program
21 pursuant to this chapter. The department shall ensure
22 that not less than 20 percent of the funds loaned pursuant
23 to this chapter shall be allocated to rural areas. For
24 purposes of this chapter “rural area” shall have the same
25 meaning as in Section 50199.21.

26 (b) There shall be paid into the fund the following:

27 (1) Any moneys appropriated and made available by
28 the Legislature for purposes of the fund.

29 (2) Any moneys *that* the department receives in
30 repayment of loans made from the fund, including any
31 interest thereon.

32 (3) Any other moneys that may be made available to
33 the department for the purposes of this chapter from any
34 other source or sources.

35 (4) *Moneys transferred or deposited to the fund*
36 *pursuant to Sections 50661.5 and 50778.*

37 (c) Notwithstanding any other provision of law, any
38 interest or other increment earned by the investment or
39 deposit of moneys appropriated by subdivision (b) of
40 Section 3 of Chapter 2 of the Statutes of the 1987–88 First



1 Extraordinary Session, or Section 7 of Chapter 4 of the
2 Statutes of the 1987–88 First Extraordinary Session, shall
3 be deposited in a special account in the Housing
4 Rehabilitation Loan Fund and shall be used exclusively
5 for purposes of Sections 50662.5 and 50671.

6 *(d) Notwithstanding any other provision of law,*
7 *effective with the date of the act adding this subdivision,*
8 *appropriations authorized by the Budget Act of 1996 for*
9 *support of the Department of Housing and Community*
10 *Development from the California Disaster Housing*
11 *Repair Fund and the California Homeownership*
12 *Assistance Fund shall instead be authorized for*
13 *expenditure from the Housing Rehabilitation Loan Fund.*

14 *SEC. 19. Section 50661.5 of the Health and Safety*
15 *Code is amended to read:*

16 50661.5. (a) There is hereby created in the State
17 Treasury the California Disaster Housing Repair Fund,
18 into which shall be paid all moneys appropriated by the
19 Legislature pursuant to subdivision (b) or transferred
20 pursuant to subdivision (c) for housing repair loans
21 pursuant to Sections 50662.7, 50671.5, and 50671.6. All
22 interest or other increments resulting from the
23 investment of moneys in the California Disaster Housing
24 Repair Fund shall be deposited in the fund,
25 notwithstanding Section 16305.7 of the Government
26 Code. Notwithstanding Section 13340 of the Government
27 Code, all money in that fund is continuously appropriated
28 to the department for the following purposes:

29 (1) For making deferred-payment loans and
30 predevelopment loans pursuant to Sections 50662.7,
31 50671.5, and 50671.6.

32 (2) For related administrative expenses of the
33 department.

34 (3) For related administrative expenses of any entity
35 contracting with the department, pursuant to Sections
36 50662.7, 50671.5, and 50671.6 in an amount, if any, as
37 determined by the department, to enable the entities to
38 implement a program pursuant to those sections.

39 (4) For providing loan guarantees for disaster-related
40 loans made by private institutional lending sources.



1 (b) There shall be paid into the fund the following:

2 (1) Any moneys appropriated and made available by
3 the Legislature for purposes of the fund.

4 (2) Any moneys transferred from the Special Fund for
5 Economic Uncertainties *prior to July 1, 1996*, pursuant to
6 subdivision (c).

7 (3) Any other moneys which may be made available to
8 the department *prior to July 1, 1996*, for the purposes of
9 this section from any other source or sources.

10 (4) The director may authorize the sale of the
11 beneficiary interest of loans made pursuant to Section
12 50662.7. The proceeds from that sale *prior to July 1, 1996*,
13 shall be deposited into the California Disaster Housing
14 Repair Fund. *Proceeds from that sale after July 1, 1996*,
15 shall be deposited in the General Fund.

16 (c) (1) To the extent that funds are not available, the
17 Department of Housing and Community Development
18 shall submit to the Department of Finance, within 90 days
19 after a disaster, a deficiency request based on a minimum
20 funding level based on a damage survey completed by the
21 Office of Emergency Services and the Federal
22 Emergency Management Agency. The request shall
23 distinguish between owner-occupied housing of one to
24 four units and rental housing of five or more units.

25 (2) Upon receipt of the deficiency request from the
26 Department of Housing and Community Development
27 pursuant to paragraph (1), the Department of Finance
28 shall make a funding determination and notify the
29 Legislature of the approval or disapproval of the
30 deficiency amount. Any deficiency amount approved
31 shall distinguish between owner-occupied housing of one
32 to four units and rental housing of five or more units.

33 (3) Any payments made pursuant to this subdivision
34 from funds made available under Section 50671.5 shall be
35 matched by a corresponding and equal payment from
36 funds made available under Section 50671.6, except that,
37 upon the determination of the Director of Finance that
38 one of the two rental repair programs has excess funds,
39 moneys from that fund may be used for either of the other
40 two disaster repair programs.



1 (d) In the event of a natural disaster, as defined in
2 Section 8680.3 of the Government Code, the Director of
3 Finance may transfer moneys from the Special Fund for
4 Economic Uncertainties established by Section 16418 of
5 the Government Code to the California Disaster Housing
6 Repair Fund, provided the transfer is not made sooner
7 than 30 days after notification in writing of the necessity
8 therefor is provided to the Joint Legislative Budget
9 Committee.

10 (e) ~~Payments~~ *Notwithstanding any other provision of*
11 *law, on or after July 1, 1996, the unencumbered fund*
12 *balance and reserves shall be transferred to the Housing*
13 *Rehabilitation Loan Fund and subsequent income and*
14 *other resources payable pursuant to Sections 50662.7,*
15 *50671.5, and 50671.6, shall be deposited to the Housing*
16 *Rehabilitation Loan Fund, except that payments of*
17 *principal and interest on loans issued pursuant to Sections*
18 *50662.7, 50671.5, and 50671.6 shall be deposited in the*
19 *General Fund.*

20 (f) In making funds available to disaster victims
21 pursuant to Sections 50662.7, 50671.5, and 50671.6, the
22 department shall impose a one-year deadline for
23 submission of applications.

24 (g) Any changes made on or after January 1, 1994, to
25 any program funded by the California Disaster Housing
26 Repair Fund shall not apply to applications submitted on
27 or before December 31, 1993. The department may
28 administer the program in accordance with guidelines
29 until regulations are adopted.

30 *SEC. 20. Section 50697.1 of the Health and Safety*
31 *Code is amended to read:*

32 50697.1. (a) The Self-Help Housing Fund is hereby
33 created in the State Treasury. Notwithstanding Section
34 13340 of the Government Code, all moneys in the fund are
35 continuously appropriated for contracts entered into
36 pursuant to subdivision (b) of Section 50696 and for costs
37 incurred by the California Self-Help Housing Program in
38 administering the program. The moneys in the fund are
39 not subject to transfer to any other fund pursuant to Part
40 2 (commencing with Section 16300) of Division 4 of Title



1 2 of the Government Code, except the Surplus Money
2 Investment Fund. The department may require the
3 transfer of moneys in the fund to the Surplus Money
4 Investment Fund for investment pursuant to Article 4
5 (commencing with Section 16470) of Chapter 3 of Part 2
6 of Division 4 of Title 2 of the Government Code.
7 Notwithstanding Section 16305.7 of the Government
8 Code, all interest, dividends, and pecuniary gains from
9 the investments shall accrue to the fund.

10 (b) The Self-Help Housing Fund shall consist of all of
11 the following:

12 (1) Any moneys appropriated to the fund by the
13 Legislature.

14 (2) Any moneys which the California Self-Help
15 Housing Program receives in repayment or return of the
16 funds, including any interest on those moneys.

17 (3) Any other moneys which may be made available to
18 the California Self-Help Housing Program for the
19 purposes of subdivision (b) of Section 50696 from any
20 other source or sources.

21 ~~(c) (1) Notwithstanding any other provision of law,
22 commencing on July 1, 1992, the department shall not be
23 required to make loans pursuant to this chapter. Except
24 as set forth in paragraph (2), moneys that would
25 otherwise be available for purposes of this chapter, or be
26 paid or accrue to the fund pursuant to subdivision (a) or
27 (b), shall be transferred to the General Fund.~~

28 ~~(2) The department may retain within the fund
29 moneys necessary for administration and monitoring of
30 loans made prior to July 1, 1992.~~

31 *SEC. 21. Section 50740 of the Health and Safety Code*
32 *is amended to read:*

33 50740. (a) The Rental Housing Construction
34 Incentive Fund established in the State Treasury is
35 hereby renamed the Rental Housing Construction Fund.
36 Notwithstanding Section 13340 of the Government Code,
37 all money in the fund is hereby continuously
38 appropriated to the Department of Housing and
39 Community Development, and, except as provided in
40 subdivisions (b) and (c), shall be utilized for purposes of



1 this chapter and for the purposes of Section 50775.5,
2 Chapter 3.2 (commencing with Section 50517.5),
3 Chapter 3.5 (commencing with Section 50530), and
4 Chapter 15 (commencing with Section 50880). All
5 interest or other increment resulting from investment or
6 deposit of moneys in the fund shall be deposited in the
7 fund, notwithstanding Section 16305.7 of the
8 Government Code. Moneys in the fund shall not be
9 subject to transfer to any other fund pursuant to Part 2
10 (commencing with Section 16300) of Division 4 of Title
11 2 of the Government Code, except the Surplus Money
12 Investment Fund.

13 (b) Money from the fund utilized by the agency for
14 development costs which was repaid to the agency or
15 disencumbered between June 30, 1982, and June 30, 1983,
16 and any additional funds or interest which is available for
17 encumbrance on June 30, 1983, shall be deposited in a
18 separate account in the fund and utilized as follows:

19 (1) Eight million one hundred thousand dollars
20 (\$8,100,000) shall be utilized by the agency for activities
21 authorized by Article 4.5 (commencing with Section
22 51180) of Chapter 5 of Part 3.

23 (2) Five hundred thousand dollars (\$500,000) shall be
24 transferred by the agency to the department for deposit
25 in the Rural Community Facility Grant Fund, established
26 pursuant to Section 6125, and utilized to carry out the
27 program established by Chapter 11 (commencing with
28 Section 6120) of Part 3 of Division 5.

29 (3) Three million dollars (\$3,000,000) shall be
30 transferred by the agency to the department and
31 deposited in the Housing Rehabilitation Loan Fund,
32 established pursuant to Section 50661, and utilized for
33 making deferred payment loans for residential hotels as
34 authorized by subdivision (b) of Section 50661 and for
35 purposes of subdivision (c) of Section 50661.

36 (4) One million seven hundred thousand dollars
37 (\$1,700,000) shall be transferred by the agency to the
38 department for deposit in the Emergency Housing and
39 Assistance Fund, established pursuant to Section 50800.



1 (5) Two million five hundred thousand dollars
2 (\$2,500,000) shall be transferred by the agency to the
3 Trustees of the California State University for deposit in
4 the Affordable Student Housing Revolving Fund,
5 established pursuant to Section 90087 of the Education
6 Code, and utilized to carry out the program established
7 by Article 3 (commencing with Section 90085) of Chapter
8 8 of Part 55 of the Education Code.

9 (6) Three hundred thousand dollars (\$300,000) shall
10 be transferred by the agency to the department and
11 utilized to carry out the program established by Chapter
12 3.6 (commencing with Section 50533).

13 (7) Four million two hundred thousand dollars
14 (\$4,200,000) shall be transferred by the agency to the
15 department for deposit in the annuity fund, established
16 pursuant to Section 50738.5, and utilized for the purposes
17 authorized by that section.

18 (c) An amount not to exceed four million dollars
19 (\$4,000,000) of the moneys from the fund utilized by the
20 agency for development costs which is repaid to the
21 agency or disencumbered on or after July 1, 1983, shall be
22 deposited in the separate account established pursuant to
23 subdivision (b) and utilized and apportioned in
24 accordance with the following percentages as it becomes
25 available:

26 (1) Fifty percent of the moneys shall be transferred by
27 the agency to the department and deposited in the
28 Housing Rehabilitation Loan Fund, established pursuant
29 to Section 50661, and utilized for the purposes specified
30 in paragraph (3) of subdivision (b).

31 (2) Twenty-five percent of the moneys shall be
32 transferred by the agency to the department for deposit
33 in the Emergency Housing and Assistance Fund,
34 established pursuant to Section 50800, and utilized for the
35 purposes specified in paragraph (4) of subdivision (b).

36 (3) Twenty-five percent of the moneys shall be
37 transferred by the agency to the department for deposit
38 in the annuity fund, established pursuant to Section
39 50738.5, and utilized for the purposes specified in
40 paragraph (7) of subdivision (b).



1 (d) Notwithstanding any other provision of law,
2 effective with the date of the act adding this subdivision,
3 appropriations authorized for support of the Department
4 of Housing and Community Development from the
5 Family Housing Demonstration Account and the Urban
6 Predevelopment Loan Fund shall instead be authorized
7 for expenditure from the Rental Housing Construction
8 Fund.

9 SEC. 22. Section 50778 of the Health and Safety Code
10 is amended to read:

11 50778. (a) The Homeownership Assistance Fund is
12 hereby created in the State Treasury and,
13 notwithstanding Section 13340 of the Government Code,
14 is continually appropriated to the department for
15 purposes of this chapter, including Section 50775.5, and
16 for the purposes of Section 50745.1. Any moneys received
17 by the department pursuant to this chapter shall be
18 deposited in such fund. All interest or other increment
19 resulting from investment or deposit of moneys in the
20 fund shall be deposited in the fund, notwithstanding
21 Section 16305.7 of the Government Code. Moneys in the
22 fund shall not be subject to transfer to any other fund
23 pursuant to any provisions of Part 2 (commencing with
24 Section 16300) of Division 4 of Title 2 of the Government
25 Code, excepting the Surplus Money Investment Fund.

26 (b) Not less than 50 percent of the moneys in the fund
27 shall be used to assist lower-income households. Not less
28 than 20 percent of the units assisted shall be in rural areas.

29 (c) Funds available for the purpose of this chapter
30 shall be allocated by the department throughout the state
31 in accordance with identified housing needs.

32 (d) (1) Notwithstanding any other provision of law,
33 commencing on July 1, 1992, the department shall not be
34 required to make loans pursuant to this chapter. ~~Except~~
35 ~~as set forth in paragraph (2), moneys that would~~
36 ~~otherwise be available for purposes of this chapter, or be~~
37 ~~paid or accrue to the fund pursuant to subdivision (a),~~
38 ~~(b), or (c), shall be transferred to the General Fund.~~

39 (2) The department may retain within the fund
40 moneys necessary for administration and monitoring of



1 loans made prior to July 1, 1992, to make loans pursuant
2 to loan commitments made prior to July 1, 1992. The
3 department may also retain reserves for curing or
4 averting a default that would jeopardize any security
5 interest of the department.

6 (3) *Notwithstanding any other provision of law, on or*
7 *after July 1, 1996, the unencumbered fund balance and*
8 *reserves shall be transferred to the Housing*
9 *Rehabilitation Loan Fund. Subsequent income and*
10 *resources shall be deposited to the Housing*
11 *Rehabilitation Loan Fund.*

12 SEC. 23. *Section 50882 of the Health and Safety Code*
13 *is amended to read:*

14 50882. (a) The Family Housing Demonstration
15 Account is hereby established in the Rental Housing
16 Construction Fund. The account shall be organized into
17 subaccounts as provided in this chapter. All of the
18 following moneys shall be paid into the account:

19 (1) Any moneys appropriated and made available by
20 the Legislature for the purposes of the account.

21 (2) Any moneys which the department receives *prior*
22 *to July 1, 1996*, in repayment or return of loans made from
23 the account, including any interest on those loans.

24 (3) Any other moneys which may be made available to
25 the department *prior to July 1, 1996*, for the purposes of
26 this chapter from any other source or sources.

27 (b) Notwithstanding Section 13340 of the
28 Government Code, all money in the account is hereby
29 continuously appropriated to the department and shall
30 be utilized for the purposes of Article 1 (commencing
31 with Section 50880) to Article 4 (commencing with
32 Section 50893), inclusive, including administrative
33 expenses of the department for the implementation and
34 operation of the programs created by this chapter. All
35 interest or other increment resulting from investment or
36 deposit of moneys in the account shall be deposited in the
37 account, notwithstanding Section 16305.7 of the
38 Government Code. Moneys in the account are not subject
39 to transfer to any other fund, except as set forth in this
40 chapter, pursuant to any provision of Part 2



1 (commencing with Section 16300) of Division 4 of Title
2 2 of the Government Code, except the Surplus Money
3 Investment Fund.

4 (c) Money available for loans in the account shall be
5 utilized and apportioned in accordance with the
6 following percentages unless the terms of the transfers or
7 deposit provide otherwise:

8 (1) Not less than 25 percent, nor more than 35 percent,
9 shall be utilized for congregate housing developments
10 pursuant to this chapter.

11 (2) The balance shall be utilized for community
12 housing developments pursuant to this chapter.

13 (d) *Notwithstanding any other provision of law, on or*
14 *after July 1, 1996, the unencumbered account balance and*
15 *reserves shall be transferred out of the Family Housing*
16 *Demonstration Account, but shall be retained within the*
17 *Rental Housing Construction Fund.*

18 *SEC. 24. Section 2105.1 is added to the Streets and*
19 *Highways Code to read:*

20 *2105.1. Notwithstanding Section 2105, the Solano*
21 *County municipal court fines and forfeitures collected*
22 *pursuant to Section 40508 of the Vehicle Code during*
23 *fiscal years 1986-87 to 1988-89, inclusive, in the amount of*
24 *four hundred twenty-six thousand three hundred*
25 *eighty-one dollars (\$426,381) shall be deposited in the*
26 *General Fund of Solano County.*

27 *SEC. 25. Section 11453.05 of the Welfare and*
28 *Institutions Code is repealed.*

29 ~~11453.05. Notwithstanding any other provision of this~~
30 ~~article, on July 1 of any fiscal year for which General Fund~~
31 ~~appropriations are reduced pursuant to subdivision (c) of~~
32 ~~Section 13308 of the Government Code, the amount~~
33 ~~otherwise payable under Section 11452, subdivision (a) of~~
34 ~~Section 11450, and Section 11453 shall be reduced by an~~
35 ~~amount equal to the amount otherwise payable,~~
36 ~~multiplied by the percentage reduction in General Fund~~
37 ~~appropriations pursuant to subdivision (c) of Section~~
38 ~~13308 of the Government Code. In no event, shall the~~
39 ~~reduction under this paragraph exceed 4 percent of the~~



~~1 amount otherwise payable or the amount of any cost of
2 living increase otherwise payable, whichever is less.~~

~~3 SEC. 26. Section 12201.05 of the Welfare and
4 Institutions Code is repealed.~~

~~5 12201.05. Notwithstanding any other provision of this
6 article, on July 1 of any fiscal year for which General Fund
7 appropriations are reduced pursuant to subdivision (c) of
8 Section 13308 of the Government Code, the amount of aid
9 otherwise payable under this article shall be reduced by
10 an amount equal to the amount otherwise payable,
11 multiplied by the percentage reduction in General Fund
12 appropriations pursuant to subdivision (c) of Section
13 13308 of the Government Code. In no event, shall the
14 reduction under this paragraph exceed 4 percent of the
15 amount otherwise payable or the amount of any cost of
16 living increase otherwise payable, whichever is less.~~

~~17 SEC. 27. Section 12303.51 of the Welfare and
18 Institutions Code as added by Chapter 455 of the Statutes
19 of 1990 is repealed:~~

~~20 12303.51. On July 1 of any fiscal year for which general
21 fund appropriations are reduced pursuant to subdivision
22 (e) of Section 13308 of the Government Code, the
23 amount otherwise payable under this article shall be
24 reduced by an amount equal to the amount otherwise
25 payable, multiplied by the percentage reduction in
26 general fund appropriations pursuant to subdivision (e)
27 of Section 13308 of the Government Code. In no event,
28 shall the reduction under this Section exceed 4 percent of
29 the amount otherwise payable or the amount of any
30 cost-of-living increase otherwise payable, whichever is
31 less.~~

~~32 SEC. 28. Section 12303.51 of the Welfare and
33 Institutions Code as added by Chapter 458 of the Statutes
34 of 1990 is repealed:~~

~~35 12303.51. On July 1 of any fiscal year for which
36 General Fund appropriations are reduced pursuant to
37 subdivision (e) of Section 13308 of the Government Code,
38 the amount otherwise payable under this article shall be
39 reduced by an amount equal to the amount otherwise
40 payable, multiplied by the percentage reduction in~~



1 ~~General Fund appropriations pursuant to subdivision (e)~~
2 ~~of Section 13308 of the Government Code. In no event,~~
3 ~~shall the reduction under this section exceed 4 percent of~~
4 ~~the amount otherwise payable or the amount of any cost~~
5 ~~of living increase otherwise payable, whichever is less.~~

6 *SEC. 29. Section 14029 of the Welfare and Institutions*
7 *Code as added by Chapter 455 of the Statutes of 1990 is*
8 *repealed:*

9 ~~14029. On July 1 of any fiscal year for which general~~
10 ~~fund appropriations are reduced pursuant to subdivision~~
11 ~~(e) of Section 13308 of the Government Code, the~~
12 ~~amounts otherwise payable to providers under this~~
13 ~~chapter shall be reduced by an amount equal to the~~
14 ~~amount otherwise payable, multiplied by the percentage~~
15 ~~reduction in general fund appropriations pursuant to~~
16 ~~subdivision (e) of Section 13308 of the Government Code.~~
17 ~~In no event, shall the reduction under this paragraph~~
18 ~~exceed 4 percent of the amount otherwise payable or the~~
19 ~~amount of any cost-of-living increase otherwise payable,~~
20 ~~whichever is less.~~

21 *SEC. 30. Section 14029 of the Welfare and Institutions*
22 *Code as added by Chapter 458 of the Statutes of 1990 is*
23 *repealed:*

24 ~~14029. On July 1 of any fiscal year for which General~~
25 ~~Fund appropriations are reduced pursuant to subdivision~~
26 ~~(e) of Section 13308 of the Government Code, the~~
27 ~~amounts otherwise payable to providers under this~~
28 ~~chapter shall be reduced by an amount equal to the~~
29 ~~amount otherwise payable, multiplied by the percentage~~
30 ~~reduction in General Fund appropriations pursuant to~~
31 ~~subdivision (e) of Section 13308 of the Government Code.~~
32 ~~In no event, shall the reduction under this paragraph~~
33 ~~exceed 4 percent of the amount otherwise payable or the~~
34 ~~amount of any cost of living increase otherwise payable,~~
35 ~~whichever is less.~~

36 *SEC. 31. Section 16702.01 of the Welfare and*
37 *Institutions Code is repealed.*

38 ~~16702.01. Notwithstanding any provision of Section~~
39 ~~16702, on July 1 of any fiscal year for which General Fund~~
40 ~~appropriations are reduced pursuant to subdivision (e) of~~



1 ~~Section 13308 of the Government Code, the amount~~
 2 ~~otherwise payable under Section 16702 shall be reduced~~
 3 ~~by an amount equal to the amount otherwise payable,~~
 4 ~~multiplied by the percentage reduction in General Fund~~
 5 ~~appropriations pursuant to subdivision (e) of Section~~
 6 ~~13308 of the Government Code. In no event, shall the~~
 7 ~~reduction under this paragraph exceed 4 percent of the~~
 8 ~~amount otherwise payable.~~

9 *SEC. 32. Any appropriation made for support of the*
 10 *State Banking Department for supervision and*
 11 *regulation of savings associations, payable from the*
 12 *Savings Association Special Regulatory Fund, shall be*
 13 *deemed to be made for support of the Department of*
 14 *Savings and Loan for supervision and regulation of*
 15 *savings associations, payable from the Savings Association*
 16 *Special Regulatory Fund.*

17 *SEC. 33. This act is an urgency statute necessary for*
 18 *the immediate preservation of the public peace, health,*
 19 *or safety within the meaning of Article IV of the*
 20 *Constitution and shall go into immediate effect. The facts*
 21 *constituting the necessity are:*

22 *In order for necessary statutory changes to implement*
 23 *the Budget Act of 1996 to take effect at the earliest*
 24 *possible time, it is necessary that this act take effect*
 25 *immediately.*

