AMENDED IN SENATE JULY 16, 2009

AMENDED IN SENATE MAY 12, 2009

Senate Constitutional Amendment No. 2

Introduced by Senator Wyland
(Principal coauthor: Assembly Member Emmerson)
(Coauthor: Senator Strickland)
(Coauthors: Assembly Members DeVore and Silva)

December 1, 2008

Senate Constitutional Amendment No. 2—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending, repealing, and adding Sections 3, 8, 10, 11, and 12 of Article IV thereof, by amending, repealing, and adding Section 6 of Article XIX thereof, and by amending, repealing, and adding Section 1 of Article XIX A thereof, relating to legislative sessions.

LEGISLATIVE COUNSEL'S DIGEST

SCA 2, as amended, Wyland. Revised biennial session.

(1) The California Constitution requires the Legislature to convene in regular biennial session at noon on the first Monday in December of each even-numbered year to consider legislation and the Budget Bill.

This measure would require the Legislature to convene in regular biennial session, but would require, commencing on December 6, 2010, that the sessions held in odd-numbered years be budget sessions, and sessions held in even-numbered years be general sessions. The measure would require the Legislature in the budget session to adopt ~~budget bills~~ *Budget Bills* for each of the ~~two~~ *2* subsequent fiscal years. The measure would prohibit the Legislature, during a budget session, from considering legislation other than the ~~budget bills~~ *Budget Bills* and related revenue bills, except bills addressing a declared state of emergency or urgency statutes. Urgency statutes would require a $\frac{3}{4}$ vote of the membership in each house for passage during a budget session.

The measure would provide that at general sessions the Legislature may consider any legislation other than ~~budget bills~~ *Budget Bills*, except under specified conditions.

(2) The California Constitution requires that a budget be submitted by the Governor, and that the Legislature pass a Budget Act on or before June 15. Funds may be expended from the State Treasury for support of the state government only through an appropriation made by the Legislature.

This measure would require, in each odd-numbered calendar year, commencing in 2011, that the Governor submit to the Legislature ~~two~~ *2* proposed budgets for the ~~two~~ *2* subsequent fiscal years, respectively.

The measure would provide, commencing with the 2011–12 fiscal year, that if the Budget Act is not enacted by July 1, unspecified amounts are appropriated from the General Fund and other funds and sources to the Controller for allocation by the Director of Finance to pay the current expenses for critical services of the state government, excluding salaries and per diem of Members of the Legislature, not exceeding the amounts expended to fund those services for the preceding fiscal year.

(3) The California Constitution authorizes each house of the Legislature to provide for the selection of committees necessary for the conduct of its business, including committees to ascertain facts and make recommendations to the Legislature on a subject within the scope of legislative control.

This measure would require, during a budget session, that each standing policy committee of each house of the Legislature function as a budget subcommittee to make recommendations, to the standing committee of each house of the Legislature that considers the budget, proposed amendments to the pending ~~budget bill~~ *Budget Bill*, relative to the adoption or modification of ~~budget bill~~ *Budget Bill* matters within the subject area of the standing policy committee. The measure would, after each ~~budget bill~~ *Budget Bill* has been passed, require each standing policy committee to meet for purposes of oversight and review of programs within the subject area of the committee.

(4) The California Constitution permits revenues from taxes imposed by the ~~State~~ *state* on motor vehicle fuels and funds in the Public Transportation Account in the State Transportation Fund to be loaned to the General Fund. That loan is required to be repaid in full either

during the same fiscal year in which the loan was made or within 3 fiscal years from the date on which the loan was made if specified conditions apply. If the loan is to be repaid in full during the same fiscal year, the repayment may be delayed until a date not more than 30 days after the date of enactment of the ~~budget bill~~ *Budget Bill* for the subsequent fiscal year.

The measure would provide that the repayment may be delayed until a date not more than 30 days after the date of enactment of the ~~budget bill~~ *Budget Bill* for the subsequent fiscal year, or July 31 of that subsequent fiscal year, whichever is later.

Vote: ⅔. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Resolved by the Senate, the Assembly concurring, That the Legislature of the State of California at its 2009–10 Regular Session commencing on the first day of December 2008, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California that the Constitution of the State be amended as follows:

First—That Section 3 of Article IV thereof is amended to read:

SEC. 3. (a) The Legislature shall convene in regular session at noon on the first Monday in December of each even-numbered year and each house shall immediately organize. Each session of the Legislature shall adjourn sine die by operation of the Constitution at midnight on November 30 of the following even-numbered year.

(b) On extraordinary occasions the Governor by proclamation may cause the Legislature to assemble in special session. When so assembled it has power to legislate only on subjects specified in the proclamation but may provide for expenses and other matters incidental to the session.

(c) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall remain in effect until December 6, 2010, and as of that date is repealed. Section 3 of Article IV, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

Second—That Section 3 is added to Article IV thereof, to read:

SEC. 3. (a) The Legislature shall convene in biennial regular session at noon on the first Monday in December of each even-numbered year and each house shall immediately organize. Each regular session of the Legislature shall adjourn sine die by operation of the Constitution at midnight on November 30 of the following even-numbered year.

(b) Odd-numbered years of the biennial regular session, together with the immediately preceding December upon organization of each house, shall be known as budget sessions. In a budget session, the Legislature shall consider only budget bills for the succeeding two fiscal years, and revenue bills necessary therefor, except as follows:

(1) The Legislature may consider a bill to address an emergency declared by the Governor, subject to all of the following:

(A) A resolution is adopted, by rollcall vote entered in the journal, two-thirds of the membership of each house concurring, declaring that a state of emergency exists.

(B) Each bill referred to a committee, or taken up on the floor, shall be germane to the declared state of emergency.

(C) Each bill described in subparagraph (B) shall be passed by rollcall vote entered in the journal, two-thirds of the membership of each house concurring.

(D) As used in this paragraph, “emergency” means the existence, as declared by the Governor, of conditions of disaster or of extreme peril to the safety of persons and property within the State, or parts thereof, caused by such conditions as attack or probable or imminent attack by an enemy of the United States, fire, flood, drought, storm, civil disorder, earthquake, or volcanic eruption.

(2) The Legislature may consider a bill to enact an urgency statute that satisfies paragraphs (1) and (2) of subdivision (d) of Section 8.

(c) (1) Even-numbered years of the biennial regular session shall be known as general sessions, at which any legislation other than the budget bills may be considered.

(2) If the estimate of General Fund revenues upon which the budget bill enacted for a fiscal year was based is determined to exceed General Fund revenues for that fiscal year by more than 6 percent, or General Fund expenditures for the fiscal year are determined to exceed that estimate of General Fund revenues by more than 6 percent, the Legislature may meet in the general session to amend or augment the budget act for that fiscal year. A bill in the general session to amend or augment the budget act shall

contain a finding that the bill satisfies the requirements of this paragraph.

(d) On extraordinary occasions the Governor by proclamation may cause the Legislature to assemble in special session. When so assembled it has power to legislate only on subjects specified in the proclamation but may provide for expenses and other matters incidental to the session.

Third—That Section 8 of Article IV thereof is amended to read:

SEC. 8. (a) At regular sessions no bill other than the budget bill may be heard or acted on by committee or either house until the 31st day after the bill is introduced unless the house dispenses with this requirement by rollcall vote entered in the journal, three-fourths of the membership concurring.

(b) The Legislature may make no law except by statute and may enact no statute except by bill. No bill may be passed unless it is read by title on three days in each house except that the house may dispense with this requirement by rollcall vote entered in the journal, two-thirds of the membership concurring. No bill may be passed until the bill with amendments has been printed and distributed to the Members. No bill may be passed unless, by rollcall vote entered in the journal, a majority of the membership of each house concurs.

(c) (1) Except as provided in paragraphs (2) and (3), a statute enacted at a regular session shall go into effect on January 1 next following a 90-day period from the date of enactment of the statute and a statute enacted at a special session shall go into effect on the 91st day after adjournment of the special session at which the bill was passed.

(2) A statute, other than a statute establishing or changing boundaries of ~~any~~ *a* legislative, congressional, or other election district, enacted by a bill passed by the Legislature on or before the date the Legislature adjourns for a joint recess to reconvene in the second calendar year of the biennium of the legislative session, and in the possession of the Governor after that date, shall go into effect on January 1 next following the enactment date of the statute unless, before January 1, a copy of a referendum petition affecting the statute is submitted to the Attorney General pursuant to subdivision (d) of Section 10 of Article II, in which event the statute shall go into effect on the 91st day after the enactment date

unless the petition has been presented to the Secretary of State pursuant to subdivision (b) of Section 9 of Article II.

(3) Statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes shall go into effect immediately upon their enactment.

(d) Urgency statutes are those necessary for immediate preservation of the public peace, health, or safety. A statement of facts constituting the necessity shall be set forth in one section of the bill. In each house the section and the bill shall be passed separately, each by rollcall vote entered in the journal, two-thirds of the membership concurring. An urgency statute may not create or abolish any office or change the salary, term, or duties of any office, or grant any franchise or special privilege, or create any vested right or interest.

(e) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall remain in effect until December 6, 2010, and as of that date is repealed. Section 8 of Article IV, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

Fourth—That Section 8 is added to Article IV thereof, to read:

SEC. 8. (a) At a general session no bill may be heard or acted on by committee or either house until the 31st day after the bill is introduced unless the house dispenses with this requirement by rollcall vote entered in the journal, three-fourths of the membership concurring.

(b) The Legislature may make no law except by statute and may enact no statute except by bill. No bill may be passed unless it is read by title on three days in each house except that the house may dispense with this requirement by rollcall vote entered in the journal, two-thirds of the membership concurring. No bill may be passed until the bill with amendments has been printed and distributed to the Members. No bill may be passed unless, by rollcall vote entered in the journal, a majority of the membership of each house concurs.

(c) (1) Except as provided in paragraph (2), a statute enacted at a regular session shall go into effect on January 1 next following a 90-day period from the date of enactment of the statute and a statute enacted at a special session shall go into effect on the 91st day after adjournment of the special session at which the bill was passed.

(2) Statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes shall go into effect immediately upon their enactment.

(d) (1) Urgency statutes are those necessary for immediate preservation of the public peace, health, or safety. A statement of facts constituting the necessity shall be set forth in one section of the bill. An urgency statute may not create or abolish any office, change the salary, term, or duties of any office, grant any franchise or special privilege, or create any vested right or interest.

(2) In a budget session, each house shall pass separately the section and the bill, each by rollcall vote entered in the journal, three-fourths of the membership concurring.

(3) In a general session, each house shall pass separately the section and the bill, each by rollcall vote entered in the journal, two-thirds of the membership concurring.

Fifth—That Section 10 of Article IV thereof is amended to read:

SEC. 10. (a) Each bill passed by the Legislature shall be presented to the Governor. A bill becomes a statute if it is signed by the Governor. The Governor may veto a bill by returning it with any objections to the house of origin, which shall enter the objections in the journal and proceed to reconsider it. If each house then passes the bill by rollcall vote entered in the journal, two-thirds of the membership concurring, it becomes a statute.

(b) (1) Any bill, other than a bill which would establish or change boundaries of any legislative, congressional, or other election district, passed by the Legislature on or before the date the Legislature adjourns for a joint recess to reconvene in the second calendar year of the biennium of the legislative session, and in the possession of the Governor after that date, that is not returned within 30 days after that date becomes a statute.

(2) Any bill passed by the Legislature before September 1 of the second calendar year of the biennium of the legislative session and in the possession of the Governor on or after September 1 that is not returned on or before September 30 of that year becomes a statute.

(3) Any other bill presented to the Governor that is not returned within 12 days becomes a statute.

(4) If the Legislature by adjournment of a special session prevents the return of a bill with the veto message, the bill becomes a statute unless the Governor vetoes the bill within 12 days after it is presented by depositing it and the veto message in the office of the Secretary of State.

(5) If the 12th day of the period within which the Governor is required to perform an act pursuant to paragraph (3) or (4) is a Saturday, Sunday, or holiday, the period is extended to the next day that is not a Saturday, Sunday, or holiday.

(c) Any bill introduced during the first year of the biennium of the legislative session that has not been passed by the house of origin by January 31 of the second calendar year of the biennium may no longer be acted on by the house. No bill may be passed by either house on or after September 1 of an even-numbered year except statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes, and bills passed after being vetoed by the Governor.

(d) The Legislature may not present any bill to the Governor after November 15 of the second calendar year of the biennium of the legislative session.

(e) The Governor may reduce or eliminate one or more items of appropriation while approving other portions of a bill. The Governor shall append to the bill a statement of the items reduced or eliminated with the reasons for the action. The Governor shall transmit to the house originating the bill a copy of the statement and reasons. Items reduced or eliminated shall be separately reconsidered and may be passed over the Governor's veto in the same manner as bills.

(f) (1) If, following the enactment of the budget bill for the 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, 2009–10, or 2010–11 fiscal year, the Governor determines that, for that fiscal year, General Fund revenues will decline substantially below the estimate of General Fund revenues upon which the budget bill for that fiscal year, as enacted, was based, or General Fund expenditures will increase substantially above that estimate of General Fund revenues, or both, the Governor may issue a proclamation declaring a fiscal emergency and shall thereupon cause the Legislature to assemble in special session for this purpose. The proclamation shall identify the nature of the fiscal emergency and shall be submitted by the Governor to the Legislature, accompanied by proposed legislation to address the fiscal emergency.

(2) If the Legislature fails to pass and send to the Governor a bill or bills to address the fiscal emergency by the 45th day following the issuance of the proclamation, the Legislature may not act on any other bill, nor may the Legislature adjourn for a joint recess, until that bill or those bills have been passed and sent to the Governor.

(3) A bill addressing the fiscal emergency declared pursuant to this section shall contain a statement to that effect.

(g) (1) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall no longer be operative as of December 6, 2010, and as of July 1, 2011, is repealed. Section 10 of Article IV, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

(2) Notwithstanding paragraph (1), subdivision (f) shall remain in effect until July 1, 2011.

Sixth—That Section 10 is added to Article IV thereof, to read:

SEC. 10. (a) Each bill passed by the Legislature shall be presented to the Governor. It becomes a statute if it is signed by the Governor. The Governor may veto it by returning it with any objections to the house of origin, which shall enter the objections in the journal and proceed to reconsider it. If each house then passes the bill by rollcall vote entered in the journal, two-thirds of the membership concurring, it becomes a statute.

(b) (1) Any bill passed by the Legislature in a budget session or general session before September 1 and in the possession of the Governor on or after September 1 that is not returned on or before September 30 of that year becomes a statute.

(2) Any other bill presented to the Governor that is not returned within 12 days becomes a statute.

(3) If the Legislature by adjournment of a special session prevents the return of a bill with the veto message, the bill becomes a statute unless the Governor vetoes the bill within 12 days after it is presented by depositing it and the veto message in the office of the Secretary of State.

(4) If the 12th day of the period within which the Governor is required to perform an act pursuant to paragraph (2) or (3) is a

Saturday, Sunday, or holiday, the period is extended to the next day that is not a Saturday, Sunday, or holiday.

(c) No bill may be passed by either house on or after September 1 of a general session except statutes calling elections, statutes providing for tax levies or appropriations for the usual current expenses of the State, and urgency statutes, and bills passed after being vetoed by the Governor.

(d) The Legislature shall not present to the Governor any bill passed in a budget session or general session after November 15.

(e) The Governor may reduce or eliminate one or more items of appropriation while approving other portions of a bill. The Governor shall append to the bill a statement of the items reduced or eliminated with the reasons for the action. The Governor shall transmit to the house originating the bill a copy of the statement and reasons. Items reduced or eliminated shall be separately reconsidered and may be passed over the Governor's veto in the same manner as bills.

(f) (1) If, following the enactment of a budget bill for 2011–12 fiscal year or any subsequent fiscal year, the Governor determines that, for that fiscal year, General Fund revenues will decline substantially below the estimate of General Fund revenues upon which the budget bill for that fiscal year, as enacted, was based, or General Fund expenditures will increase substantially above that estimate of General Fund revenues, or both, the Governor may issue a proclamation declaring a fiscal emergency and shall thereupon cause the Legislature to assemble in special session for this purpose. The proclamation shall identify the nature of the fiscal emergency and shall be submitted by the Governor to the Legislature, accompanied by proposed legislation to address the fiscal emergency.

(2) If the Legislature fails to pass and send to the Governor a bill or bills to address the fiscal emergency by the 45th day following the issuance of the proclamation, the Legislature may not act on any other bill, nor may the Legislature adjourn for a joint recess, until that bill or those bills have been passed and sent to the Governor.

(3) A bill addressing the fiscal emergency declared pursuant to this subdivision shall contain a statement to that effect.

Seventh—That Section 11 of Article IV thereof is amended to read:

SEC. 11. (a) The Legislature or either house may by resolution provide for the selection of committees necessary for the conduct of its business, including committees to ascertain facts and make recommendations to the Legislature on a subject within the scope of legislative control.

(b) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall remain in effect until December 6, 2010, and as of that date is repealed. Section 11 of Article IV, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

Eighth—That Section 11 is added to Article IV thereof, to read:

SEC. 11. (a) The Legislature or either house may by resolution provide for the selection of committees necessary for the conduct of its business, including committees to ascertain facts and make recommendations to the Legislature on a subject within the scope of legislative control.

(b) During a budget session, all of the following shall apply:

(1) Each standing policy committee of each house shall function as a budget subcommittee to consider and recommend, to the standing committee of each house that considers the budget, proposed amendments to the pending budget bills, relative to the adoption or modification of items or other provisions of those budget bills within the subject area of the standing policy committee.

(2) The standing committee of each house that considers the budget shall, by majority vote of the membership of the committee, adopt proposed amendments to each budget bill and report each budget bill out of committee.

(3) After each budget bill is enacted, each standing policy committee of each house shall meet for purposes of oversight and review of programs within the subject area of the committee.

Ninth—That Section 12 of Article IV thereof is amended to read:

SEC. 12. (a) Within the first 10 days of each calendar year, the Governor shall submit to the Legislature, with an explanatory message, a budget for the ensuing fiscal year containing itemized statements for recommended state expenditures and estimated state revenues. If recommended expenditures exceed estimated revenues, the Governor shall recommend the sources from which the additional revenues should be provided.

(b) The Governor and the Governor-elect may require a state agency, officer, or employee to furnish whatever information is deemed necessary to prepare the budget.

(c) (1) The budget shall be accompanied by a budget bill itemizing recommended expenditures.

(2) The budget bill shall be introduced immediately in each house by the persons chairing the committees that consider the budget.

(3) The Legislature shall pass the budget bill by midnight on June 15 of each year.

(4) Until the budget bill has been enacted, the Legislature shall not send to the Governor for consideration any bill appropriating funds for expenditure during the fiscal year for which the budget bill is to be enacted, except emergency bills recommended by the Governor or appropriations for the salaries and expenses of the Legislature.

(d) No bill except the budget bill may contain more than one item of appropriation, and that for one certain, expressed purpose. Appropriations from the General Fund of the State, except appropriations for the public schools, are void unless passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring.

(e) The Legislature may control the submission, approval, and enforcement of budgets and the filing of claims for all state agencies.

(f) For the 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, 2009–10, and 2010–11 fiscal years, the Legislature may not send to the Governor for consideration, nor may the Governor sign into law, a budget bill that would appropriate from the General Fund, for that fiscal year, a total amount that, when combined with all appropriations from the General Fund for that fiscal year made as of the date of the budget bill's passage, and the amount of any General Fund moneys transferred to the Budget Stabilization Account for that fiscal year pursuant to Section 20 of Article XVI, exceeds General Fund revenues for that fiscal year estimated as of the date of the budget bill's passage. That estimate of General Fund revenues shall be set forth in the budget bill passed by the Legislature.

(g) This section does not apply to the budget or budget bill for any fiscal period commencing on or after July 1, 2011. This section shall remain in effect until July 1, 2011, and as of that date is repealed. Section 12 of Article IV, as added by the measure that added this subdivision, shall apply to the budget and budget bill for fiscal periods commencing on or after July 1, 2011.

Tenth—That Section 12 is added to Article IV thereof, to read:

SEC. 12. (a) Within the first 10 days of each odd-numbered calendar year, the Governor shall submit to the Legislature, with an explanatory message, a separate budget for each of the two subsequent fiscal years thereafter commencing on July 1, containing itemized statements for recommended state expenditures and estimated state revenues. If recommended expenditures exceed estimated revenues, the Governor shall recommend the sources from which the additional revenues should be provided.

(b) The Governor and the Governor-elect may require a state agency, officer, or employee to furnish any information that is deemed necessary to prepare each budget.

(c) (1) Each budget shall be accompanied by a budget bill itemizing recommended expenditures for the applicable fiscal year.

(2) The budget bills shall be introduced immediately in each house by the persons chairing the committees that consider the budget.

(3) The Legislature shall pass the budget bills by midnight on June 15 of the odd-numbered calendar year.

(4) Until the budget bills are enacted, the Legislature shall not send to the Governor for consideration any bill appropriating funds for expenditure during either of the two subsequent fiscal years for which the budget bills are to be enacted, except emergency bills recommended by the Governor or appropriations for the salaries and expenses of the Legislature.

(d) No bill except a budget bill may contain more than one item of appropriation, and that for one certain, expressed purpose. Appropriations from the General Fund of the State, except appropriations for the public schools, are void unless passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring.

(e) The Legislature may control the submission, approval, and enforcement of budgets and the filing of claims for all state agencies.

(f) For the fiscal year beginning July 1, 2011, and every July 1 thereafter, the Legislature shall not send to the Governor for consideration, nor may the Governor sign into law, a budget bill that would appropriate from the General Fund, for that fiscal year, a total amount that, when combined with all appropriations from the General Fund for that fiscal year made as of the date of the budget bill's passage and with the amount of any General Fund moneys transferred to the Budget Stabilization Account for that fiscal year pursuant to Section 20 of Article XVI, exceeds General Fund revenues for that fiscal year estimated as of the date of the budget bill's passage. That estimate of General Fund revenues shall be set forth in the budget bill passed by the Legislature.

(g) (1) For any fiscal year commencing on or after July 1, 2011, for which the budget bill has not been enacted as of July 1 of that fiscal year, for the period from July 1 until the date of enactment of the budget bill for that fiscal year, inclusive, funds are hereby appropriated to the Controller from the funds and sources set forth described in paragraph (2), and are available for allocation by the Director of Finance for the exclusive purpose of the payment of current expenses for critical services of the government of the State of California, excluding salaries and per diem of Members of the Legislature, not to exceed the amounts expended to fund those services for the immediately preceding fiscal year.

(2) The Director of Finance shall allocate the funds appropriated in paragraph (1) from the General Fund and, as applicable, special funds, bond funds, federal funds, and reimbursements.

Eleventh—That Section 6 of Article XIX thereof is amended to read:

SEC. 6. (a) The tax revenues designated under this article may be loaned to the General Fund only if one of the following conditions is imposed:

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

(2) That any amount loaned is to be repaid in full to the fund from which it was borrowed within three fiscal years from the date on which the loan was made and one of the following has occurred:

(A) The Governor has proclaimed a state of emergency and declares that the emergency will result in a significant negative fiscal impact to the General Fund.

(B) The aggregate amount of General Fund revenues for the current fiscal year, as projected by the Governor in a report to the Legislature in May of the current fiscal year, is less than the aggregate amount of General Fund revenues for the previous fiscal year, adjusted for the change in the cost of living and the change in population, as specified in the budget submitted by the Governor pursuant to Section 12 of Article IV in the current fiscal year.

(3) Nothing in this section prohibits the Legislature from authorizing, by statute, loans to local transportation agencies, cities, counties, or cities and counties, from funds that are subject to this article, for the purposes authorized under this article. Any loan authorized as described by this subdivision shall be repaid, with interest at the rate paid on money in the Pooled Money Investment Account, or any successor to that account, during the period of time that the money is loaned, to the fund from which it was borrowed, not later than four years after the date on which the loan was made.

(b) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall remain in effect until December 6, 2010, and as of that date is repealed. Section 6 of Article XIX, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

Twelfth—That Section 6 is added to Article XIX thereof, to read:

SEC. 6. The tax revenues designated under this article may be loaned to the General Fund only if one of the following conditions is imposed:

(a) That any amount loaned is to be repaid in full to the fund from which it was borrowed during the same fiscal year in which the loan was made, except that repayment may be delayed until a date not more than 30 days after the date of enactment of the budget bill for the subsequent fiscal year, or July 31 of that subsequent fiscal year, whichever is later.

(b) That any amount loaned is to be repaid in full to the fund from which it was borrowed within three fiscal years from the date on which the loan was made and one of the following has occurred:

(1) The Governor has proclaimed a state of emergency and declares that the emergency will result in a significant negative fiscal impact to the General Fund.

(2) The aggregate amount of General Fund revenues for the current fiscal year, as projected by the Governor in a report to the Legislature in May of the current fiscal year, is less than the aggregate amount of General Fund revenues for the previous fiscal year, adjusted for the change in the cost of living and the change in population, as specified in the budget submitted by the Governor pursuant to Section 12 of Article IV in the current fiscal year.

(c) Nothing in this section prohibits the Legislature from authorizing, by statute, loans to local transportation agencies, cities, counties, or cities and counties, from funds that are subject to this article, for the purposes authorized under this article. Any loan authorized as described by this subdivision shall be repaid, with interest at the rate paid on money in the Pooled Money Investment Account, or any successor to that account, during the period of time that the money is loaned, to the fund from which it was borrowed, not later than four years after the date on which the loan was made.

Thirteenth—That Section 1 of Article XIX A thereof is amended to read:

SECTION 1. (a) The funds in the Public Transportation Account in the State Transportation Fund, or any successor to that account, may be loaned to the General Fund only if one of the following conditions is imposed:

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

(2) That any amount loaned is to be repaid in full to the account within three fiscal years from the date on which the loan was made and one of the following has occurred:

(A) The Governor has proclaimed a state of emergency and declares that the emergency will result in a significant negative fiscal impact to the General Fund.

(B) The aggregate amount of General Fund revenues for the current fiscal year, as projected by the Governor in a report to the Legislature in May of the current fiscal year, is less than the aggregate amount of General Fund revenues for the previous fiscal year, as specified in the budget submitted by the Governor pursuant to Section 12 of Article IV in the current fiscal year.

(b) This section does not apply to any legislative session commencing on or after December 6, 2010. This section shall remain in effect until December 6, 2010, and as of that date is repealed. Section 1 of Article XIX A, as added by the measure that added this subdivision, shall apply to legislative sessions commencing on or after December 6, 2010.

Fourteenth—That Section 1 is added to Article XIX A thereof, to read:

SECTION 1. The funds in the Public Transportation Account in the State Transportation Fund, or any successor to that account, may be loaned to the General Fund only if one of the following conditions is imposed:

(a) That any amount loaned is to be repaid in full to the account during the same fiscal year in which the loan was made, except that repayment may be delayed until a date not more than 30 days after the date of enactment of the budget bill for the subsequent fiscal year, or July 31 of that subsequent fiscal year, whichever is later.

(b) That any amount loaned is to be repaid in full to the account within three fiscal years from the date on which the loan was made and one of the following has occurred:

(1) The Governor has proclaimed a state of emergency and declares that the emergency will result in a significant negative fiscal impact to the General Fund.

(2) The aggregate amount of General Fund revenues for the current fiscal year, as projected by the Governor in a report to the Legislature in May of the current fiscal year, is less than the aggregate amount of General Fund revenues for the previous fiscal year, as specified in the budget submitted by the Governor pursuant to Section 12 of Article IV in the current fiscal year.

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