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DEPARTMENT OF  
ADMINISTRATIVE SERVICES

BUDGET AND POLICY REVIEW

CITY OF SACRAMENTO  
CALIFORNIA

October 4, 2002

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Law and Legislation Committee  
Sacramento, California

Honorable Members in Session:

**SUBJECT: NOVEMBER 2002 STATE BALLOT PROPOSITIONS**

**LOCATION: Citywide**

**RECOMMENDATION:**

This report recommends the Law and Legislation Committee approve staff recommendations regarding the six propositions on the November state ballot.

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**FOR COMMITTEE MEETING OF:** October 15, 2002

**SUMMARY**

There are currently seven ballot measures on the November 5, 2002 state ballot. This report recommends the Law and Legislation Committee approve staff recommendations.

The seven state ballot measures are:

- |                       |  |
|-----------------------|--|
| <b>Proposition 46</b> | Housing and Emergency Shelter Trust Fund Act of 2002.                |
| <b>Proposition 47</b> | Kindergarten-University Public Education Facilities Bond Act of 2002 |
| <b>Proposition 48</b> | Court Consolidation  |
| <b>Proposition 49</b> | Before and After School Programs, State Grants. Initiative Statute   |
| <b>Proposition 50</b> | Water Quality, Supply and Safe Drinking Water Projects. Coastal      |

Wetlands Purchase and Protection. Bonds Initiative Statutes

**Proposition 51**      Transportation. Distribution of Existing Motor Vehicle Sales and use Tax. Initiative Statute

**Proposition 52**      Election Day Voter Registration. Voter Fraud Penalties. Initiative Statute.

Staff recommends that the Committee support Propositions 46, 47, 49, and 50, **and take no position on Propositions 48 and 52.**

**BACKGROUND INFORMATION:**

Staff reviewed the seven state ballot measures on the November 2002 ballot. In making its recommendations to the Law and Legislation Committee on whether to support, oppose or take no position on the various ballot measures, staff considered whether the measures would affect the operations of the City. If the measure would have no direct effect on the City's operations, staff recommended a neutral position.

This report provides a short description of the ballot measure, the recommendation by the League of California Cities, and finally the recommendation by the staff.

The City Attorney's office has also prepared summaries of the seven ballot measures on the November 2002 ballot. The memorandum provided by the City Attorney's office is attached to this report as "**Attachment I**".

A copy of the actual text of the six propositions is attached as "**Attachment II**".

**Proposition 46**      Housing and Emergency Shelter Trust Fund Act of 2002.

**Proposition 47**      Kindergarten-University Public Education Facilities Bond Act of 2002

**Proposition 48**      Court Consolidation – Legislative Constitutional Amendment

**Proposition 49**      Before and After School Programs, State Grants. Initiative Statute

**Proposition 50**      Water Quality, Supply and Safe Drinking Water Projects. Coastal Wetlands Purchase and Protection. Bonds Initiative Statutes

**Proposition 51**      Transportation. Distribution of Existing Motor Vehicle Sales and use Tax. Initiative Statute

**Proposition 52**      Election Day Voter Registration. Voter Fraud Penalties. Initiative Statute.

**Proposition 46****Housing and Emergency Shelter Trust Fund Act of 2002**

This measure seeks voter approval for the issuance of state general obligation bonds up to the amount of \$2,100,000,000, to fund a housing trust fund that would be used for various purposes, including emergency shelters and transitional housing, housing rehabilitation and preservation, home buying programs, and local code enforcement and compliance programs.

The major allocations of the bond proceeds are to four categories:

1. Multifamily Housing Programs: \$1.110 Billion
2. Homeownership Programs: \$405 million
3. Farmworker Housing Programs: \$200 million
4. Other Programs: (Emergency Housing Asst., Jobs-Housing Improvement, Housing Loan Insurance and Code Enforcement): \$385 million

Among the many provisions under the bill, \$5 million would be made available for capital needs of local code enforcement depts. \$25 million is earmarked for matching grants to local housing trusts funds pursuant to enabling legislation. \$195 million to be expended for Multifamily Housing Program. - for emergency shelters, transitional housing, or those risking homelessness. \$75 million to Building Equity and Growth in Neighborhoods Fund (BEGIN). \$100 million as capital grants to local govts for increasing housing pursuant to enabling legislation.

The passage of this bond measure will likely assist local governments meet their housing goals that are required by the State of California and assist local code enforcement units with equipment requirements.

The passage of this bond measure will also provide direct benefits to the city and county of Sacramento.

- \* SHRA housing trust funds are eligible for matching funds, up to \$1 million each.
- \* Multifamily housing programs provide an alternative to tax credits for housing people in the work force as well as those with special needs.
- \* Homeownership funds will expand our ability to provide financing for first-time homebuyers, who have been priced out of the market
- \* Code enforcement can be strengthened through grants for equipment purchase
- \* City may qualify for housing improvement grants (based on increased production)

Staff recommends the Committee **support** this measure.

The League recommended **support** on this measure.

**Proposition 47****Kindergarten-University Public Education Facilities Bond Act of 2002**

If approved by the voters, Proposition 47 would provide for the issuance of state general obligation bonds in the total amount of \$13,050,000,000, to provide aid to school districts, county superintendents of schools, and county boards of education for the construction and modernization of school facilities, and to fund construction and renovation on the existing campuses of the University of California, the California State University and the California Community Colleges.

Funds will also be used to upgrade and build new classrooms in the California Community Colleges, California State Universities, and the University of California, to provide adequate higher education facilities to accommodate growing student enrollment.

While there are no direct local government impacts from Proposition 47, quality schools are a vital component of neighborhoods and communities, and Prop 47 will assist in modernizing existing schools and meeting demands for new educational facilities.

Staff recommends the Committee **support** Proposition 47.

The League of California Cities **support** Proposition 47.

<b>Proposition 48</b>	<b>Court Consolidation</b>
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As all 58 counties in the State have created a unified superior court, this measure seeks approval of an Assembly Constitutional Amendment to delete obsolete references to municipal courts from the California Constitution, and make other conforming changes.

Proposition 48 would have no direct operational nor budgetary effect on the City of Sacramento operations.

Staff recommends that the Committee take **no position** on this measure.

The League of California Cities **support** this measure.

<b>Proposition 49</b>	<b>After School Education Safety Program Act of 2002</b>
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Proposition 49 would provide increased state funding for before school, after-school, and non-school-days enrichment programs in public schools. Current funding for these programs totals \$85,000,000 per year; if the proposition is approved, funding would increase to as much as \$550,000,000 per year, depending upon the condition of the state budget.

The Law and Legislation Committee voted to **support** Proposition 49 at its February 19, 2002 meeting.

The League **supports** Proposition 49.

**Proposition 50****Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002**

Proposition 50 authorizes the issuance of \$3,440,000,000 in state general obligation bonds, to fund a variety of water projects, including CALFED Bay-Delta Program projects (such as water storage planning and feasibility studies, levee restoration, and water supply reliability, ecosystem restoration and water conservation/efficiency projects), water management and water quality improvement grants, development of river parkways and water system security improvements.

Proposition 50 would allocate, subject to legislative approval, a total of \$3.4 billion dollars in funding for a number of program. Principle elements are:

- ✓ Water Security \$50 million
- ✓ Safe Drinking Water \$435 million
- ✓ Clean Water and Water Quality \$390 million
- ✓ Contaminant and Salt Removal Technologies \$100 million
- ✓ Integrated Regional Water Management \$500 million
- ✓ CALFED Bay Delta Program \$825 million
- ✓ Colorado River \$70 million
- ✓ Coastal Watershed and Wetland Protection \$200 million

The measure is endorsed by: Water agencies, Sierra Club, many Southern California cities and businesses.

The following areas of the proposition afford the City some potential to benefit from its passage:

Water Security - Funds would be available from the legislature for the purpose of protecting drinking water systems from terrorist attack or other deliberate acts of destruction.

Safe Drinking Water - Grants would be made available to finance drinking water source protection, treatment facilities necessary to meet disinfectant by-product standards, and monitoring facilities. Loans from State Revolving Fund would also be enhanced.

Clean Water - Grants for water pollution prevention, water quality improvement, and source protection would be available. Also under this heading are monies for restoration and development of river parkways that provide water quality benefits.

CALFED Bay Delta Program - Grants for Delta levee restoration, watershed program implementation, and water conservation would be available for appropriation by the legislature.

Integrated Regional Water Management - Money will be appropriated for water conservation, storm water management, non-point source pollutant removal, groundwater management, flood

control programs, watershed management, and demonstration projects for new drinking water treatment methods.

Staff recommends the Law and Legislation Committee **support** Proposition 50.

The League is still reviewing the bill.

<b>Proposition 51</b>	<b>Traffic Congestion Relief and Safe School Bus Act</b>
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Proposition 51 reallocates 30% of sales tax revenues collected on motor vehicle sales or leases from the general fund to the Traffic Congestion Relief and Safe School Bus Trust Fund. Funding would be provided for various transportation projects, environmental enhancement, transportation impact mitigation programs, and transportation safety programs, including allocations for specific projects in the Sacramento area.

Both the Law and Legislation Committee and the City Council discussed this ballot measure in June 2002 and **supported** the bill.

The League has taken a **neutral** position on the bill.

<b>Proposition 52 - Election Day Voter Registration Act of 2002</b>
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Proposition 52, if approved, would modify the provisions of the Election Code dealing with voter registration to allow for voter registration up to the day of the election.

The measure would also increase criminal penalty for voter and voter registration fraud; and criminalizes conspiracy to commit voter fraud, punishable by imprisonment in state prison.

Proposition 52 would also establish the "Election Day Registration Fund" within the State Treasury. Each year, approximately \$6 million would be deposited into this fund from the state's general fund and distributed to counties for their costs of election day voter registration including the hiring and training of additional personnel, providing voter registration materials and expanding voter outreach programs.

Proposition 52 would have no operational effect on the City's process as the election day activities, which would include the new voter registration process, is conducted and handled by the County Registrar of Voters' office. Staff does not anticipate any direct budgetary effect on the City of Sacramento.

Staff recommends the Committee take a **neutral** position on Proposition 52.

The League of California Cities has taken a **neutral** position on this measure.

**ENVIRONMENTAL CONSIDERATIONS:**

The subject of this report does not constitute a project under the California Environmental Quality Act guidelines.

**ESBD CONSIDERATIONS:**

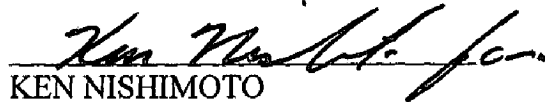
There are no ESBD considerations associated with this report.

Respectfully submitted,



Aaron B. Chong,  
Budget and Policy Review Office

**RECOMMENDATION APPROVED:**



KEN NISHIMOTO  
Deputy City Manager

## **Resolution Supporting State Propositions 46, 47, 49 and 50 On the November 5, 2002 ballot**

WHEREAS, the City Council of the City of Sacramento discussed the recommended positions for Proposition 46 – Housing and Emergency Shelter Trust Fund Act of 2002, Proposition 47 – Kindergarten-University Public Education Facilities Bond Act of 2002, Proposition 49 – Before and After School Programs Measure, and Proposition 50 – Water Quality Measure; and

WHEREAS, Proposition 46 would authorize the creation of a “Housing Finance Committee” consisting of specific state officials, to authorize the issuance and sale of bonds up to the amount of \$2.1 billion to fund various programs, including but not limited to: housing rehabilitation and preservation, matching grants to local housing trust funds, home buying programs and local code enforcement and compliance programs; and

WHEREAS, City residents and departments would directly benefit from identified programs funded by the proceeds from Proposition 46; and

WHEREAS, Proposition 47 would provide for the issuance of state general obligation bonds in the total amount of \$13.050 billion to provide aid to school districts, county superintendents of schools, county boards of education for the construction and modernization of school facilities, and to fund construction and renovation on the existing campuses of the University of California, the California State University and the California Community Colleges; and

WHEREAS, quality schools in Sacramento are a vital component of neighborhoods and communities; and

WHEREAS, Proposition 49 would provide increased funding for before school, after-school, and non-school days enrichment programs in public schools. Increases state grant funds available for before and after school programs providing tutoring, homework assistance, and educational enrichment. Establishes priority for continued funding level for schools already receiving grants. Makes public elementary, middle and junior high schools, including charter schools, eligible for grants ranging from \$50,000 to \$75,000. Provides priority for additional funding for schools with predominantly low-income students. Declares that funding for before and after school programs shall be above Proposition 98 base funding, and at least \$85 million for first year increasing to \$550 million annually if state revenues grow; and

WHEREAS, Proposition 50 would authorize \$3.44 billion general obligation bonds to fund a variety of water projects, including: Specified CALFED Bay-Delta projects including urban and agricultural water use efficiency projects, development of river parkways, improved security for state, local and regional water systems, and grants for desalination and drinking water disinfection; and

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Sacramento hereby supports State Propositions 46, 47, 49 and 50.

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MAYOR

ATTEST:

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CITY CLERK



**OFFICE OF THE  
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**MEMORANDUM**

TO: Aaron Chong, Law and Legislation Coordinator

FROM: Samuel L. Jackson, City Attorney  
Richard E. Archibald, Assistant City Attorney  
Joe Robinson, Senior Deputy City Attorney *jr*

RE: Summary of 2002 Propositions

This memorandum provides summaries of the provisions of Propositions 46 through 52, which are on the November 5, 2002, General Election Ballot.

**Proposition 46 Housing and Emergency Shelter Trust Fund Act of 2002**

This measure seeks voter approval of a state law that was signed by the Governor in April, 2002 (SB 1227), to authorize the issuance of state general obligation bonds for a housing trust fund that would finance various programs. SB 1227 sets forth numerous findings, including the Legislature's determination that there is a critical need to provide financial assistance to (i) purchase, construct and rehabilitate emergency shelters and transitional housing, (ii) construct rental housing, including the special housing needs of seniors, the disabled and farm workers, (iii) preserve and rehabilitate affordable homes and rental housing, and (iv) to provide assistance for first-time home buyers.

If approved, Proposition 46 would authorize SB 1227's creation of a "Housing Finance Committee" consisting of specified state officials, to authorize the issuance and sale of bonds up to the amount of \$2,100,000,000 to fund various programs, including programs for:

- Housing rehabilitation and preservation

- Job training, health services and child care within or adjacent to publicly funded multi-family housing projects
- Matching grants to local housing trust funds
- Matching funds for student housing
- The Downtown Rebound Program
- Emergency shelters and transitional housing and assistance, and housing for people at risk of homelessness
- Farm worker housing, health services and assistance (the Joe Serna, Jr. Farmworker Housing Grant Fund)
- Home buying programs
- Local code enforcement and compliance programs

**Proposition 47      Kindergarten-University Public Education Facilities Bond Act of 2002**

If approved by the voters, Proposition 47 would enact the Kindergarten-University Public Education Facilities Bond Act of 2002 (the "Bond Act"). The Bond Act would provide for the issuance of state general obligation bonds in the total amount of \$13,050,000,000.

Of this amount, \$11,400,000,000 would be deposited in the 2002 State School Facilities Fund to provide aid to school districts, county superintendents of schools, and county boards of education for the construction and modernization of school facilities. \$1,650,000,000 would be deposited in the 2002 Higher Education Capital Outlay Bond Fund. From that Fund, \$408,216,000 would be used to fund construction and renovation on the existing campuses of the University of California and the Hastings College of the Law; \$495,932,000 would be used to fund construction and renovation on the existing campuses of the California State University; and \$745,853,000 would be used to fund construction and renovation on the existing campuses of the California Community Colleges.

**Proposition 48      Court Consolidation**

This measure seeks approval of an Assembly Constitutional Amendment (ACA 15) passed by the Legislature, to amend various provisions of the California Constitution to reflect the fact that California's counties no longer have separate municipal and superior courts. The California Constitution currently provides for the division of each county into municipal court districts, but also allows municipal courts in a county to be abolished and merged with the superior court for that county, upon a majority vote of superior and municipal court judges in the

county. By July 2001, all 58 counties in the State had created a unified superior court. ACA 15 would delete obsolete references to municipal courts from the California Constitution, and make other conforming changes.

### **Proposition 49     After School Education Safety Program Act of 2002**

Proposition 49 would provide increased state funding for before-school, after-school, and non-school-days enrichment programs in public schools. The purpose of the After School Education and Safety Program is "to create incentives for establishing locally driven before and after school enrichment programs both during school days and summer, intersession or vacation days that partner public schools and communities to provide academic and literacy support and safe, constructive alternatives for youth."

Current funding for these programs totals \$85,000,000 per year and, if the Proposition is approved, would increase to as much as \$550,000,000 per year, depending upon the condition of the state budget. The Proposition concludes that most of the \$550,000,000 would be offset by education costs savings and reduction of criminal activity.

Proposition 49 creates three categories of annual funding. The first is the category of programs currently supported by state grants, totaling about \$85,000,000. The second category would be grants of up to \$50,000 (elementary schools) and up to \$75,000 (middle and junior high schools) to every school in California that submits an acceptable application, known as "Universal Grants." The third category would increase funding beyond current appropriations and Universal Grants. In the third category, priority will be given to schools where a minimum of 50 percent of the pupils are eligible for free or reduced-cost meals.

The City is currently a recipient of state grant funds. For FY03, the City will receive approximately \$3,000,000 for its after-school START program, offered in partnership with local school districts. The City also partners with the Sacramento City Unified School District to provide the PASSAGES after-school program at several middle schools. For FY03-FY05, the School District will receive a state grant of approximately \$310,000 per year for PASSAGES, most of which is used to pay for City to operate the program. These programs would have priority for funding under Proposition 49.

Proposition 49 contains provisions that condition its funding upon growth of state revenues:

Although new funding of after school programs is extremely important, revenues guaranteed by law for our public school system pursuant to Proposition 98 should first be fully appropriated and therefore not be used to increase the funding of these after school programs. The new funding for after school programs will therefore be funded above the legally-required educational funding.

And because there are essential, non-education state programs that need continued funding, increasing funding for these after school programs should occur only after substantial growth in state revenues not guaranteed for education purposes...

Proposition 49 includes a formula to be used to determine if and when the required revenue growth has occurred.

**Proposition 50      Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002**

Proposition 50 authorizes the issuance of \$3,440,000,000 in state general obligation bonds, to fund a variety of water projects including: specified CALFED Bay-Delta Program projects; grants and loans to reduce Colorado River water use; purchasing, protecting and restoring coastal wetlands near urban areas; competitive grants for water management and water quality improvement projects; development of river parkways; improved security for state, local and regional water systems; and grants for desalination and drinking water disinfection programs. In addition to the state costs to repay the bonds, estimated at approximately \$227 million per year for 25 years, the measure would result in potential costs of an unknown amount to state and local government to operate and maintain properties or projects acquired or developed with these bond funds.

The projects proposed to be funded that may bear some proximity to the Sacramento region include \$100,000,000 for river parkway acquisition, restoration and protection and \$825,000,000 to be appropriated for the balanced implementation of the CALFED Bay-Delta Program. The latter includes funding for water storage planning and feasibility studies, levee restoration, water supply reliability projects, ecosystem restoration projects and agricultural and urban water conservation and efficiency projects.

**Proposition 51      Traffic Congestion Relief and Safe School Bus Act**

Proposition 51 reallocates 30% of sales tax revenues collected on motor vehicle sales or leases from the General Fund to the Traffic Congestion Relief and Safe School Bus Trust Fund. The money is allocated for transportation programs including: highway expansion, freeway interchange improvements, mass transit improvements, purchasing buses and expanding light and commuter rail. It also provides funds for environmental enhancement, transportation impact mitigation programs, and transportation safety programs. It allocates money to 45 specific projects and for the remainder, specifies distribution percentages, restricts fund uses and provides accountability measures.

The estimated fiscal impact on state and local governments is approximately \$460 million in 2002-03 and \$950 million in 2003-04, increasing annually for state and local transportation purposes. It potentially increases resources for Proposition 98 purposes and reduces resources for other General Fund purposes that could exceed the amounts above.

The allocations for specific projects which may impact the City of Sacramento are:<sup>1</sup>

- One million dollars (\$1,000,000) is allocated for a grant to a nonprofit organization one of whose principal purposes is to support the California State Railroad Museum for general operating support of the Railroad Technology Museum at the Southern Pacific Shops in Sacramento.
- Ten million dollars (\$10,000,000) per year to Sacramento Regional Transit for FY2003-04 through FY2012-13 for extension of light rail service from downtown Sacramento to the Sacramento International Airport.
- Seven million dollars (\$7,000,000) to the Department of Parks and Recreation in 2003-2004 for a grant to a non-profit organization one of whose principal purposes is to support the California State Railroad Museum and its Railroad Technology Museum to construct the Railroad Technology Museum at the Southern Pacific Shops in Sacramento.
- One million dollars (\$1,000,000) per year to the County of Sacramento for the acquisition of land, development, and operation, and maintenance of the American River parkway, including trails, to promote greater use of the parkway. To be eligible to receive this allocation, County must annually expend from its General Fund for the American River Parkway, not less than the annual average of expenditures during FY1999-2000, FY2000-01 and FY2001-02.
- Two million dollars (\$2,000,000) per year to the City of Sacramento for FY2003-04 and FY2004-05 for the Downtown to Riverfront Reconnection.
- One million five hundred thousand dollars (\$1,500,000) per year to the County of Sacramento for expenditure in the area along State Route 16, Scott Road, Deer Creek and Consumnes River corridors and particularly the area north of State Route 16, west of the Amador/El Dorado County line and east of the westerly boundary of the east County Open space study area.

#### **Proposition 52 - Election Day Voter Registration Act of 2002**

This Proposition, if approved, would modify the provisions of the Election Code dealing with voter registration. The primary purpose of the Proposition is to allow for voter registration on the day of the election.

Under current law, eligible citizens wishing to vote in an election must register with county

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<sup>1</sup> Existing allocations which are unaffected by Proposition 51 are not listed here.

elections officials by the 15<sup>th</sup> day before the election. To register to vote, an eligible citizen must fill out, sign under penalty of perjury and file with the county elections official a written affidavit concerning his/her residence and satisfaction of voter requirements. Under current law, a voter registered in one precinct who moves to another precinct less than 15 days prior to the election is entitled to vote in the precinct in which he/she is registered.

Proposition 52, if approved, would do the following:

- Allow persons who are legally eligible to vote to register (or re-register if re-registration is based only on a change of legal name or place of residence) on election day at their polling place, upon presenting proof of current residence.
- Provide that proof of current residence of voter may be established by a current, valid Calif. driver's license or Calif. ID card; or any two documents from a list of specified categories of documents. Categories of documents include military ID; college or university fee card or student ID; lease agreement; utility bill; credit card bill; prepared check or bank statement; vehicle registration; mail addressed to the voter at his or her current residence address (only one piece of mail may be used as proof of residence); sworn written statement given in the presence of a poll worker at the polling place from a registered voter in the precinct stating he or she knows and can identify the person who is attempting to vote, and attesting to the name and residence address of the person attempting to vote (only one sworn statement may be used as proof of residence).
- Require local elections officials to provide a separate area and at least one trained staff member at each polling place for election day voter registration.
- Allow persons who are registered to vote in a precinct and who move within 28 days prior to an election to vote in the precinct in which he/she is registered.
- Allow persons to register or re-register to vote beginning 28 days prior to the election and continuing through election day at any office of the county elections official in the county in which the voter resides.
- Increase criminal penalty for voter and voter registration fraud
- Criminalize conspiracy to commit voter fraud.

HOUSING AND EMERGENCY SHELTER  
TRUST FUND ACT OF 2002.

## OFFICIAL TITLE AND SUMMARY

Prepared by the Attorney General

HOUSING AND EMERGENCY SHELTER  
TRUST FUND ACT OF 2002.

- Creates trust fund to: provide shelters for battered women; clean and safe housing for low-income senior citizens; emergency shelters for homeless families with children; housing with social services for homeless and mentally ill; repairs/accessibility improvements to apartments for families and handicapped citizens; military veteran homeownership assistance; and security improvements/repairs to existing emergency shelters.
- Funded by bond issue of two billion one hundred million dollars (\$2,100,000,000).
- Makes cities and counties eligible to receive specified funds.
- Subjects expenditures to independent audit.
- Appropriates money from state General Fund to repay bonds.

SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:

- State cost of about \$4.7 billion over 30 years to pay off both the principal (\$2.1 billion) and interest (\$2.6 billion) costs on the bonds. Payments of about \$157 million per year.

## FINAL VOTES CAST BY THE LEGISLATURE ON SB 1227 (PROPOSITION 46)

Assembly:	Ayes 54	Noes 21
Senate:	Ayes 27	Noes 11

## ANALYSIS BY THE LEGISLATIVE ANALYST

## BACKGROUND

About 150,000 houses and apartments are built in California each year. Most of these units are built entirely with private dollars. Some, however, receive subsidies from federal, state, and local governments. For some of the units that receive state funds, the state provides low-interest loans or grants to developers (private, nonprofit, and local governments). Typically, there is a requirement that the housing built be sold or rented to Californians with low incomes. Other state programs provide homebuyers with direct financial assistance to help with the costs of a down payment.

The amount of funds that the state has provided to these types of housing programs has varied considerably over time. In 1988 and 1990, voters approved a total of \$600 million of general obligation bonds to fund state housing programs (these funds have been spent). Since that time, the state typically has spent less than \$20 million annually in General Fund revenues on state housing programs. On a one-time basis, however, the state recently provided more than \$350 million in General Fund revenues for these purposes.

## PROPOSAL

This measure allows the state to sell \$2.1 billion of general obligation bonds to fund 21 housing programs. General obligation

bonds are backed by the state, meaning that the state is required to pay the principal and interest on these bonds. General Fund revenues would be used to pay these costs over about 30 years.

Figure 1 describes the programs and the amount of funding that each would receive under the measure. Most of the funds would go to existing state housing programs. A number of the programs, however, are new, with details to be established by subsequent legislation. The major allocations of the bond proceeds are as follows:

- **Multifamily Housing Programs (\$1.11 Billion).** This measure would fund a variety of housing programs aimed at the construction of rental housing projects, such as apartment buildings. These programs generally provide local governments, nonprofit organizations, and private developers with low-interest (3 percent) loans to fund part of the construction cost. In exchange, a project must reserve a portion of its units for low-income households for a period of 55 years. This measure gives funding priority to projects in already developed areas and near existing public services (such as public transportation).
- **Homeownership Programs (\$405 Million).** A number of the programs funded by this measure would encourage homeownership for low- and moderate-income homebuyers. Most of the funds would be used to provide down payment

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## ANALYSIS BY THE LEGISLATIVE ANALYST (CONT.)

assistance to homebuyers through low-interest loans or grants. Typically, eligibility for this assistance would be based on the household's income, the cost of the home being purchased, and whether it is the household's first home purchase.

- **Farmworker Housing (\$200 Million).** These funds would be used to provide loans and grants to the developers of housing for farmworkers. Program funds would be used for both rental and owner-occupied housing.
- **Other Programs (\$385 Million).** Additional funds would be allocated for the construction of homeless shelters, payments to cities and counties based on their approval of housing units, provision of mortgage insurance for high-risk homebuyers, and capital needs of local code enforcement departments.

Most of the program funds probably would be allocated over a three- to five-year period. For many of the programs, the measure limits the length of time available for the funds to be spent. If after a specified length of time—between 18 and 48 months—a program's funds are unspent, they would be reallocated to a different housing program.

The measure provides the Legislature broad authority to make future changes to the programs funded by the measure. The measure also requires the State Auditor to perform periodic audits of the agencies administering the funds and the recipients of the funds.

**Impact of Funds.** The funds from this measure typically would be used together with other government monies to provide housing assistance. In total, the bond funds would provide annual subsidies for about 25,000 multifamily and 10,000 farmworker households. The funds would also provide down payment assistance to about 60,000 homebuyers and help provide space for 30,000 homeless shelter beds.

**FISCAL EFFECT**

**Bond Costs.** The cost of these bonds would depend on their interest rates and the time period over which they are repaid. Generally, the interest on bonds issued by the state is exempt from both state and federal income taxes—lowering the payment amounts for the state. Historically, the type of bonds proposed by this measure have not received the federal tax exemption—resulting in a higher interest rate for the bonds. If the bonds were sold at an average interest rate of 6.25 percent (the current rate for this type of bond) and repaid over 30 years, the cost would be about \$4.7 billion to pay off both the principal (\$2.1 billion) and interest (\$2.6 billion). The average payment would be about \$157 million per year.

**Administrative Costs.** Several agencies would experience increased costs to administer the various housing programs funded by this measure. Under existing law, a portion of the programs' allocations from the bond funds—up to about \$100 million—could be used for these administrative costs. The measure also authorizes some recipients to be charged for administrative costs, thus increasing funds available for this purpose.

**FIGURE 1****PROPOSITION 46  
USES OF BOND FUNDS**

(In Millions)		Amount
<b>Multifamily Housing Programs</b>		
Multifamily Housing	Low-interest loans for affordable housing developments. Units reserved for low-income renters in most cases for 55 years.	\$800.0
Supportive Housing	Low-interest loans for housing projects which also provide health and social services to low-income renters.	195.0
Preservation <sup>a</sup>	Funds to maintain affordability of units in projects where prior agreements are expiring.	50.0
Housing Trust Funds <sup>a</sup>	Grants to local governments and nonprofit organizations to fund local housing programs.	25.0
Health and Social Services	Low-interest loans for the construction of space for health and social services connected to affordable housing projects.	20.0
Student Housing	Low-interest loans for housing near state universities. Units reserved for low-income students.	15.0
Disabled Modifications	Grants for modifications to rental housing to accommodate low-income renters with disabilities.	5.0
		<b>\$1,110.0</b>
<b>Homeownership Programs</b>		
Homebuyer's Down Payment Assistance	Deferred low-interest loans up to 3 percent of home purchase price for first-time low- and moderate-income homebuyers.	\$117.5
CalHome	Variety of homeownership programs for low-income households.	115.0
Building Equity and Growth in Neighborhoods <sup>a</sup>	Grants to local governments to fund homebuyer assistance in high-density developments.	75.0
Nonprofit-Sponsored Counseling	Down payment assistance for first-time, low-income homebuyers participating in specified counseling programs.	12.5
Self-Help Construction Management	Grants to organizations which assist low- and moderate-income households in building their own homes.	10.0
School Facility Fees	Down payment assistance to eligible homebuyers to cover some or all of the fees paid to school districts to fund new school facilities.	50.0
School Personnel	Loans to school personnel for down payment assistance.	25.0
		<b>\$405.0</b>
<b>Farmworker Housing Programs</b>		
Farmworker Housing	Low-interest loans and grants for construction of housing for farmworkers.	\$155.0
Migrant Workers	Low-interest loans and grants for projects which serve migratory workers.	25.0
Health Services	Low-interest loans and grants for farmworker housing which also provides health services.	20.0
		<b>\$200.0</b>
<b>Other Programs</b>		
Emergency Housing Assistance	Grants for the construction of homeless shelters.	\$195.0
Jobs-Housing Improvement <sup>a</sup>	Grants to local governments based on the amount of housing they approve.	100.0
Housing Loan Insurance	Insurance for high-risk housing mortgages.	85.0
Code Enforcement	Grants for capital expenditures for local code enforcement departments.	5.0
		<b>\$385.0</b>
<b>Total</b>		<b>\$2,100.0</b>

<sup>a</sup> New program for which details would be established by subsequent legislation.

KINDERGARTEN-UNIVERSITY PUBLIC  
EDUCATION FACILITIES BOND ACT OF 2002.

OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

47

**KINDERGARTEN-UNIVERSITY PUBLIC  
EDUCATION FACILITIES BOND ACT OF 2002.**

- This act provides for a bond issue of thirteen billion fifty million dollars (\$13,050,000,000) to fund necessary education facilities to relieve overcrowding and to repair older schools.
- Funds will be targeted to areas of greatest need and must be spent according to strict accountability measures.
- Funds will also be used to upgrade and build new classrooms in the California Community Colleges, the California State University, and the University of California, to provide adequate higher education facilities to accommodate growing student enrollment.
- Appropriates money from state General Fund to pay off bonds.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:**

- State cost of about \$26.2 billion over 30 years to pay off both the principal (\$13.05 billion) and interest (\$13.15 billion) costs on the bonds. Payments of about \$873 million per year.

**FINAL VOTES CAST BY THE LEGISLATURE ON AB 16 (PROPOSITION 47)**

Assembly:	Ayes 71	Noes 8
Senate:	Ayes 27	Noes 11

**COURT CONSOLIDATION.  
LEGISLATIVE CONSTITUTIONAL AMENDMENT.**

## OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

**COURT CONSOLIDATION.  
LEGISLATIVE CONSTITUTIONAL AMENDMENT.**

- Amends Constitution to delete references to the municipal courts. These references are now obsolete due to the consolidation of superior and municipal trial courts into unified superior courts previously approved by voters.
- Deletes from Constitution the provisions providing for municipal courts in each county and vesting judicial power of the state in municipal courts.
- Makes certain conforming and related changes in Constitution to reflect consolidation.
- Provides that the constitutional provision governing the transition process to a unified superior court will be automatically repealed on January 1, 2007.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:**

- No additional cost to state or local government.

**FINAL VOTES CAST BY THE LEGISLATURE ON ACA 15 (PROPOSITION 48)**

Assembly:      Ayes 72      Noes 0

Senate:          Ayes 38      Noes 0

**BEFORE AND AFTER SCHOOL PROGRAMS.  
STATE GRANTS. INITIATIVE STATUTE.**

## OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

**BEFORE AND AFTER SCHOOL PROGRAMS.  
STATE GRANTS. INITIATIVE STATUTE.**

- Increases state grant funds available for before/after school programs, providing tutoring, homework assistance, and educational enrichment.
- Makes every public elementary, middle/junior high school, including charter schools, eligible for after school grants ranging from \$50,000–\$75,000. Maintains local funding match requirement.
- Provides priority for additional funding to schools with predominantly low-income students.
- Requires that, beginning 2004–05, new funding for before/after school programs not be taken from education funding, guaranteed under Proposition 98. Gives priority to schools already receiving grants and requires increasing expenditures only if state revenues grow.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:**

- Additional annual state costs for before and after school programs of up to \$455 million, beginning in 2004–05.

WATER QUALITY, SUPPLY AND SAFE DRINKING  
WATER PROJECTS. COASTAL WETLANDS PURCHASE  
AND PROTECTION. BONDS. INITIATIVE STATUTE.

## OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

**WATER QUALITY, SUPPLY AND SAFE DRINKING  
WATER PROJECTS. COASTAL WETLANDS PURCHASE  
AND PROTECTION. BONDS. INITIATIVE STATUTE.**

- Authorizes \$3,440,000,000 general obligation bonds to fund a variety of water projects, including:
  - Specified CALFED Bay-Delta Program projects including urban and agricultural water use efficiency projects;
  - Grants and loans to reduce Colorado River water use;
  - Purchasing, protecting and restoring coastal wetlands near urban areas;
  - Competitive grants for water management and quality improvement projects;
  - Development of river parkways;
  - Improved security for state, local and regional water systems;
  - Grants for desalination and drinking water disinfection.
- Appropriates money from state General Fund to pay off bonds.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:**

- State cost of up to \$6.9 billion over 30 years to pay off both the principal (\$3.44 billion) and interest (\$3.46 billion) costs on the bonds. Payments of about \$230 million per year.
- Reduction in local property tax revenues, ranging from a few million dollars to roughly \$10 million annually, about one-half of which would be offset by state payments to schools to make up their revenue loss.
- Unknown costs to state and local governments to operate or maintain properties or projects purchased or developed with these bond funds.

## ANALYSIS BY THE LEGISLATIVE ANALYST

### BACKGROUND

**Coastal Protection and Water Resources Programs.** The state administers a number of programs to acquire and protect coastal wetlands and watersheds, conserve and protect water resources, and develop and improve the reliability of water supplies. The state also provides grants and loans to local agencies and nonprofit organizations for similar purposes. These programs are for a variety of specific purposes, including:

- **Coastal Wetlands and Watersheds.** The state has provided funds to acquire and restore coastal wetlands and watersheds.
- **Safe Drinking Water.** The state has provided funds for loans and grants to public water systems for facility improvements to meet safe drinking water standards.

- **Bay-Delta Restoration.** The state has also funded the restoration and improvement of fish and wildlife habitat in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (the Bay-Delta). Additionally, the state has funded water quality and supply projects in the Bay-Delta region which supplies a substantial portion of the water used in the state for domestic, industrial, agricultural, and environmental purposes. These funds have been provided through the CALFED Bay-Delta Program which is a joint state and federal effort to better manage water resources in this region.
- **Other Water Quality and Water Supply Projects.** The state has also provided funds for various other projects throughout the state that improve water quality and/or supply. For example, the state has provided loans and

# TRANSPORTATION. DISTRIBUTION OF EXISTING MOTOR VEHICLE SALES AND USE TAX. INITIATIVE STATUTE.



## OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

### TRANSPORTATION. DISTRIBUTION OF EXISTING MOTOR VEHICLE SALES AND USE TAX. INITIATIVE STATUTE.

- Creates "Traffic Congestion Relief and Safe School Bus Trust Fund."
- Redistributes portion of existing state revenues from motor vehicle sales/leases from General Fund to Trust Fund for transportation, environmental, and safety programs.
- Allocates portion of these funds for: school bus safety; clean air programs; highway improvements; mass transit improvements including bus purchase, commuter and light rail expansion.
- Provides funds for environmental enhancement programs and traffic mitigation programs.
- Allocates money to 45 specific projects. For remainder of Trust Fund, specifies distribution percentages, restricts fund uses, requires accountability mechanisms.

### SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

- Redirects specified General Fund revenues to state and local transportation-related purposes of about \$420 million in 2002-03, \$910 million in 2003-04, and increasing amounts annually thereafter, depending on the increase in the sale and leasing of motor vehicles.

**ELECTION DAY VOTER REGISTRATION.  
VOTER FRAUD PENALTIES. INITIATIVE STATUTE.**



## OFFICIAL TITLE AND SUMMARY

*Prepared by the Attorney General*

**ELECTION DAY VOTER REGISTRATION.  
VOTER FRAUD PENALTIES. INITIATIVE STATUTE.**

- Allows persons who are legally eligible to vote and have valid identification to register to vote on election day at their polling place.
- Increases criminal penalty for voter and voter registration fraud.
- Criminalizes conspiracy to commit voter fraud.
- Requires trained staff at polling places to manage election day registration, creates fund to implement measure, including training and providing personnel for election day registration.
- Allows persons to register or reregister during 28 days preceding election day at local election offices.
- Provides more time to county election officials to prepare voter registration lists.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT  
FISCAL IMPACT:**

- Annual state costs of about \$6 million to fund counties for election day voter registration activities, thereby resulting in no anticipated net county cost.
- Minor state administrative costs and unknown, but probably minor, state costs to enforce a new election fraud offense.

# TEXT OF PROPOSED LAWS

★ ★ ★

## PROPOSITION 46

This law proposed by Senate Bill 1227 of the 2001-2002 Regular Session (Chapter 26, Statutes of 2002) is submitted to the people in accordance with the provisions of Article XVI of the California Constitution.

This proposed law adds sections to the Health and Safety Code; therefore, new provisions proposed to be added are printed in *italic type* to indicate that they are new.

### PROPOSED LAW

SEC. 8. Part 11 (commencing with Section 53500) is added to Division 31 of the Health and Safety Code, to read:

#### PART 11. HOUSING AND EMERGENCY SHELTER TRUST FUND ACT OF 2002

##### CHAPTER 1. GENERAL PROVISIONS

53500. This part shall be known and may be cited as the Housing and Emergency Shelter Trust Fund Act of 2002.

53501. As used in this part, the following terms have the following meanings:

(a) "Committee" means the Housing Finance Committee created pursuant to Section 53524.

(b) "Fund" means the Housing and Emergency Shelter Trust Fund created pursuant to Section 53520.

##### CHAPTER 2. HOUSING AND EMERGENCY SHELTER TRUST FUND

53520. The proceeds of bonds issued and sold pursuant to this part shall be deposited in the Housing and Emergency Shelter Trust Fund, which is hereby created. Money in the fund shall be allocated and utilized in accordance with Chapter 4 (commencing with Section 53533).

##### CHAPTER 3. FISCAL PROVISIONS

53521. Bonds in the total amount of two billion one hundred million dollars (\$2,100,000,000) exclusive of refunding bonds, or so much thereof as is determined necessary and feasible by the committee in order to effectuate this part or to conduct an effective sale, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this part and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid legally and binding obligation of the state, and the full faith and credit of the state is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

53522. Any bonds issued and sold pursuant to this part may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of bonds described in this chapter shall include the approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

53523. (a) The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) and all of the other provisions of that law apply to the bonds and to this part and are hereby incorporated in this part as though set forth in full in this part.

(b) Pursuant to the State General Obligation Bond Law, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each program funded through this chapter.

53524. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the Housing Finance Committee is hereby created. For purposes of this part, the Housing Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Treasurer, the Director of Finance, the Secretary of the Business, Transportation and Housing Agency, the Director of Housing and Community Development, and the Executive Director of the California Housing Finance Agency, or their designated representatives. The Treasurer shall serve as the

chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the department is designated the "board" for programs administered by the department, and the agency is the "board" for programs administered by the agency.

53525. Upon request of the board stating that funds are needed for the purposes of this chapter, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this part in order to carry out the actions specified in Chapter 4 (commencing with Section 53533) and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

53526. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

53527. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund, for the purposes of this part, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.

(b) The sum necessary to carry out the provisions of Section 53528, appropriated without regard to fiscal years.

53528. For the purposes of carrying out this part, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this part. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund from money received from the sale of bonds for the purpose of carrying out this part.

53529. Notwithstanding any other provision of this part, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this part that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions, the Treasurer may maintain separate accounts for the bond proceeds invested and the investment earnings on those proceeds, and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law, or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

53530. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this part. The amount of the request shall not exceed the amount of unsold bonds that the committee has by resolution authorized to be sold for the purpose of carrying out this part. The board shall execute any documents that are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this part.

53531. All money deposited in the fund that is derived from premiums and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

53532. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

##### CHAPTER 4. ALLOCATION OF HOUSING BOND REVENUES

53533. (a) Money deposited in the fund from the sale of bonds pursuant to this part shall be allocated for expenditure in accordance with the following schedule:

## TEXT OF PROPOSED LAWS

## PROPOSITION 46 (cont.)

(1) Nine hundred ten million dollars (\$910,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, except for the following:

(A) Fifty million dollars (\$50,000,000) shall be transferred to the Preservation Opportunity Fund and, notwithstanding Section 13340 of the Government Code, is continuously appropriated without regard to fiscal years for the preservation of at-risk housing pursuant to enabling legislation.

(B) Twenty million dollars (\$20,000,000) shall be used for nonresidential space for supportive services, including, but not limited to, job training, health services, and child care within, or immediately proximate to, projects to be funded under the Multifamily Housing Program. This funding shall be in addition to any applicable per-unit or project loan limits and may be in the form of a grant. Service providers shall ensure that services are available to project residents on a priority basis over the general public.

(C) Twenty-five million dollars (\$25,000,000) shall be used for matching grants to local housing trust funds pursuant to enabling legislation.

(D) Fifteen million dollars (\$15,000,000) shall be used for student housing through the Multifamily Housing Program, subject to the following provisions:

(i) The department shall give first priority for projects on land owned by a University of California or California State University campus. Second priority shall be given to projects located within one mile of a University of California or California State University campus that is suffering from a severe shortage of housing and limited availability of developable land as determined by the department. Those determinations shall be set forth in the Notice of Funding Availability and shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code.

(ii) All funds shall be matched on a one-to-one basis from private sources or by the University of California or California State University. For the purposes of this subparagraph, "University of California" includes the Hastings College of the Law.

(iii) Occupancy for the units shall be restricted to students enrolled on a full-time basis in the University of California or California State University.

(iv) Income eligibility pursuant to the Multifamily Housing Program shall be established by verification of the combined income of the student and his or her family.

(v) Any funds not used for this purpose within 24 months of the date that the funds are made available shall be awarded pursuant to subdivision (a) for the Downtown Rebound Program as set forth in paragraph (1) of subdivision (c) of Section 50898.2.

(E) Any funds not encumbered for the purposes set forth in this paragraph, except subparagraph (D), within 30 months of availability shall revert to the Housing Rehabilitation Loan Fund created by Section 50661 for general use in the Multifamily Housing Program.

(F) If the enabling legislation for any program specified in this paragraph fails to be enacted into law in the 2001-02 Regular Session of the Legislature, the specified allocation for that program shall be void and the funds shall revert for general use in the Multifamily Housing Program.

(2) One hundred ninety-five million dollars (\$195,000,000) shall be transferred to the Emergency Housing and Assistance Fund to be expended for the Emergency Housing and Assistance Program authorized by Chapter 11.5 (commencing with Section 50800) of Part 2.

(3) One hundred ninety-five million dollars (\$195,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, to be used for supportive housing projects for individuals and households moving from emergency shelters or transitional housing or those at risk of homelessness. The criteria for selecting projects should give priority to supportive housing for people with disabilities who would otherwise be at high risk of homelessness where the applications represent collaboration with programs that meet the needs of the person's disabilities. The department may provide for higher per-unit loan limits as reasonably necessary to provide and maintain rents affordable to those individuals and households. For purposes of this paragraph, "supportive housing" means housing with no limit on length of stay, that is occupied by the target population, as defined in subdivision (d) of Section 53260, and that is linked to onsite or offsite services that assist the tenant to retain the housing, improve his or her health status, maximize his or her ability to live, and, when possible, work in the community.

(4) Two hundred million dollars (\$200,000,000) shall be transferred to the Joe Serna, Jr. Farmworker Housing Grant Fund to be expended for farmworker housing programs authorized by Chapter 3.2 (commencing with Section 50517.5) of Part 2, except for the following:

(A) Twenty-five million dollars (\$25,000,000) shall be used for projects that serve migratory agricultural workers as defined in subdivision (i) of Section 7602 of Title 25 of the California Code of Regulations.

(B) Twenty million dollars (\$20,000,000) shall be used for developments that also provide health services to the residents. Recipients of these funds shall be required to provide ongoing monitoring of funded developments to ensure compliance with the requirements of the Joe Serna, Jr. Farmworker Housing Grant Program. Projects receiving funds through this allocation shall be ineligible for funding through the Joe Serna, Jr. Farmworker Housing Grant Program.

(C) Any funds not encumbered for the purposes set forth in this paragraph within 30 months of availability shall revert for general use in the Joe Serna, Jr. Farmworker Housing Grant Program.

(5) Two hundred five million dollars (\$205,000,000) shall be transferred to the Self-Help Housing Fund. Notwithstanding Section 13340 of the Government Code and Section 50697.1, these funds are hereby continuously appropriated without regard to fiscal years to the department to be expended for the purposes of the CalHome Program authorized by Chapter 6 (commencing with Section 50650) of Part 2, except for the following:

(A) Seventy-five million dollars (\$75,000,000) shall be transferred to the Building Equity and Growth in Neighborhoods Fund to be used for the Building Equity and Growth in Neighborhoods (BEGIN) Program pursuant to enabling legislation.

(B) Five million dollars (\$5,000,000) shall be used to provide grants to cities, counties, cities and counties, and nonprofit organizations to provide grants for lower income tenants with disabilities for the purpose of making exterior modifications to rental housing in order to make that housing accessible to persons with disabilities. For the purposes of this subparagraph, "exterior modifications" includes modifications that are made to entryways or to common areas of the structure or property. The program provided for under this subparagraph shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code.

(C) Ten million dollars (\$10,000,000) shall be expended for construction management under the California Self-Help Housing Program pursuant to subdivision (b) of Section 50696.

(D) Any funds not encumbered for the purposes set forth in this paragraph within 30 months of availability shall revert for general use in the CalHome Program.

(E) If the enabling legislation for any program specified in this paragraph fails to be enacted into law in the 2001-02 Regular Session of the Legislature, the specified allocation for that program shall be void and the funds shall revert for general use in the CalHome Program.

(6) Five million dollars (\$5,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended for capital expenditures in support of local code enforcement and compliance programs. This allocation shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code. If the moneys allocated pursuant to this paragraph are not expended within three years after being transferred, the department may, in its discretion, transfer the moneys to the Housing Rehabilitation Loan Fund to be expended for the Multifamily Housing Program.

(7) Two hundred ninety million dollars (\$290,000,000) shall be transferred to the Self-Help Housing Fund. Notwithstanding Section 50697.1, these funds are hereby continuously appropriated to the agency to be expended for the purposes of the California Homebuyer's Downpayment Assistance Program authorized by Chapter 11 (commencing with Section 51500) of Part 3, except for the following:

(A) Fifty million dollars (\$50,000,000) shall be transferred to the School Facilities Fee Assistance Fund as provided by subdivision (a) of Section 51453 to be used for the Homebuyer Down Payment Assistance Program of 2002 established by Section 51451.5.

(B) Eighty-five million dollars (\$85,000,000) shall be transferred to the California Housing Loan Insurance Fund to be used for purposes of Part 4 (commencing with Section 51600).

(C) Twelve million five hundred thousand dollars (\$12,500,000) shall be reserved for downpayment assistance to low-income first-time homebuyers who, as documented to the agency by a nonprofit organization certified and funded to provide homeownership counseling by a federally funded national nonprofit corporation, is purchasing a residence in a community revitalization area targeted by the nonprofit organization and who has received homeownership counseling from the nonprofit organization.

(D) Twenty-five million dollars (\$25,000,000) shall be used for downpayment assistance pursuant to Section 51505. After 18 months of availability, if the agency determines that the funds set aside pursuant to this section will not be

## TEXT OF PROPOSED LAWS

## PROPOSITION 46 (cont.)

utilized for purposes of Section 51505, these funds shall be available for the general use of the agency for the purposes of the California Homebuyer's Down Payment Assistance Program, but may also continue to be available for the purposes of Section 51505.

(E) Funds not utilized for the purposes set forth in subparagraphs (B) and (C) within 30 months shall revert for general use in the California Homebuyer's Down Payment Assistance Program.

(8) One hundred million dollars (\$100,000,000) shall be transferred to the Jobs Housing Improvement Account to be expended as capital grants to local governments for increasing housing pursuant to enabling legislation. If the enabling legislation fails to become law in the 2001-02 Regular Session of the Legislature, the specified allocation for this program shall be void and the funds shall revert for general use in the Multifamily Housing Program as specified in paragraph (1) of subdivision (a).

(b) No portion of the money allocated pursuant to this section may be expended for project operating costs, except that this section does not preclude expenditures for operating costs from reserves required to be maintained by or on behalf of the project sponsor.

(c) The Legislature may, from time to time, amend the provisions of law related to programs to which funds are, or have been, allocated pursuant to this section for the purpose of improving the efficiency and effectiveness of the program, or for the purpose of furthering the goals of the program.

(d) The Bureau of State Audits shall conduct periodic audits to ensure that bond proceeds are awarded in a timely fashion and in a manner consistent with the requirements of this part, and that awardees of bond proceeds are using funds in compliance with applicable provisions of this part.

★  
PROPOSITION 47

This law proposed by Assembly Bill 16 of the 2001-2002 Regular Session (Chapter 33, Statutes of 2002) is submitted to the people in accordance with the provisions of Article XVI of the California Constitution.

This proposed law adds sections to the Education Code; therefore, new provisions proposed to be added are printed in *italic type* to indicate that they are new.

## PROPOSED LAW

SEC. 30. Part 68.1 (commencing with Section 100600) is added to the Education Code, to read:

PART 68.1. KINDERGARTEN-UNIVERSITY  
PUBLIC EDUCATION FACILITIES  
BOND ACT OF 2002

## CHAPTER 1. GENERAL

100600. This part shall be known and may be cited as the Kindergarten-University Public Education Facilities Bond Act of 2002.

100601. The incorporation of, or reference to, any provision of California statutory law in this part includes all acts amendatory thereof and supplementary thereto.

100603. Bonds in the total amount of thirteen billion fifty million dollars (\$13,050,000,000), not including the amount of any refunding bonds issued in accordance with Sections 100644 and 100755, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) Pursuant to this section, the Treasurer shall sell the bonds authorized by the State School Building Finance Committee established by Section 15909 or the Higher Education Facilities Finance Committee established pursuant to Section 67353, as the case may be, at any different times necessary to service expenditures required by the appropriations.

## CHAPTER 2. KINDERGARTEN THROUGH 12TH GRADE

Article 1. Kindergarten Through 12th Grade School  
Facilities Program Provisions

100610. The proceeds of bonds issued and sold pursuant to Article 2 (commencing with Section 100625) shall be deposited in the 2002 State School Facilities Fund, which is established in Section 17070.40, and shall be allocated by the State Allocation Board pursuant to this chapter.

100615. All moneys deposited in the 2002 State Facilities Fund for the purposes of this chapter shall be available and, notwithstanding any other provision of law to the contrary, are hereby appropriated to provide aid to school districts, county superintendents of schools, and county boards of education of the state in accordance with the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10), as set forth in Section 100620, to provide funds to repay any money advanced or loaned to the 2002 State School Facilities Fund under any act of the Legislature, together with

interest provided for in that act, and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

100620. (a) The proceeds from the sale of bonds, issued and sold for the purposes of this chapter, shall be allocated in accordance with the following schedule:

(1) The amount of three billion four hundred fifty million dollars (\$3,450,000,000) for new construction of school facilities of applicant school districts under Chapter 12.5 (commencing with Section 17070.10) of Part 10 for those school districts that file an application with the Office of Public School Construction after February 1, 2002, including, but not limited to, hardship applications.

(A) Of the amount allocated pursuant to this paragraph, up to one hundred million dollars (\$100,000,000) shall be available for providing school facilities to charter schools pursuant to a statute enacted after the effective date of the act enacting this section.

(B) If the Housing and Emergency Shelter Trust Fund Act of 2002 is submitted to the voters at the November 5, 2002, general election and fails passage by the voters, of the amount allocated pursuant to this paragraph, twenty-five million dollars (\$25,000,000) shall be available for the purposes of Sections 51451.5, 51453, and 51455 of the Health and Safety Code.

(2) The amount of one billion four hundred million dollars (\$1,400,000,000) for the modernization of school facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10 for those school districts that file an application with the Office of Public School Construction after February 1, 2002, including, but not limited to, hardship applications.

(3) The amount of two billion nine hundred million dollars (\$2,900,000,000) for new construction of school facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10 for those school districts that have filed an application with the Office of Public School Construction on or before February 1, 2002, including, but not limited to, hardship applications. If the amount made available for purposes of this paragraph is not needed and expended for the purposes of this paragraph, the State Allocation Board may allocate the remainder of these funds for purposes of paragraph (1).

(4) The amount of one billion nine hundred million dollars (\$1,900,000,000) for the modernization of school facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10, for those school districts that have filed an application with the Office of Public School Construction on or before February 1, 2002, including, but not limited to, hardship applications. If the amount made available for purposes of this paragraph is not needed and expended for the purposes of this paragraph, the State Allocation Board may allocate these funds for purposes of paragraph (2).

(5) The amount of one billion seven hundred million dollars (\$1,700,000,000) for deposit into the 2002 Critically Overcrowded School Facilities Account established within the 2002 State School Facilities Fund pursuant to subdivision (e) of Section 17078.10, for the purposes set forth in Article 11 (commencing with Section 17078.10) of Chapter 12.5 of Part 10 relating to critically overcrowded schools, including, but not limited to, hardship applications, and any other new construction or modernization projects as authorized pursuant to Section 17078.30.

(6) The amount of fifty million dollars (\$50,000,000) for the purposes set forth in Article 10.6 (commencing with Section 17077.40) of Chapter 12.5 of Part 10 relating to joint-use projects, including, but not limited to, hardship applications.

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(b) School districts may use funds allocated pursuant to paragraphs (2) and (4) of subdivision (a) only for one or more of the following purposes in accordance with Chapter 12.5 (commencing with Section 17070.10) of Part 10:

(1) The purchase and installation of air-conditioning equipment and insulation materials, and related costs.

(2) Construction projects or the purchase of furniture or equipment designed to increase school security or playground safety.

(3) The identification, assessment, or abatement in school facilities of hazardous asbestos.

(4) Project funding for high priority roof replacement projects.

(5) Any other modernization of facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10.

(c) Funds allocated pursuant to paragraphs (1) and (3) of subdivision (a) may, also, be utilized to provide new construction grants for eligible applicant county boards of education under Chapter 12.5 (commencing with Section 17070.10) of Part 10 for funding classrooms for severely handicapped pupils, or for funding classrooms for county community school pupils.

(d) (1) The Legislature may amend this section to adjust the funding amounts specified in paragraphs (1) to (6), inclusive, of subdivision (a), only by either of the following methods:

(A) By a statute, passed in each house of the Legislature by rollcall vote entered in the respective journals, by not less than two-thirds of the membership in each house concurring, if the statute is consistent with, and furthers the purposes of, this chapter.

(B) By a statute that becomes effective only when approved by the voters.

(2) Amendments pursuant to this subdivision may adjust the amounts to be expended pursuant to paragraphs (1) to (6), inclusive, of subdivision (a), but may not increase or decrease the total amount to be expended pursuant to that subdivision.

(e) From the total amounts set forth in paragraphs (1) to (6), inclusive, of subdivision (a), a total of no more than twenty million dollars (\$20,000,000) shall be used for the costs of energy conservation adjustments authorized pursuant to Section 17077.35.

(f) Funds available pursuant to this section may be used for acquisition of school facilities authorized pursuant to Section 17280.5.

#### Article 2. Kindergarten Through 12th Grade School Facilities Fiscal Provisions

100625. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 100600), bonds in the total amount of eleven billion four hundred million dollars (\$11,400,000,000) not including the amount of any refunding bonds issued in accordance with Section 100644, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) Pursuant to this section, the Treasurer shall sell the bonds authorized by the State School Building Finance Committee established pursuant to Section 15909 at any different times necessary to service expenditures required by the apportionments.

100627. The State School Building Finance Committee, established by Section 15909 and composed of the Governor, the Controller, the Treasurer, the Director of Finance, and the Superintendent of Public Instruction, or their designated representatives, all of whom shall serve thereon without compensation, and a majority of whom shall constitute a quorum, is continued in existence for the purpose of this chapter. The Treasurer shall serve as chairperson of the committee. Two Members of the Senate appointed by the Senate Committee on Rules, and two Members of the Assembly appointed by the Speaker of the Assembly, shall meet with and provide advice to the committee to the extent that the advisory participation is not incompatible with their respective positions as Members of the Legislature. For the purposes of this chapter, the Members of the Legislature shall constitute an interim investigating committee on the subject of this chapter and, as that committee, shall have the powers granted to, and duties imposed upon, those committees by the Joint Rules of the Senate and the Assembly. The Director of Finance shall provide assistance to the committee as it may require. The Attorney General of the state is the legal adviser of the committee.

100630. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General

Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, except Section 16727 of the Government Code, apply to the bonds and to this chapter and are hereby incorporated into this chapter as though set forth in full within this chapter.

(b) For purposes of the State General Obligation Bond Law, the State Allocation Board is designated the "board" for purposes of administering the 2002 State School Facilities Fund.

100632. Upon request of the State Allocation Board from time to time, supported by a statement of the apportionments made and to be made for the purposes described in Sections 100615 and 100620, the State School Building Finance Committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to fund the apportionments and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to fund those apportionments progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

100634. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

100635. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 100640, appropriated without regard to fiscal years.

100636. The State Allocation Board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other approved form of interim financing, in accordance with Section 16312 of the Government Code, for the purpose of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

100638. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

100640. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the State School Building Finance Committee to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the 2002 State School Facilities Fund consistent with this chapter. Any money made available under this section shall be returned to the General Fund, plus an amount equal to the interest that the money would have earned in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

100642. All money deposited in the 2002 State School Facilities Fund, that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

100644. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund

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any bonds originally issued under this chapter or any previously issued refunding bonds.

100646. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

## CHAPTER 3. HIGHER EDUCATION FACILITIES

## Article 1. General

100650. (a) The system of public higher education in this state includes the University of California, the Hastings College of the Law, the California State University, the California Community Colleges, and their respective off-campus centers.

(b) The 2002 Higher Education Capital Outlay Bond Fund is hereby established in the State Treasury for deposit of funds from the proceeds of bonds issued and sold for the purposes of this chapter.

(c) The Higher Education Facilities Finance Committee established pursuant to Section 67353 is hereby authorized to create a debt or debts, liability or liabilities, of the State of California pursuant to this chapter for the purpose of providing funds to aid the University of California, the Hastings College of the Law, the California State University, and the California Community Colleges.

## Article 2. Program Provisions Applicable to the University of California and the Hastings College of the Law

100652. (a) From the proceeds of bonds issued and sold pursuant to Article 5 (commencing with Section 100700), the sum of four hundred eight million two hundred sixteen thousand dollars (\$408,216,000) shall be deposited in the 2002 Higher Education Capital Outlay Bond Fund for the purposes of this article. When appropriated, these funds shall be available for expenditure for the purposes of this article.

(b) The purposes of this article include assisting in meeting the capital outlay financing needs of the University of California and the Hastings College of the Law.

(c) Proceeds from the sale of bonds issued and sold for the purposes of this article may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of facilities that may be used by more than one segment of public higher education (intersegmental), the renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years; and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the University of California and the Hastings College of the Law.

## Article 3. Program Provisions Applicable to the California State University

100653. (a) From the proceeds of bonds issued and sold pursuant to Article 5 (commencing with Section 100700), the sum of four hundred ninety-five million nine hundred thirty-two thousand dollars (\$495,932,000) shall be deposited in the 2002 Higher Education Capital Outlay Bond Fund for the purposes of this article. When appropriated, these funds shall be available for expenditure for the purposes of this article.

(b) The purposes of this article include assisting in meeting the capital outlay financing needs of the California State University.

(c) Proceeds from the sale of bonds issued and sold for the purposes of this article may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of facilities that may be used by more than one segment of public higher education (intersegmental), the renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years; and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the California State University.

## Article 4. Program Provisions Applicable to the California Community Colleges

100654. (a) From the proceeds of bonds issued and sold pursuant to Article 5 (commencing with Section 100700), the sum of seven hundred forty-five million eight hundred fifty-three thousand dollars (\$745,853,000) shall

be deposited in the 2002 Higher Education Capital Outlay Bond Fund for the purposes of this article. When appropriated, these funds shall be available for expenditure for the purposes of this article.

(b) The purposes of this article include assisting in meeting the capital outlay financing needs of the California Community Colleges.

(c) Proceeds from the sale of bonds issued and sold for the purposes of this article may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of facilities that may be used by more than one segment of public higher education (intersegmental), the renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years; and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the California Community Colleges.

## Article 5. Higher Education Fiscal Provisions

100700. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 100600), bonds in the total amount of one billion six hundred fifty million dollars (\$1,650,000,000), not including the amount of any refunding bonds issued in accordance with Section 100755, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) It is the intent of the Legislature that the University of California, the California State University, and the California Community Colleges annually consider, as part of their annual capital outlay planning process, the inclusion of facilities that may be used by more than one segment of public higher education (intersegmental), and, that on or before May 15th of each year, those entities report their findings to the budget committees of each house of the Legislature.

(c) Pursuant to this section, the Treasurer shall sell the bonds authorized by the Higher Education Facilities Finance Committee established pursuant to Section 67353 at any different times necessary to service expenditures required by the apportionments.

100710. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, except Section 16727 of the Government Code, apply to the bonds and to this chapter and are hereby incorporated into this chapter as though set forth in full within this chapter.

(b) For the purposes of the State General Obligation Bond Law, each state agency administering an appropriation of the 2002 Higher Education Capital Outlay Bond Fund is designated as the "board" for projects funded pursuant to this chapter.

(c) The proceeds of the bonds issued and sold pursuant to this chapter shall be available for the purpose of funding aid to the University of California, the Hastings College of the Law, the California State University, and the California Community Colleges, for the construction on existing or new campuses, and their respective off-campus centers and joint use and intersegmental facilities, as set forth in this chapter.

100720. The Higher Education Facilities Finance Committee established pursuant to Section 67353 shall authorize the issuance of bonds under this chapter only to the extent necessary to fund the apportionments for the purposes described in this chapter that are expressly authorized by the Legislature in the annual Budget Act. Pursuant to that legislative direction, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the purposes described in this chapter and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

100725. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.

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100730. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 100745, appropriated without regard to fiscal years.

100735. The board, as defined in subdivision (b) of Section 100710, may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other approved form of interim financing, in accordance with Section 16312 of the Government Code, for the purpose of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The board, as defined in subdivision (b) of Section 100710, shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

100740. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

100745. (a) For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the Higher Education Facilities Finance Committee to be sold for the purpose of carrying out

this chapter. Any amounts withdrawn shall be deposited in the 2002 Higher Education Capital Outlay Bond Fund consistent with this chapter. Any money made available under this section shall be returned to the General Fund, plus an amount equal to the interest that the money would have earned in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

(b) Any request forwarded to the Legislature and the Department of Finance for funds from this bond issue for expenditure for the purposes described in this chapter by the University of California, the Hastings College of the Law, the California State University, or the California Community Colleges shall be accompanied by the five-year capital outlay plan. Requests forwarded by a university or college shall include a schedule that prioritizes the seismic retrofitting needed to significantly reduce, in the judgment of the particular university or college, seismic hazards in buildings identified as high priority by the university or college. Requests forwarded by the California Community Colleges shall be accompanied by a five-year capital outlay plan reflecting the needs and priorities of the community college system, prioritized on a statewide basis.

100750. All money deposited in the 2002 Higher Education Capital Outlay Bond Fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

100755. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

100760. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.



## PROPOSITION 48

This amendment proposed by Assembly Constitutional Amendment 15 of the 2001-2002 Regular Session (Resolution Chapter 88, Statutes of 2002) expressly amends the California Constitution by amending and repealing sections thereof; therefore, existing provisions proposed to be deleted are printed in ~~serif type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

## PROPOSED AMENDMENT TO ARTICLE VI

First—That Section 1 of Article VI is amended to read:

SEC. 1. The judicial power of this State is vested in the Supreme Court, courts of appeal, and superior courts, ~~and municipal courts~~, all of which are courts of record.

Second—That Section 5 of Article VI is repealed.

SEC. 5. (a) ~~Each county shall be divided into municipal court districts as provided by statute, but a city may not be divided into more than one district. Each municipal court shall have one or more judges. Each municipal court district shall have no fewer than 10,000 residents, provided that each county shall have at least one municipal court district. The number of residents shall be determined as provided by statute.~~

(b) ~~On the operative date of this subdivision, all existing justice courts shall become municipal courts, and the number, qualifications, and compensation of judges, officers, attachés, and employees shall continue until changed by the Legislature. Each judge of a part-time municipal court is deemed to have agreed to serve full time and shall be available for assignment by the Chief Justice for the balance of time necessary to comprise a full-time workload.~~

(c) ~~The Legislature shall provide for the organization and prescribe the jurisdiction of municipal courts. It shall prescribe for each municipal court the number, qualifications, and compensation of judges, officers, and employees.~~

(d) ~~Notwithstanding subdivision (a), any city in San Diego County may be divided into more than one municipal court district if the~~

~~Legislature determines that unusual geographic conditions warrant such division.~~

(e) ~~Notwithstanding subdivision (a), the municipal and superior courts shall be unified upon a majority vote of superior court judges and a majority vote of municipal court judges within the county. In those counties, there shall be only a superior court.~~

Third—That Section 6 of Article VI is amended to read:

SEC. 6. (a) The Judicial Council consists of the Chief Justice and one other judge of the Supreme Court, ~~3 three judges of courts of appeal, 5 10 judges of superior courts, 5 judges of municipal courts, 2 two~~ nonvoting court administrators, and ~~such~~ any other nonvoting members as determined by the voting membership of the council, each appointed by the Chief Justice for a ~~3-year~~ three-year term pursuant to procedures established by the council; ~~4 four~~ members of the State Bar appointed by its governing body for ~~3-year~~ three-year terms; and one member of each house of the Legislature appointed as provided by the house.

~~Vacancies in the memberships on the Judicial Council otherwise designated for municipal court judges shall be filled by judges of the superior court in the case of appointments made when fewer than 10 counties have municipal courts.~~

(b) Council membership terminates if a member ceases to hold the position that qualified the member for appointment. A vacancy shall be filled by the appointing power for the remainder of the term.

(c) The council may appoint an Administrative Director of the Courts, who serves at its pleasure and performs functions delegated by the council or the Chief Justice, other than adopting rules of court administration, practice and procedure.

(d) To improve the administration of justice the council shall survey judicial business and make recommendations to the courts, make recommendations annually to the Governor and Legislature, adopt rules for court administration, practice and procedure, and perform other functions prescribed by statute. The rules adopted shall not be inconsistent with statute.

## TEXT OF PROPOSED LAWS

## PROPOSITION 48 (cont.)

(e) The Chief Justice shall seek to expedite judicial business and to equalize the work of judges. The Chief Justice may provide for the assignment of any judge to another court but only with the judge's consent if the court is of lower jurisdiction. A retired judge who consents may be assigned to any court.

(f) Judges shall report to the council as the Chief Justice directs concerning the condition of judicial business in their courts. They shall cooperate with the council and hold court as assigned.

Fourth—That Section 8 of Article VI is amended to read:

SEC. 8. (a) The Commission on Judicial Performance consists of ~~one judge of a court of appeal, one judge of a superior court, and one judge of a municipal court~~ and two judges of superior courts, each appointed by the Supreme Court; ~~2~~ two members of the State Bar of California who have practiced law in this State for 10 years, each appointed by the Governor; and ~~6~~ six citizens who are not judges, retired judges, or members of the State Bar of California, ~~2~~ two of whom shall be appointed by the Governor, ~~2~~ two by the Senate Committee on Rules, and ~~2~~ two by the Speaker of the Assembly. Except as provided in subdivisions (b) and (c), all terms are for 4 years. No member shall serve more than ~~2~~ 4-year two four-year terms, or for more than a total of 10 years if appointed to fill a vacancy. ~~A vacancy in the membership on the Commission on Judicial Performance otherwise designated for a municipal court judge shall be filled by a judge of the superior court in the case of an appointment made when fewer than 10 counties have municipal courts.~~

(b) Commission membership terminates if a member ceases to hold the position that qualified the member for appointment. A vacancy shall be filled by the appointing power for the remainder of the term. A member whose term has expired may continue to serve until the vacancy has been filled by the appointing power. Appointing powers may appoint members who are already serving on the commission prior to March 1, 1995, to a single ~~2~~ year two-year term, but may not appoint them to an additional term thereafter.

(c) To create staggered terms among the members of the Commission on Judicial Performance, the following members shall be appointed, as follows:

(1) Two members appointed by the Supreme Court to a term commencing March 1, 1995, shall each serve a term of ~~2~~ two years and may be reappointed to one full term.

(2) One attorney appointed by the Governor to a term commencing March 1, 1995, shall serve a term of ~~2~~ two years and may be reappointed to one full term.

(3) One citizen member appointed by the Governor to a term commencing March 1, 1995, shall serve a term of ~~2~~ two years and may be reappointed to one full term.

(4) One member appointed by the Senate Committee on Rules to a term commencing March 1, 1995, shall serve a term of ~~2~~ two years and may be reappointed to one full term.

(5) One member appointed by the Speaker of the Assembly to a term commencing March 1, 1995, shall serve a term of ~~2~~ two years and may be reappointed to one full term.

(6) All other members shall be appointed to full ~~4~~ year four-year terms commencing March 1, 1995.

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

SEC. 10. The Supreme Court, courts of appeal, superior courts, and their judges have original jurisdiction in habeas corpus proceedings. Those courts also have original jurisdiction in proceedings for extraordinary relief in the nature of mandamus, certiorari, and prohibition. The appellate division of the superior court has original jurisdiction in proceedings for extraordinary relief in the nature of mandamus, certiorari, and prohibition directed to the superior court in causes subject to its appellate jurisdiction.

Superior courts have original jurisdiction in all other causes ~~except those given by statute to other trial courts.~~

The court may make ~~each~~ any comment on the evidence and the testimony and credibility of any witness as in its opinion is necessary for the proper determination of the cause.

Sixth—That Section 15 of Article VI is amended to read:

SEC. 15. A person is ineligible to be a judge of a court of record unless for ~~5~~ years immediately preceding selection to a municipal court or 10 years immediately preceding selection to other courts, the person has been a member of the State Bar or served as a judge of a court of record in

this State. ~~A judge eligible for municipal court service may be assigned by the Chief Justice to serve on any court.~~

Seventh—That Section 16 of Article VI is amended to read:

SEC. 16. (a) Judges of the Supreme Court shall be elected at large and judges of courts of appeal shall be elected in their districts at general elections at the same time and places as the Governor. Their terms are 12 years beginning the Monday after January 1 following their election, except that a judge elected to an unexpired term serves the remainder of the term. In creating a new court of appeal district or division the Legislature shall provide that the first elective terms are 4, 8, and 12 years.

(b) ~~(1) In counties in which there is no municipal court, judges~~ Judges of superior courts shall be elected in their counties at general elections except as otherwise necessary to meet the requirements of federal law. In the latter case the Legislature, by two-thirds vote of the membership of each house thereof, with the advice of judges within the affected court, may provide for their election by the system prescribed in subdivision (d), or by any other arrangement. The Legislature may provide that an unopposed incumbent's name not appear on the ballot.

~~(2) In counties in which there is one or more municipal court districts, judges of superior and municipal courts shall be elected in their counties or districts at general elections. The Legislature may provide that an unopposed incumbent's name not appear on the ballot.~~

(c) Terms of judges of superior courts are 6 six years beginning the Monday after January 1 following their election. A vacancy shall be filled by election to a full term at the next general election after the second January 1 following the vacancy, but the Governor shall appoint a person to fill the vacancy temporarily until the elected judge's term begins.

(d)(1) Within 30 days before August 16 preceding the expiration of the judge's term, a judge of the Supreme Court or a court of appeal may file a declaration of candidacy to succeed to the office presently held by the judge. If the declaration is not filed, the Governor before September 16 shall nominate a candidate. At the next general election, only the candidate so declared or nominated may appear on the ballot, which shall present the question whether the candidate shall be elected. The candidate shall be elected upon receiving a majority of the votes on the question. A candidate not elected may not be appointed to that court but later may be nominated and elected.

(2) The Governor shall fill vacancies in those courts by appointment. An appointee holds office until the Monday after January 1 following the first general election at which the appointee had the right to become a candidate or until an elected judge qualifies. A nomination or appointment by the Governor is effective when confirmed by the Commission on Judicial Appointments.

(3) Electors of a county, by majority of those voting and in a manner the Legislature shall provide, may make this system of selection applicable to judges of superior courts.

Eighth—That Section 23 of Article VI is amended to read:

SEC. 23. (a) The purpose of the amendments to Sections 1, 4, 5, 6, 8, 10, 11, and 16, of this article, and the amendments to Section 16 of Article I, approved at the June 2, 1998, primary election is to permit the Legislature to provide for the abolition of the municipal courts and unify their operations within the superior courts. Notwithstanding Section 8 of Article IV, the implementation of, and orderly transition under, the provisions of the measure adding this section may include urgency statutes that create or abolish offices or change the salaries, terms, or duties of offices, or grant franchises or special privileges, or create vested rights or interests, where otherwise permitted under this Constitution.

(b) When the superior and municipal courts within a county are unified, the judgeships in each municipal court in that county are abolished and the previously selected municipal court judges shall become judges of the superior court in that county. The term of office of a previously selected municipal court judge is not affected by taking office as a judge of the superior court. The 10-year membership or service requirement of Section 15 does not apply to a previously selected municipal court judge. Pursuant to Section 6, the Judicial Council may prescribe appropriate education and training for judges with regard to trial court unification.

(c) Except as provided by statute to the contrary, in any county in which the superior and municipal courts become unified, the following shall occur automatically in each preexisting superior and municipal court:

(1) Previously selected officers, employees, and other personnel who serve the court become the officers and employees of the superior court.

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# TEXT OF PROPOSED LAWS

## PROPOSITION 48 (cont.)

- (2) Preexisting court locations are retained as superior court locations.
- (3) Preexisting court records become records of the superior court.
- (4) Pending actions, trials, proceedings, and other business of the court become pending in the superior court under the procedures previously applicable to the matters in the court in which the matters were pending.
- (5) Matters of a type previously within the appellate jurisdiction of the superior court remain within the jurisdiction of the appellate division of the superior court.

(6) Matters of a type previously subject to rehearing by a superior court judge remain subject to rehearing by a superior court judge, other than the judge who originally heard the matter.

(7) Penal Code procedures that necessitate superior court review of, or action based on, a ruling or order by a municipal court judge shall be performed by a superior court judge other than the judge who originally made the ruling or order.

(d) This section shall remain in effect only until January 1, 2007, and as of that date is repealed.

## PROPOSITION 49

This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends and adds sections to the Education Code; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

### PROPOSED LAW

#### AFTER SCHOOL EDUCATION AND SAFETY PROGRAM ACT OF 2002

SECTION 1. This act shall be known, and may be cited, as the "After School Education and Safety Program Act of 2002."

SEC. 2. The people find and declare all of the following:

(a) Studies by law enforcement and nonprofit organizations show that the after school hours between 3 p.m. and 6 p.m. on school days are the peak hours for children to become victims of violent crimes or to commit violent crimes themselves. The after school hours are also the peak hours for drug and alcohol use and car accidents involving children.

(b) Research shows after school programs have a major positive impact on society by making our streets safer, and reducing risk taking behavior such as alcohol, tobacco and drug use by teenagers.

(c) Studies by the University of California Los Angeles and the University of California Irvine of existing after school programs in California show the after school programs have a major positive impact on the education of our children by increasing school attendance, reducing suspensions, and improving standardized test scores.

(d) After school programs save taxpayer money by reducing crime, reducing health costs associated with drug and alcohol use, cutting grade repetition, and reducing the need for remedial education.

(e) After school programs help working families by providing their children a safe, educationally enriching place to go after school when there is no parent at home.

(f) School buildings, playgrounds, and other school facilities are a huge taxpayer investment, and they can and should be better utilized during before and after school hours, especially for after school programs for California's children.

(g) The After-School Learning and Safe Neighborhoods Partnerships Program has successfully provided incentive grants for after school and nonschoolday programs that have proven to increase academic performance and to improve behavior of children, especially children at risk.

(h) Only a small portion of elementary and middle schools in California currently operate an after school program. With approximately 50 percent of California's children having either a single working parent, or two parents who both work, after school programs have become a necessity, not a luxury.

(i) Although new funding of after school programs is extremely important, revenues guaranteed by law for our public school system pursuant to Proposition 98 should first be fully appropriated and therefore not be used to increase the funding of these after school programs. The new funding for after school programs will therefore be funded above the legally required educational funding.

(j) And because there are essential, noneducation state programs that need continued funding, increasing funding for these after school programs should occur only after substantial growth in state revenues not guaranteed for education purposes.

SEC. 3. Therefore the people enact the After School Education and Safety Program Act to encourage schools and school districts to use school facilities and other appropriate locations to provide a safe and educationally enriching place for children in grades K through 9 to be when they are not in school and to accomplish the following specific purposes:

(a) To rename the After School Learning and Safe Neighborhoods Partnerships Program the After School Education and Safety Program (ASESP), but not to change its program operations under existing law and to continue to require a 50 percent match of local funding.

(b) To expand ASEP funding to a level sufficient to:

(1) First, fund all existing before and after school and nonschoolday grants.

(2) Second, make available universal after school incentive grants to every public (including charter) elementary, middle, and junior high school in California making an acceptable application.

(3) Third, increase funding for before and after school programs beyond current appropriations when more state revenue is available.

(c) To give priority for increased state funding to schools with predominately low-income students from funds available once every eligible school has the opportunity to receive an initial universal after school grant.

(d) To add computer training, fine arts, and physical fitness programs to the educational/literacy and enrichment/recreational components of existing law.

(e) To solicit local law enforcement input in program development.

(f) To fund the expansion of state grants to schools for this program only out of growth in state revenues, instead of new taxes, and only after state revenues that are otherwise legally guaranteed to fund education programs have already been fully appropriated.

(g) To appropriate four hundred sixty-five million dollars (\$465,000,000) for new program expenditures above the existing statutory appropriation of eighty-five million dollars (\$85,000,000) for a total of five hundred fifty million dollars (\$550,000,000), much of which will be offset from savings expected from reduced costs in crime and education.

(h) To make sure this new four hundred sixty-five million dollar (\$465,000,000) appropriation is not an undue burden on other state programs, to provide a trigger to increase the eighty-five million dollar (\$85,000,000) appropriation in the 2004-05 fiscal year or later when and only if state revenues have grown sufficiently over the highest of the 2000-01, 2001-02, 2002-03, or 2003-04 fiscal years to provide more than one billion five hundred million dollars (\$1,500,000,000) in new appropriations not guaranteed for education purposes.

(i) To ensure each school gets the highest quality program possible, provide 1½ percent of the appropriation for the program for technical assistance and program evaluation.

SEC. 4. The heading of Article 22.5 (commencing with Section 8482) of Chapter 2 of Part 6 of the Education Code is amended to read:

Article 22.5. ~~Before and After-School Learning and Safe  
Neighborhoods Partnerships Program~~  
After School Education and Safety Program

SEC. 5. Section 8482 of the Education Code is amended to read:  
8482. There is hereby established the After School Education and Safety Program. All references to it by its prior name, the Before and After School Learning and Safe Neighborhoods Partnerships Program, in this article and other state law shall now identify it by its new name. The purpose of this program is to create incentives for establishing locally driven before and after school enrichment programs both during schooldays and summer,

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## PROPOSITION 49 (cont.)

intersession, or vacation days that partner public schools and communities to provide academic and literacy support and safe, constructive alternatives for youth. The term public school includes charter schools.

SEC. 6. Section 8482.3 of the Education Code is amended to read:

8482.3. (a) The ~~Before and After School Learning and Safe Neighborhoods Partnerships Program~~ After School Education and Safety Program shall be established to serve pupils in kindergarten and grades 1 to 9, inclusive, at participating public elementary, middle, junior high, and charter ~~schools~~ schools.

(b) A program may operate a before school component of a program, an after school component, or both the before and after school components of a program, on one or multiple ~~schools~~ sites. If a program operates at multiple ~~schools~~ sites, only one application shall be required for its establishment.

(c) Each component of a program established pursuant to this article shall consist of the following two components:

(1) An educational and literacy component whereby tutoring or homework assistance is provided in one or more of the following areas: language arts, mathematics, history and social science, computer training, or science.

(2) A component whereby educational enrichment, which may include, but need not be limited to, fine arts, recreation, physical fitness, and prevention activities, is provided.

(d) Applicants for programs established pursuant to this article may include any of the following:

(1) A local education agency, including a charter school.

(2) A city, county, or nonprofit organization in partnership with, and with the approval of, a local education agency or agencies.

(e) Applicants for grants pursuant to this article shall ensure that each of the following requirements is fulfilled, if applicable:

(1) The application documents the commitments of each partner to operate a program on that ~~school~~ site or ~~schools~~ sites.

(2) The application has been approved by the school district and the principal of each ~~school~~ participating school for each ~~school~~ site or other site.

(3) Each partner in the application agrees to share responsibility for the quality of the program.

(4) The application designates the public agency or local education agency partner to act as the fiscal agent. For purposes of this section, "public agency" means only a county board of supervisors or, where the city is incorporated or has a charter, a city council.

(5) Applicants agree to follow all fiscal reporting and auditing standards required by the State Department of Education.

SEC. 7. Section 8482.5 of the Education Code is amended to read:

8482.5. (a) Priority for funding programs established pursuant to this article, except those established pursuant to subdivision (c) of Section 8482.55, shall be given to schools where a minimum of 50 percent of the pupils in elementary schools and 50 percent of the pupils in middle and junior high schools are eligible for free or reduced-cost meals through the school lunch program of the United States Department of Agriculture.

(b) Every program established pursuant to this article shall be planned through a collaborative process that includes parents, youth, and representatives of participating ~~schools~~ public schools, governmental agencies, such as city and county parks and recreation departments, local law enforcement, community organizations, and the private sector.

SEC. 8. Section 8482.55 is added to the Education Code, to read:

8482.55. (a) To accomplish the purposes of the After School Education and Safety Program, commencing with the fiscal year beginning July 1, 2004, and for each fiscal year thereafter, all grants made pursuant to this article shall be awarded as set forth in this section.

(b) Grants made to public schools pursuant to this article for the 2003-04 fiscal year shall continue to be funded in each subsequent fiscal year at the 2003-04 fiscal year level before any other grants are funded under this article, provided such schools continue to make application for such grants and are otherwise qualified pursuant to this article. Receipt of a grant at the 2003-04 fiscal year level made pursuant to this subdivision shall not affect a school's eligibility for additional grant funding as permitted in subdivisions (c) and (d) up to the maximum grants permitted in Sections 8483.7 and 8483.75.

(c) Every public elementary, middle, and junior high school in the state shall be eligible to receive a three year renewable incentive grant for after school programs to be operated during the regular school year, as provided in subparagraph (A) of paragraph (1) of subdivision (a) of Section 8483.7. Except as provided in this subdivision, grants for after school programs made pursuant to this subdivi-

sion shall be subject to all other sections of this article. Grants for after school programs made pursuant to this subdivision shall not exceed fifty thousand dollars (\$50,000) for each regular school year for each elementary school or seventy-five thousand dollars (\$75,000) for each regular school year for each middle or junior high school. Notwithstanding subdivision (a) of Section 8482.5 and except as provided in subdivision (f), every public elementary, middle, and junior high school in the state shall have equal priority of funding for grants for after school programs made pursuant to this subdivision. Receipt of a grant for an after school program made pursuant to this subdivision shall not affect a school's eligibility for additional grant funding as permitted in subdivision (d) up to the maximum grants permitted in Sections 8483.7 and 8483.75. Grants made pursuant to this subdivision shall be funded after grants made pursuant to subdivision (b) and before any grants made pursuant to subdivision (d). Grants made pursuant to this subdivision shall be referred to as "After School Education and Safety Universal Grants."

(d) All funds remaining from the appropriation provided in Section 8483.5 after award of grants pursuant to subdivisions (b) and (c) shall be distributed pursuant to Sections 8483.7 and 8483.75. Grants for programs made pursuant to this subdivision shall be subject to all other sections of this article. Priority for grants for programs made pursuant to this subdivision shall be established pursuant to subdivision (a) of Section 8482.5 and Section 8483.3.

(e) No school shall receive grants in excess of the amounts provided in Sections 8483.7 and 8483.75.

(f) In the event that in any fiscal year the appropriation made pursuant to Section 8483.5 shall be insufficient to fund all eligible schools who make application for After School Education and Safety Universal Grants pursuant to subdivision (c), priority for After School Education and Safety Universal Grants shall be established pursuant to subdivision (a) of Section 8482.5 and Section 8483.3.

SEC. 9. Section 8483.25 is added to the Education Code, to read:

8483.25. The State Department of Education shall provide notice to all schools eligible for grants under this article of the availability of such grants as well as the process for making application.

SEC. 10. Section 8483.5 of the Education Code is amended to read:

8483.5. (a) It is the intent of the Legislature that a minimum of eighty-five million dollars (\$85,000,000) be appropriated for the program established pursuant to this article, through the annual Budget Act. Of the funds appropriated for the program, current grant recipients have priority for receiving continued funding for the same purposes for which they previously received an award. This subdivision shall be in effect only until June 30, 2004.

(b) Commencing with the fiscal year beginning July 1, 2004, and for each fiscal year thereafter, there shall be continuously appropriated to the State Department of Education from the General Fund for the program established pursuant to this article an amount not to exceed five hundred fifty million dollars (\$550,000,000) that is the greater of (1) an amount equal to the appropriation from the General Fund for the program established pursuant to this article for the immediately preceding fiscal year, or (2) an amount equal to the sum of (A) the appropriation from the General Fund for the program established pursuant to this article for fiscal year 2003-04 and (B) the amount by which the state's non-guaranteed General Fund appropriations for the current fiscal year exceed the sum of (i) the amount of the state's non-guaranteed General Fund appropriations for the base year plus (ii) one billion five hundred million dollars (\$1,500,000,000). Nothing in this section prohibits the Legislature from appropriating funds for the program established pursuant to this article in excess of this continuous appropriation.

(c) For purposes of this section, the term "state's non-guaranteed General Fund appropriations" shall mean those General Fund appropriations of the state in a fiscal year other than those appropriations guaranteed to be applied by the state for the support of school districts and community college districts pursuant to Sections 8 and 8.5 of Article XVI of the California Constitution. For purposes of this section, the "base year" is the fiscal year during the period July 1, 2000 through June 30, 2004 for which the state's non-guaranteed General Fund appropriations are the highest as compared to any other fiscal year during such period.

(d) Notwithstanding subdivision (b), in any fiscal year in which the Legislature has legal authority pursuant to paragraph (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution to reduce the moneys applied by the state for the support of school districts and community college districts for the current fiscal year as compared to the moneys applied by the state for the support of school districts and community colleges during the immediately preceding fiscal year, the continuous appropriation pursuant to subdivision (b) shall be reduced for that fiscal year by the same percentage by which the moneys applied by the state for the support of school districts and community college districts in

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## PROPOSITION 49 (cont.)

the current fiscal year is less than the moneys applied by the state for the support of school districts and community college districts during the immediately preceding fiscal year.

(e) All funds expended pursuant to this article shall be used only for the purposes expressed in this article. Except for funds expended pursuant to subdivision (b) of Section 8482.55, all funds expended pursuant to this article shall be used to supplement and not supplant existing levels of service.

SEC. 11. Section 8483.55 is added to the Education Code, to read:

8483.55. From the funds appropriated pursuant to subdivision (b) of Section 8483.5, the State Department of Education may spend 1 1/2 percent to cover evaluation costs and to provide training and support to ensure quality program implementation, development, and sustainability and may pay its costs of awarding and monitoring grants.

SEC. 12. Section 8483.6 is added to the Education Code, to read:

8483.6. Notwithstanding subdivision (f) of Section 41202, in any fiscal year commencing with the fiscal year beginning July 1, 2004, that portion of any continuous appropriation made by Section 8483.5 for the program established pursuant to this article which is in excess of the amount appropriated for the program established pursuant to this article for the immediately preceding fiscal year shall not be appropriated until the Legislature has appropriated sums sufficient to fully fund the requirements of Sections 8 and 8.5 of Article XVI of the California Constitution for that year and shall be appropriated in addition to the sums required by, and shall not be considered towards fulfilling the funding requirements of, Sections 8 and 8.5 of Article XVI of the California Constitution for that fiscal year.

SEC. 13. Section 8484.6 of the Education Code is amended to read: 8484.6. (a) Programs established pursuant to this article may be conducted upon the grounds of a community park or recreational area if the park or recreational area is adjacent to the school site facility, or other site as approved by the State Department of Education in the grant application process. Offsite programs shall align the educational and literacy component of the program with participating pupils' regular school programs. No program located off school grounds shall be approved unless safe transportation is provided to the pupils enrolled in the program. Any reference to school site as a physical location in this article shall mean school site or other site as provided by this section.

(b) An offsite program conducted pursuant to this section shall comply with all statutory and regulatory requirements that are applicable to similar programs conducted on the school site.

SEC. 14. Except for Sections 8482.55, 8483.5, and 8483.6 of the Education Code, the After School Education and Safety Program Act of 2002 may be amended to further its purpose by statute, passed in each house by a majority vote of the membership concurring and signed by the Governor. Section 8482.55 of the Education Code may be amended to further the purpose of the After School Education and Safety Program Act of 2002 by statute, passed in each house by a two-thirds vote of the membership concurring and signed by the Governor. Sections 8483.5 and 8483.6 of the Education Code may not be amended by the Legislature.

SEC. 15. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.



## PROPOSITION 50

This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure adds sections to the Water Code; therefore, new provisions proposed to be added are printed in italic type to indicate that they are new.

### PROPOSED LAW

#### WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION ACT OF 2002

SECTION 1. Division 26.5 (commencing with Section 79500) is added to the Water Code, to read:

#### DIVISION 26.5. WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION ACT OF 2002

##### CHAPTER 1. GENERAL PROVISIONS

79500. This division shall be known and may be cited as the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

79501. The people of California find and declare that it is necessary and in the public interest to do all of the following:

(a) Secure and safeguard the integrity of the state's water supply from catastrophic damage or failure from terrorist acts or other deliberate acts of destruction.

(b) Provide a safe, clean, affordable, and sufficient water supply to meet the needs of California residents, farms, and businesses.

(c) Provide adequate financing for balanced implementation of the CALFED Bay-Delta Program to:

(1) Provide good water quality for all beneficial uses.

(2) Improve and increase aquatic and terrestrial habitats and improve ecological functions in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary to support sustainable populations of diverse plant and animal species.

(3) Reduce the mismatch between Bay-Delta water supplies and current and projected beneficial uses dependent on the Bay-Delta system.

(4) Reduce the risk to land uses and associated economic activities, water supply, infrastructure, and ecosystems from catastrophic breaching of Delta levees.

(d) Establish and facilitate integrated regional water management systems and procedures to meet increasing water demands due to significant population growth that is straining local infrastructure and water supplies.

(e) Improve practices within watersheds to improve water quality, reduce pollution, capture additional storm water runoff, protect and manage groundwater better, and increase water use efficiency.

(f) Protect urban communities from drought, increase supplies of clean drinking water, reduce dependence on imported water, reduce pollution of rivers, lakes, streams, and coastal waters, and provide habitat for fish and wildlife.

(g) Invest in projects that further the ability of all Californians to live within California's basic apportionment of 4.4 million acre-feet per year of Colorado River water pursuant to the Colorado River Water Use Plan.

(h) Protect, restore, and acquire beaches and coastal uplands, wetlands, and watershed lands along the coast and in San Francisco Bay to protect the quality of drinking water, to keep beaches and coastal waters safe from water pollution, and to provide the wildlife and plant habitat and riparian and wetlands areas needed to support functioning coastal and San Francisco Bay ecosystems for the benefit of the people of California.

79502. It is the intent of the people in enacting this division that it be administered and executed in the most expeditious manner possible, and that all state, regional and local officials implement this division to the fullest extent of their authority.

79503. It is the intent of the people that water facility projects financed pursuant to this division shall be designed and constructed so as to improve the security and safety of the state's drinking water system.

79504. It is the intent of the people that investment of public funds pursuant to this division should result in public benefits.

79505. As used in this division, the following terms shall have the following meanings:

(a) "Acquisition" means the acquisition of a fee interest or any other interest, including easements, leases, and development rights.

(b) "Board" means the State Water Resources Control Board.

(c) "CALFED" means the consortium of state and federal agencies with management and regulatory responsibilities in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

(d) "CALFED Bay-Delta Program" means the undertaking by CALFED to develop and implement, by means of the final programmatic environmental impact statement/environmental impact report, the preferred programs, actions, projects, and related activities that will provide solutions to identified problem

## TEXT OF PROPOSED LAWS

## PROPOSITION 50 (cont.)

areas related to the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ecosystem, including but not limited to the Bay-Delta and its tributary watersheds.

(e) "Department" means the Department of Water Resources.

(f) "Fund" means the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 created pursuant to Section 79510.

(g) "Nonprofit organization" means any nonprofit corporation formed pursuant to the Nonprofit Public Benefit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code) and qualified under Section 501(c)(3) of the United States Internal Revenue Code.

(h) "Secretary" means the Secretary of the Resources Agency.

(i) "Wetlands" means lands that may be covered periodically or permanently with shallow water and include saltwater marshes, freshwater marshes, open or closed brackish water marshes, swamps, mudflats, fens, and vernal pools.

79506. Every proposed activity to be financed pursuant to this division shall be in compliance with the California Environmental Quality Act (Division 13 (commencing with Section 21000)) of the Public Resources Code.

79507. Watershed protection activities financed pursuant to this division shall be consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board.

79508. Watershed protection activities in the San Gabriel and Los Angeles River watersheds shall be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy and the Santa Monica Mountains Conservancy. Notwithstanding any other provision of law, this plan shall be implemented pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code in the watershed of the Los Angeles River upstream of the northernmost boundary of the City of Vernon and pursuant to Division 22.8 (commencing with Section 32600) of the Public Resources Code in the San Gabriel River and in the lower Los Angeles River watershed.

79509. Except for projects financed pursuant to Chapter 6 (commencing with Section 79545) or Chapter 10 (commencing with Section 79570), to be eligible to be financed pursuant to this division, any project that will wholly or partially assist in the fulfillment of one or more of the goals of the CALFED Bay-Delta Program shall be consistent with the CALFED Programmatic Record of Decision, and shall be implemented, to the maximum extent possible, through local and regional programs.

#### CHAPTER 2. THE WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION FUND OF 2002

79510. The Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 is hereby created.

79511. All money deposited in the fund shall be used only for the purposes and in the amounts set forth in this division and for no other purpose.

79512. Except as otherwise expressly provided in this division, upon a finding by the agency authorized to administer or expend money appropriated from the fund that a particular project or program for which money has been allocated or granted cannot be completed, or that the amount that was appropriated, allocated, or granted is in excess of the total amount needed, the Legislature may reappropriate the money for other high priority needs consistent with this division.

#### CHAPTER 3. WATER SECURITY

79520. The sum of fifty million dollars (\$50,000,000) shall be available for appropriation by the Legislature from the fund for the purpose of protecting state, local, and regional drinking water systems from terrorist attack or deliberate acts of destruction or degradation. This money may be expended or granted for monitoring and early warning systems, fencing, protective structures, contamination treatment facilities, emergency interconnections, communications systems, and other projects designed to prevent damage to water treatment, distribution, and supply facilities, to prevent disruption of drinking water deliveries, and to protect drinking water supplies from intentional contamination.

79521. The Legislature may enact such legislation as is necessary to implement this chapter.

#### CHAPTER 4. SAFE DRINKING WATER

79530. (a) The sum of four hundred thirty-five million dollars (\$435,000,000) shall be available for appropriation by the Legislature from the fund to the State Department of Health Services for grants and loans for infra-

structure improvements and related actions to meet safe drinking water standards including, but not limited to, the following types of projects:

(1) Grants to small community drinking water systems to upgrade monitoring, treatment, or distribution infrastructure.

(2) Grants to finance development and demonstration of new technologies and related facilities for water contaminant removal and treatment.

(3) Grants for community water quality monitoring facilities and equipment.

(4) Grants for drinking water source protection.

(5) Grants for treatment facilities necessary to meet disinfectant by-product safe drinking water standards.

(6) Loans pursuant to the Safe Drinking Water State Revolving Fund Law of 1997 (Chapter 4.5 (commencing with Section 116760) of Part 12 of Division 104 of the Health and Safety Code).

(b) Not less than 60 percent of the money appropriated pursuant to this section shall be available for grants to Southern California water agencies to assist in meeting the state's commitment to reduce Colorado River water use to 4.4 million acre feet per year.

79531. The Legislature may enact such legislation as is necessary to implement this chapter.

#### CHAPTER 5. CLEAN WATER AND WATER QUALITY

79540. (a) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the board for competitive grants for the following purposes:

(1) Water pollution prevention.

(2) Water reclamation.

(3) Water quality improvement.

(4) Water quality blending and exchange projects.

(5) Drinking water source protection projects.

(6) Projects to mitigate pathogen risk from recreational uses at drinking water storage facilities.

(b) Priority shall be given to projects that assist in meeting water quality standards established by the board.

(c) The Legislature may enact such legislation as is necessary to implement this section.

79541. The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the secretary for the acquisition from willing sellers, restoration, protection, and development of river parkways. The secretary shall allocate this money in accordance with Article 6 (commencing with Section 78682) of Chapter 6 of Division 24 or pursuant to any other statute that provides for the acquisition, restoration, protection, and development of river parkways. Priority shall be given to projects that are implemented pursuant to approved watershed plans and include water quality and watershed protection benefits. This money may also be used to acquire facilities necessary to provide flows to improve water quality downstream.

79542. The sum of forty million dollars (\$40,000,000) shall be available for appropriation by the Legislature from the fund to the California Tahoe Conservancy for acquisition from willing sellers, restoration, and protection of land and water resources to improve water quality in Lake Tahoe.

79543. The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the board for the purpose of financing projects that restore and protect the water quality and environment of coastal waters, estuaries, bays and near-shore waters, and groundwater. All expenditures, grants, and loans made pursuant to this section shall be consistent with the requirements of Article 5 (commencing with Section 79148) of Chapter 7 of Division 26. Not less than twenty million dollars (\$20,000,000) shall be expended to implement priority actions specified in the Santa Monica Bay Restoration Plan. Money made available pursuant to this section shall supplement, not supplant, money appropriated or available pursuant to that Article 5 (commencing with Section 79148), and no money appropriated pursuant to this section shall be used for a project for which an appropriation was made pursuant to that Article 5 (commencing with Section 79148).

79544. The sum of thirty million dollars (\$30,000,000) shall be available for appropriation by the Legislature from the fund to the secretary for the purpose of grants to local public agencies, local water districts, and nonprofit organizations for acquisition from willing sellers of land and water resources to protect water quality in lakes, reservoirs, rivers, streams and wetlands in the Sierra Nevada-Cascade Mountain Region as defined in Section 5096.347 of the Public Resources Code.

## PROPOSITION 50 (cont.)

### CHAPTER 6. CONTAMINANT AND SALT REMOVAL TECHNOLOGIES

79545. The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the department for grants for the following projects:

(a) Desalination of ocean or brackish waters. Not less than fifty million dollars (\$50,000,000) of the money appropriated by this chapter shall be available for desalination projects. To be eligible to receive a grant, at least 50 percent of the total cost of the project shall be met by matching funds or donated services from non-state sources.

(b) Pilot and demonstration projects for treatment or removal of the following contaminants:

- (1) Petroleum products, such as MTBE and BTEX.
- (2) N-Nitrosodimethylamine (NDMA).
- (3) Perchlorate.
- (4) Radionuclides, such as radon, uranium, and radium.
- (5) Pesticides and herbicides.
- (6) Heavy metals, such as arsenic, mercury, and chromium.
- (7) Pharmaceuticals and endocrine disrupters.

(c) Drinking water disinfecting projects using ultraviolet technology and ozone treatment.

79546. The Legislature may enact such legislation as is necessary to implement this chapter.

### CHAPTER 7. CALFED BAY-DELTA PROGRAM

79550. The sum of eight hundred twenty-five million dollars (\$825,000,000) shall be available for appropriation by the Legislature from the fund for the balanced implementation of the CALFED Bay-Delta Program. Expenditures and grants pursuant to this chapter shall be limited to the following:

(a) Fifty million dollars (\$50,000,000) for surface water storage planning and feasibility studies.

(b) Seventy-five million dollars (\$75,000,000) for the water conveyance facilities described in subparagraph (B) of paragraph (2) of subdivision (d) of Section 79190.

(c) Seventy million dollars (\$70,000,000) for Delta levee restoration. Money expended pursuant to this subdivision shall be subject to Section 79050.

(d) One hundred eighty million dollars (\$180,000,000) for water supply reliability projects that can be implemented expeditiously and thereby provide near-term benefits, including, but not limited to, projects that facilitate groundwater management and storage, water transfers, and acquisition of water for the CALFED environmental water account. In acquiring water, preference shall be given to long-term water purchase contracts and water rights. Money allocated pursuant to this subdivision shall be subject to Article 4 (commencing with Section 79205.2) of Chapter 9 of Division 26.

(e) One hundred eighty million dollars (\$180,000,000) for ecosystem restoration program implementation of which not less than twenty million dollars (\$20,000,000) shall be allocated for projects that assist farmers in integrating agricultural activities with ecosystem restoration.

(f) Ninety million dollars (\$90,000,000) for watershed program implementation.

(g) One hundred eighty million dollars (\$180,000,000) for urban and agricultural water conservation, recycling, and other water use efficiency projects.

79551. All appropriations pursuant to this chapter shall include money for independent scientific review, monitoring, and assessment of the results or effectiveness of the project or program expenditure.

79552. All projects financed pursuant to this chapter shall be consistent with the CALFED Programmatic Record of Decision including its provisions regarding finance and balanced implementation.

79553. Consistent with the CALFED Programmatic Record of Decision, priority shall be given to projects that achieve multiple benefits across CALFED program elements. Not more than 5 percent of the money available pursuant to this chapter may be used for administrative costs.

79554. All real property acquired with money appropriated or granted pursuant to subdivision (e) or (f) of Section 79550 shall be acquired from willing sellers.

### CHAPTER 8. INTEGRATED REGIONAL WATER MANAGEMENT

79560. The sum of five hundred million dollars (\$500,000,000) shall be available for appropriation by the Legislature from the fund for competitive grants

for projects set forth in this section to protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water. No project financed pursuant to this section shall include an on-stream surface water storage facility or an off-stream surface water storage facility other than percolation ponds for groundwater recharge in urban areas. No river or stream channel modification project whose construction or operation causes any negative environmental impacts may be financed pursuant to this chapter unless those impacts are fully mitigated.

79561. Money appropriated in Section 79560 shall be available for grants for water management projects that include one or more of the following elements:

(a) Programs for water supply reliability, water conservation, and water use efficiency.

(b) Storm water capture, storage, treatment, and management.

(c) Removal of invasive non-native plants, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands.

(d) Non-point source pollution reduction, management, and monitoring.

(e) Groundwater recharge and management projects.

(f) Contaminant and salt removal through reclamation, desalting, and other treatment technologies.

(g) Water banking, exchange, reclamation, and improvement of water quality.

(h) Planning and implementation of multipurpose flood control programs that protect property; and improve water quality, storm water capture and percolation; and protect or improve wildlife habitat.

(i) Watershed management planning and implementation.

(j) Demonstration projects to develop new drinking water treatment and distribution methods.

79562. An amount, not to exceed 10 percent of the money available for appropriation in Section 79560, may be appropriated by the Legislature for facilities, equipment, and other expenses associated with the establishment of comprehensive statewide groundwater monitoring pursuant to Part 2.76 (commencing with Section 10780) of Division 6.

79563. At least 50 percent of the amount available for appropriation in Section 79560 shall be appropriated to the board. The board shall establish procedures for selecting among eligible projects specified in Section 79561 that use the procedures developed by the board for stakeholder-based accelerated selection and contracting pursuant to Section 79104.32.

79564. To be eligible for financing pursuant to Section 79563, a project shall meet both of the following criteria:

(a) The project is consistent with an adopted integrated water management plan designed to improve regional water supply reliability, water recycling, water conservation, water quality improvement, storm water capture and management, flood management, recreation and access, wetlands enhancement and creation, and environmental and habitat protection and improvement.

(b) The project includes matching funds or donated services from non-state sources.

79565. Notwithstanding Section 13340 of the Government Code, the sum of one hundred forty million dollars (\$140,000,000) is hereby continuously appropriated from the fund to the Wildlife Conservation Board, without regard to fiscal years, for expenditure by the board and for grants, for the acquisition from willing sellers of land and water resources, including the acquisition of conservation easements, to protect regional water quality, protect and enhance fish and wildlife habitat, and to assist local public agencies in improving regional water supply reliability.

### CHAPTER 9. COLORADO RIVER

79567. The sum of twenty million dollars (\$20,000,000) shall be available for appropriation by the Legislature from the fund to the department for grants for canal lining and related projects necessary to reduce Colorado River water use pursuant to the California Colorado River Water Use Plan adopted by the Colorado River Board of California.

79568. (a) The sum of fifty million dollars (\$50,000,000) shall be available for appropriation by the Legislature from the fund to the Wildlife Conservation Board for the acquisition, protection, and restoration of land and water resources necessary to meet state obligations for regulatory requirements related to California's allocation of water supplies from the Colorado River. No money allocated pursuant to this section may be used to supplant or pay for the regulatory mitigation obligations of private parties under state or federal law.

(b) All real property acquired pursuant to this section shall be acquired from willing sellers.

## TEXT OF PROPOSED LAWS

## PROPOSITION 50 (cont.)

CHAPTER 10. COASTAL WATERSHED  
AND WETLAND PROTECTION

79570. The sum of two hundred million dollars (\$200,000,000) shall be available for appropriation by the Legislature from the fund for expenditures and grants for the purpose of protecting coastal watersheds, including, but not limited to, acquisition, protection, and restoration of land and water resources and associated planning, permitting, and administrative costs, in accordance with the following schedule:

(a) The sum of one hundred twenty million dollars (\$120,000,000) to the State Coastal Conservancy for coastal watershed protection pursuant to Division 21 (commencing with Section 31000) of the Public Resources Code.

(b) The sum of twenty million dollars (\$20,000,000) to the State Coastal Conservancy for expenditure for the San Francisco Bay Conservancy Program for coastal watershed protection pursuant to Chapter 4.5 (commencing with Section 31160) of Division 21 of the Public Resources Code.

(c) The sum of forty million dollars (\$40,000,000) to the Santa Monica Mountains Conservancy. Twenty million dollars (\$20,000,000) of this sum shall be expended for protection of the Los Angeles River watershed upstream of the northernmost boundary of the City of Vernon, and twenty million dollars (\$20,000,000) shall be expended for protection of the Santa Monica Bay and Ventura County coastal watersheds, pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code.

(d) The sum of twenty million dollars (\$20,000,000) to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for protection of the San Gabriel and lower Los Angeles River watersheds pursuant to Division 22.8 (commencing with Section 32600) of the Public Resources Code.

79571. Ten percent of the money allocated in each of the categories in Section 79570 shall be used for grants for the acquisition and development of facilities to promote public access to and participation in the conservation of land, water, and wildlife resources. Eligible projects include, but are not limited to, the following:

(a) Training and research facilities for watershed protection and water conservation activities conducted by nonprofit organizations. Priority shall be given to projects operated by nonprofit organizations in collaboration with the University of California and public water agencies.

(b) Nature centers that are in or adjacent to watersheds and wetlands identified for protection pursuant to this chapter, that provide wildlife viewing, outdoor experiences, and conservation education programs to the public and to students. Priority shall be given to projects that are operated by or in cooperation with nonprofit organizations and are designed to serve children from urban areas that lack access to natural areas and outdoor education programs.

79572. (a) Notwithstanding Section 13340 of the Government Code, the sum of seven hundred fifty million dollars (\$750,000,000) is hereby continuously appropriated from the fund to the Wildlife Conservation Board, without regard to fiscal years, for the acquisition, protection, and restoration of coastal wetlands, upland areas adjacent to coastal wetlands, and coastal watershed lands. Money appropriated pursuant to this section shall be for the acquisition, protection, and restoration of lands in or adjacent to urban areas. Eligible projects shall be limited to the following:

(1) Acquisition, protection, and restoration of coastal wetlands identified in the Southern California Coastal Wetlands Inventory as of January 1, 2001, published by the State Coastal Conservancy, located within the coastal zone, and other wetlands connected and proximate to such coastal wetlands, and upland areas adjacent and proximate to such coastal wetlands, or coastal wetlands identified for acquisition, protection, and restoration in the San Francisco Baylands Ecosystem Habitat Goals Report, and upland areas adjacent to the identified wetlands.

(2) Acquisition, protection, and restoration of coastal watershed and adjacent lands located in Los Angeles, Ventura, and Santa Barbara Counties. Any project financed pursuant to this paragraph within the Santa Monica Mountains Zone, as defined in Section 33105 of the Public Resources Code, shall be by grant from the Wildlife Conservation Board to the Santa Monica Mountains Conservancy. Any project financed pursuant to this paragraph within the Baldwin Hills area, as defined in Section 32553 of the Public Resources Code, shall be by grant from the Wildlife Conservation Board to the Baldwin Hills Conservancy.

(b) Not less than three hundred million dollars (\$300,000,000) of the amount appropriated in this section shall be expended or granted for projects within Los Angeles and Ventura Counties. Of the remaining funds available pursuant to this section the Wildlife Conservation Board shall give priority to the acquisition

of not less than 100 acres consisting of upland mesa areas, including wetlands therein, adjacent to the state ecological reserve in the Bolsa Chica wetlands in Orange County.

(c) Not more than two hundred million dollars (\$200,000,000) of the amount appropriated in this section may be expended or granted for projects in the San Francisco Bay area, as described in Section 31162 of the Public Resources Code. Any project within the San Francisco Bay area may be by grant from the Wildlife Conservation Board to the State Coastal Conservancy.

79573. (a) The purchase price for each acquisition made pursuant to Section 79572 shall not exceed the fair market value of the property as defined in Section 1263.320 of the Code of Civil Procedure. Fair market value shall be determined by an appraisal that is prepared by a licensed real estate appraiser and approved by the Wildlife Conservation Board and the Department of General Services.

(b) All real property acquired pursuant to this chapter shall be acquired from willing sellers.

## CHAPTER 11. FISCAL PROVISIONS

79580. Bonds in the total amount of three billion four hundred forty million dollars (\$3,440,000,000), not including the amount of any refunding bonds issued in accordance with Section 79588, or so much thereof as is necessary, may be issued and sold to be used for carrying out the purposes set forth in this division and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bond proceeds shall be deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 created by Section 79510. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of and interest on the bonds as they become due and payable.

79581. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all provisions of that law shall apply to the bonds and to this division and are hereby incorporated in this division by this reference as though fully set forth in this division.

79582. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 Finance Committee is hereby created. For purposes of this division, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 Finance Committee is "the committee" as that term is used by the State General Obligation Bond Law. The committee shall consist of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of this chapter and the State General Obligation Bond Law, the secretary is designated as "the board."

79583. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

79584. There shall be collected annually in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do so and perform each and every act that is necessary to collect that additional sum.

79585. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund, for purposes of this division, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 79586, appropriated without regard to fiscal years.

79586. For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized

## TEXT OF PROPOSED LAWS

## PROPOSITION 50 (cont.)

to be sold for the purpose of carrying out this division. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds that would otherwise be deposited in that fund.

79587. All money derived from premium and accrued interest on bonds sold shall be reserved and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

79588. Any bonds issued or sold pursuant to this division may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of the

bonds shall include approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

79589. The people of California hereby find and declare that inasmuch as the proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitation imposed by that article.

SEC. 2. If any provision of this act or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

★  
PROPOSITION 51

This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends, repeals, and adds sections to various codes; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

## PROPOSED LAW

SECTION 1. The People of the State of California find and declare all of the following:

(a) Traffic congestion threatens to strangle economic growth in many parts of California. It threatens our safety, reduces productivity, impairs family life, restricts the movement of people, goods, and services, and is a source of endless frustration to motorists and other travelers.

(b) There are more than 1,000 unsafe school buses that do not meet federal safety standards operating in California today. There are an additional 6,500 school buses that are so old that they expose our children to toxic air pollution. By providing funds to school districts for school bus replacement, the districts will be able to take more children to and from school, reducing the trips parents need to make. This will provide cleaner air and reduce traffic congestion.

(c) Reducing highway bottlenecks will reduce traffic congestion.

(d) Public transportation can reduce traffic congestion by giving people an alternative to driving.

(e) The existing state share of the sales tax paid on the sale and lease of motor vehicles is an appropriate source of revenue to pay for transportation-related improvements because the purchasers and lessees of motor vehicles will directly benefit from all the programs financed by this act.

(f) Assuring the wider availability of public transportation for those who cannot drive due to age, disability, or economic circumstance is good public policy, and will promote economic development and individual self-sufficiency.

(g) Transportation-related accidents are a significant cause of death, injury, and property damage. Children walking and taking bicycles to school must have safe walkways, paths, and bikeways. By making roads safer for pedestrians, bicyclists, and motorists, economic loss will be reduced, and the health and safety of Californians will be improved.

(h) By promoting the continued and expanded use of railroads for the more efficient movement of passengers and freight, traffic congestion and air pollution will be reduced.

(i) Air pollution generated by transportation is a serious health threat to most people in California. Technologies exist and are being developed that can reduce this air pollution, and they urgently need financial support for their implementation. Water pollution generated from roadway runoff and transportation related development must also be controlled, to reduce contamination of drinking water supplies and coastal waters.

(j) The impact of transportation on the natural environment can be severe, and it is appropriate to use public revenues that are related to transportation to reduce or eliminate these impacts through an environmental enhancement program similar to the Environmental Enhancement and Mitigation Program.

(k) Providing security for passengers using public transportation is a necessary part of our transportation infrastructure, encouraging ridership, protecting public safety, and expanding transportation options.

(l) It is the intent of the people in adopting this measure that it not result in reduced funding for public education. The voters recognize that the General Fund revenues that are counted for the purpose of determining the minimum guaranteed funding for schools and community college districts under Section 8 of Article XVI of the California Constitution cannot be decreased by statute.

(m) This measure may be known and cited as the Traffic Congestion Relief and Safe School Bus Act.

SEC. 2. Section 7105 is added to the Revenue and Taxation Code, to read:

7105. (a) All of the following shall occur on a quarterly basis:

(1) The State Board of Equalization, in consultation with the Department of Finance and the Department of Motor Vehicles, shall estimate the amount that is transferred to the General Fund under subdivision (b) of Section 7102 that is attributable to revenue collected for the sale and lease of new and used motor vehicles. For purposes of this section, "sale and lease" does not include rental of motor vehicles.

(2) The State Board of Equalization shall inform the Controller, in writing, of the amount estimated under paragraph (1).

(3) Upon receipt of the notice required under paragraph (2), the Controller shall transfer thirty percent (30%) of the amount estimated under paragraph (1) from the General Fund to the Traffic Congestion Relief and Safe School Bus Trust Fund (hereinafter referred to as the "fund"), which is hereby established in the State Treasury.

(b) Notwithstanding Section 13340 of the Government Code, the following percentages and specified amounts of the money in the fund shall be continuously appropriated to the Controller without regard to fiscal years, and shall be transferred by the Controller to the following accounts, which are hereby established in the fund:

(1) Sixteen percent (16%) to the Congestion Bottleneck Account, for transfer by the Controller to the California Transportation Commission, to be expended as follows:

(A)(i) To the Traffic Congestion Relief Fund for the projects listed in Section 14556.40 of the Government Code. Any money transferred under this paragraph and not expended during the fiscal year during which it was transferred shall revert to the Congestion Bottleneck Account and shall be available for reallocation in accordance with subparagraph (B).

(ii) The California Transportation Commission may adjust the total amount to be allocated to each project listed in Section 14556.40 of the Government Code pursuant to the authority conferred in subdivision (f) of Section 14556.20 of the Government Code. Money shall be transferred quarterly to the Traffic Congestion Relief Fund from the Congestion Bottleneck Account in such amounts as are needed in the aggregate for reimbursing each applicant the cost of the current phase of the project, in accordance with the schedule of allocations for each project approved by the California Transportation Commission pursuant to Section 14556.20 of the Government Code. Applicants, including the Department of Transportation, for grants from the Traffic Congestion Relief Fund shall demonstrate in the application that they have made the maximum effort to seek local, private, and federal funds to assist in the completion of these projects. If only a study or a specific part or phase of a project is authorized for a project listed in subdivision (a) of Section 14556.40 of the Government Code, only the study or the specific part or phase shall be financed, and no other part or phase of the project shall be financed from this account. Grants shall be made pursuant to this paragraph only for studies for projects listed in paragraphs (6), (12),

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## PROPOSITION 51 (cont.)

(15), (22), (25), (114), (121), and (154) of subdivision (a) of Section 14556.40 of the Government Code.

(iii) Prior to making the allocations pursuant to clause (i), the commission shall allocate two million dollars (\$2,000,000) per year from the account for a competitive local assistance program for the preparation of alternative planning scenarios pursuant to Section 65080.3 of the Government Code. Only regional transportation planning agencies may apply for grants, and grants shall be awarded on the basis of compliance with Section 65080.3 of the Government Code.

(B)(i) Any money reverted to the Congestion Bottleneck Account under subparagraph (A) shall be reallocated by the commission for expenditure on state, regional, or local highway and street projects that improve the flow of traffic within an existing publicly owned roadway by adding high-occupancy vehicle or high-occupancy toll lanes where none is present, or accomplishing other, similar traffic flow improvement projects, such as truck climbing lanes, within existing roadways.

(ii) All money expended pursuant to this subparagraph (B) shall be expended within the city limits of cities, or within urbanized parts of counties that have population densities of not less than 1,000 persons per square mile.

(iii) Sixty percent (60%) of the money reallocated pursuant to this subparagraph (B) shall be expended in County Group 2 and forty percent (40%) shall be expended in County Group 1.

(C) Notwithstanding the requirements of subparagraphs (A) and (B), money in the Congestion Bottleneck Account shall first be allocated to the following projects:

(i) To the local transportation improvement agency with zoning and land use authority over the following designated area, ten million dollars (\$10,000,000) per year during the 2003–04 to 2011–12, inclusive, fiscal years for highway, roadway, and street infrastructure improvements that improve motorist and pedestrian safety and reduce traffic congestion and traffic congestion bottlenecks in the area generally bounded by Campus Drive, State Route 55 (the Costa Mesa Freeway), Harvard Avenue, and Barranca Parkway. Design and construction shall be carried out by the jurisdiction within which each project is located.

(ii) To the City and County of San Francisco Golden Gate Park Concourse Authority, ten million dollars (\$10,000,000) per year during the 2003–04 to 2006–07, inclusive, fiscal years for the construction of improvements in the Music Concourse area of Golden Gate Park, within which the California Academy of Sciences and the M. H. de Young Memorial Museum are situated, in accordance with the provisions of Proposition J, approved by the voters of the City and County of San Francisco on June 2, 1998. Improvements to the Concourse shall enhance the natural, scenic, and recreational values of the Park and, in coordination with other Concourse-area improvement projects, this money may be used for transportation, bus parking, area parking management, and environmental improvements that will reduce the impact of automobiles in Golden Gate Park while assuring safe, reliable, and convenient access for visitors to the park. This money may not be used for design or construction of the underground parking facility.

(iii) To the City of Irvine, ten million dollars (\$10,000,000) per year during the 2003–04 to 2007–08, inclusive, fiscal years for the development, construction (including construction of parking structures), and acquisition and operation of remote airport terminals, and the acquisition of vehicles for the system, connecting the City of Irvine to Los Angeles International Airport, Santa Ana John Wayne International Airport, Long Beach Airport, Ontario International Airport, and other airports in Southern California.

(iv) To the Department of Transportation, twelve million five hundred thousand dollars (\$12,500,000) per year during the 2003–04 to 2009–10, inclusive, fiscal years for improvements needed to extend the Highway 110 Transitway from its existing northerly terminus to Los Angeles Union Station via a northern extension to Interstate 10, easterly to Alameda Street, and northerly along Alameda Street to an interface with the existing El Monte Busway terminus at Los Angeles Union Station.

(v) To the Department of Transportation, five million dollars (\$5,000,000) for the 2003–04 fiscal year for the construction of a new interchange to replace an existing interchange with seismic deficiencies on Interstate 5 at Laval Road.

(vi) To the City of Laguna Woods, two million dollars (\$2,000,000) for the 2003–04 fiscal year to improve the flow of traffic along El Toro Road. This money may be used to acquire rights-of-way, make modifications to streets and roads, move median strips, improve lighting, install and modify traffic signals, and for other improvements to make the route safe and convenient. This money may also be used for the development of an alternative vehicle route along El Toro Road, suitable for bicycles, golf carts, electric scooters, pedestrians, and other forms of non-motorized vehicle transportation.

(vii) To the Department of Transportation, thirteen million seven hundred thousand dollars (\$13,700,000) during the 2004–05 to 2013–14, inclusive, fiscal years, for design, right-of-way acquisition, and construction of connections between State Route 56 and Interstate 5, including related improvements on Interstate 5, with first priority for expenditures given to ramps for westbound State Route 56 connecting with Interstate 5 north and Interstate 5 south connecting with eastbound State Route 56. The project will facilitate the improvement of traffic through the I-5/I-805 merge.

(viii) To the Department of Transportation, two million dollars (\$2,000,000) per year during the 2004–05 to 2006–07, inclusive, fiscal years for design and environmental review of High Occupancy Vehicle lanes and truck lanes on Interstate 5 between State Route 14 and State Route 126.

(ix) To the City of Santa Clarita, four million five hundred thousand dollars (\$4,500,000) per year during the 2003–04, 2004–05, and 2008–09 fiscal years for right-of-way acquisition and construction costs for the I-5/SR-126 (Magic Mountain Parkway) interchange and associated relocation and widening of The Old Road and State Route 126 from I-5 to McBean Parkway.

(x) To the Department of Transportation, two million five hundred thousand dollars (\$2,500,000) per year during the 2003–04 to 2005–06, inclusive, fiscal years for right-of-way acquisition and construction costs for the I-5/SR-126 (Magic Mountain Parkway) interchange and associated widening of SR-126 and improvement of the Commerce Center Drive interchange with State Route 126. Design and construction shall be carried out by the jurisdiction within which each project is located.

(xi) To the County of Los Angeles, three million dollars (\$3,000,000) per year during the 2003–04 and 2004–05 fiscal years for right-of-way acquisition and construction costs for Interstate 5/Hasley Canyon Road interchange.

(xii) To the Department of Transportation, ten million dollars (\$10,000,000) per year during the 2003–04 to 2010–11, inclusive, fiscal years for implementation of congestion relief projects along U.S. 101 between State Route 23 and State Route 170 recommended pursuant to the corridor analysis authorized by paragraph (48) of subdivision (a) of Section 14556.40 of the Government Code.

(xiii) To the Department of Transportation, five million dollars (\$5,000,000) per year during the 2003–04 to 2004–05, inclusive, fiscal years for implementation of an Intelligent Transportation Systems (ITS) program, specifically including advanced traffic signal control systems, transit signal intervention systems, shuttle system linkage to existing light rail transit stations and educational and employment centers, in the area bounded by Interstate 710, Interstate 405, Interstate 605, and State Route 91. The implementation of this ITS program shall be in partnership with California State University Long Beach and its transportation technology section, and the Transportation Program at Long Beach City College campus.

(xiv) To the City of La Cañada-Flintridge, five million dollars (\$5,000,000) per year during the 2003–04 to 2004–05, inclusive, fiscal years for local funding of state highway soundwalls, pursuant to Section 215.6 of the Streets and Highways Code, located on the eastbound and westbound sides of Interstate 210 in La Cañada-Flintridge and listed on the Los Angeles County Metropolitan Transportation Authority's Retrofit Soundwall Program "Post May 1989 List."

(2)(A) Sixteen percent (16%) to the Transit Service Expansion and Enhancements Account, for allocation by the Controller for bus, light rail, and commuter rail operations, transit equipment and facility improvement, maintenance, and rehabilitation, and transit passenger security, as follows: Fifty percent (50%) in the manner as provided for allocation of State Transit Assistance funds pursuant to Sections 99314 and 99314.3 of the Public Utilities Code, except that money shall be allocated directly to transit operators by the Controller, and fifty percent (50%) to transportation planning agencies for allocation to transit operators in the same manner as provided for allocation of State Transit Assistance funds pursuant to Section 99313 of the Public Utilities Code, except that this money shall be allocated by the transportation planning agency only to transit operators and not for other purposes.

(B)(i) To be eligible to receive an allocation pursuant to this paragraph (2), the public agency receiving money pursuant to this paragraph shall annually expend from its general fund for public transportation operations an amount not less than the annual average of its expenditures from its general fund during the 1996–97, 1997–98, and 1998–99 fiscal years, as reported to the Controller pursuant to Section 99243 of the Public Utilities Code, and as increased by the Consumer Price Index. For purposes of this subparagraph, in calculating a public agency's annual general fund expenditures and its average general fund expenditures for the 1996–97, 1997–98, and 1998–99 fiscal years, any unrestricted

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money that the public agency may expend at its discretion shall be considered expenditures from the general fund.

(ii) For any public agency created on or after July 1, 1996, the Controller shall calculate an annual average of expenditure for the part of the period from July 1, 1996, to December 31, 2000, inclusive, that the public agency was in existence. For any public agency created after 2000, the Controller may select an appropriate period of analysis.

(iii) For purposes of clause (ii), the Controller may request fiscal data from public agencies in addition to data provided pursuant to Section 99243 of the Public Utilities Code, for the 1996-97, 1997-98, 1998-99, or any other fiscal years. Each public agency shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to public agencies that do not comply with the request for information or provide incomplete data.

(iv) The Controller may perform audits to ensure compliance with clause (ii) when deemed necessary. Any public agency that has not complied with clause (ii) shall reimburse the state for the money it received during that fiscal year. Any money withheld or returned as a result of a failure to comply with clause (ii) shall be reallocated to the other eligible public agencies whose expenditures are in compliance.

(v) If a public agency fails to comply with the requirements of clause (ii) in a particular fiscal year, the public agency may expend during that fiscal year and the following fiscal year a total amount that is not less than the total amount required to be expended for those fiscal years for purposes of complying with clause (ii).

(C)(i) Notwithstanding the requirements of subparagraphs (A) and (B), one-half of one percent (.5%) of the account shall be allocated each fiscal year as a first priority by the Controller to the State Coastal Conservancy, for a grant to a nonprofit organization one of whose principal purposes is to support and improve the Golden Gate National Recreation Area, for expenditure (including by contract with public and private transportation agencies and companies) to provide improved transportation services to transit-dependent neighborhoods, community groups, and schools to the programs of the Crissy Field Center, and for transportation services between the Center and other locations in the National Recreation Area. The grant may be also used for acquisition and maintenance of vehicles needed to provide these services, for information and education about the services, and for management and administration of the programs authorized by this clause (i).

(ii) Notwithstanding the requirements of subparagraphs (A) and (B), one-half of one percent (.5%) of the account shall be allocated each fiscal year as a first priority by the Controller to the State Coastal Conservancy, for a grant to a nonprofit organization one of whose principal purposes is to improve the Golden Gate National Recreation Area, for expenditure on projects for operation and maintenance of, and improvements and enhancements to, public access, transit services, congestion relief, and bicycle and pedestrian safety. The grant may also be used for improvements and enhancements of shoreline and other natural areas that have been impacted by highways within the National Recreation Area, project administration, and management of the program authorized by this clause (ii).

(iii) Notwithstanding the requirements of subparagraphs (A) and (B), one million dollars (\$1,000,000) per year shall be allocated each fiscal year as a first priority by the Controller to the Department of Parks and Recreation, for a grant to a nonprofit organization one of whose principal purposes is to support the California State Railroad Museum for general operating support of the Railroad Technology Museum at the Historic Southern Pacific Shops at Sacramento.

(iv) Notwithstanding the requirements of paragraphs (A) and (B), one-half of one percent (.5%) of the account shall be allocated as a first priority by the Controller to the State Coastal Conservancy, for a grant to a nonprofit organization one of whose principal purposes is to improve and sustain historic Fort Mason in San Francisco, for expenditure on projects for operation and maintenance of, and improvements and enhancements to, the vintage E/F-Line rail transit service in San Francisco. These funds may also be used for project administration and management of the program authorized by this subparagraph.

(3)(A)(i) Seventeen percent (17%) to the Transit Capital Account, for projects to construct or improve light and commuter rail lines, build fueling stations for public transportation systems, purchase rolling stock and buses, construct other transit facilities, including, but not limited to, facilities needed to store and maintain equipment, and to purchase rights-of-way for public transportation projects, and for the other purposes of this paragraph (3).

(ii) Money in the Transit Capital Account shall be allocated by the California Transportation Commission directly to regional transportation plan-

ning agencies in accordance with the computations of county shares required by Section 188.8 of the Streets and Highways Code for expenditure as part of an existing program or programs developed pursuant to the laws governing the State Transportation Improvement Program, or as part of a new program or programs developed by a regional transportation planning agency. Sixty percent (60%) of the remaining money in the Transit Capital Account shall be expended in County Group 2 and forty percent (40%) shall be expended in County Group 1. This calculation shall be made after expenditures from the account for projects listed in subparagraph (D).

(B) Money allocated under this paragraph may not be used to construct administrative headquarters or other facilities that do not directly serve rail and bus transit users.

(C) The regional transportation planning agencies shall allocate the money based on dollars per new rider and other cost-effectiveness criteria, to be adopted by the commission as guidelines or regulations, that prioritize projects that reduce vehicle miles traveled or slow the rate of growth in vehicle miles traveled. Regulations or guidelines adopted under this subparagraph shall not be subject to review or approval of the Office of Administrative Law or subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(D) Notwithstanding the limitations in subparagraph (A) and subparagraph (C), money in the Transit Capital Account shall first be allocated to the following projects:

(i) To the Sacramento Regional Transit District, ten million dollars (\$10,000,000) per year during the 2003-04 to 2012-13, inclusive, fiscal years for the extension of light rail service from downtown Sacramento to Sacramento International Airport.

(ii) To the Tahoe Transportation District, six million dollars (\$6,000,000) per year during the 2003-04 to 2005-06, inclusive, fiscal years for the design and purchase of alternatively fueled boats, fueling stations, infrastructure, and dock improvements, for the initiation and implementation of waterborne transportation service on Lake Tahoe. The district shall coordinate its efforts with the Tahoe Metropolitan Planning Organization. All land-based facilities for this project shall be located in California. The district shall undertake this project only if the Tahoe Regional Planning Agency determines that the project reduces traffic congestion and reliance on the private automobile, taking into account reduction in vehicle miles traveled, and air and water pollution in the Lake Tahoe Basin, in addition to fulfilling the requirements of the Tahoe Regional Planning Compact and the Regional Plan for Lake Tahoe. Up to five percent (5%) of the total amount may be used to plan the project. The district may seek matching state and federal grants for the service. Up to three hundred thousand dollars (\$300,000) of the total amount may be used for development of a parking management plan for the Lake Tahoe Basin, including parking for the waterborne transportation passengers. The district may use up to eight million dollars (\$8,000,000) of the total amount for the establishment of a dedicated, permanent operating reserve. Annually the interest from this reserve shall be used to pay for part of the operation of the service. The district may contract for the operation of the waterborne transportation service.

(iii) To the State Coastal Conservancy, one million dollars (\$1,000,000) per year during the 2003-04 to 2005-06 inclusive, fiscal years, for a grant to a nonprofit organization one of whose principal purposes is to improve and sustain historic Fort Mason in San Francisco, for improvements to the vintage E/F Line rail transit service in San Francisco. Such improvements may include, but are not limited to, planning and implementation of an extension of the line to the San Francisco Maritime National Historic Park and Fort Mason Center, vintage vehicle rehabilitation and restoration, passenger stop enhancements, and improvements to related facilities. This money may also be used by the nonprofit organization for project administration and management of the program authorized by this subparagraph.

(iv) To the Department of Parks and Recreation, seven million dollars (\$7,000,000) for the 2003-04 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is to support the California State Railroad Museum and its Railroad Technology Museum, to construct the Railroad Technology Museum at the Historic Southern Pacific Shops at Sacramento.

(v) To the Los Angeles County Metropolitan Transportation Authority, seven million five hundred thousand dollars (\$7,500,000) per year during the 2003-04 to 2012-13, inclusive, fiscal years to construct a tunnel under Exposition Boulevard to accommodate light rail, buses, and other motor vehicles at least from State Route 110 to west of Vermont Avenue. This project will enhance pedestrian safety for students and visitors to museums, classrooms, and

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activity centers in Exposition Park and adjacent University Park, as well as contribute to transit and transportation efficiency in this historic district.

(vi) To the Port of Oakland, five million dollars (\$5,000,000) per year during the 2003-04 to 2012-13, inclusive, fiscal years for public transportation projects and related environmental projects, including acquisition and development of public transportation facilities, waterfront park and trail improvements, bicycle and pedestrian pathways and related restoration projects at Lake Merritt, and related infrastructure, along or connecting to the Oakland waterfront, extending from the Howard Terminal in the Jack London District area, to and including San Leandro Bay and the Lake Merritt Channel, provided that such projects are consistent with the Estuary Policy Plan (a portion of the Oakland General Plan), as may be amended; and for public transportation and environmental projects related to developments along Hegenberger Road between the Coliseum Bay Area Rapid Transit station and the Oakland International Airport, including projects specifically related to the BART to Airport Connector.

(vii) To the Redevelopment Agency of the City of Oakland, one million five hundred thousand dollars (\$1,500,000) per year during the 2003-04 to 2012-13, inclusive, fiscal years to encourage transit-oriented development near downtown mass transit facilities, thereby reducing unnecessary commuting with motor vehicles. Two-thirds of this money shall be spent for the acquisition, construction, and equipping of the California State chartered Oakland School for the Arts so as to serve the above-described transit-oriented development.

The remainder of the money shall be spent for the planning and construction of transportation-related improvements in the vicinity of the Oakland City Hall consistent with the 17th Street and San Pablo Parking Study and the Central Business District Study for transportation infrastructure. Permissible projects include: bus parking, commuter van pooling parking, bicycle parking, improved BART access, area parking management, parking structures, and environmental mitigations.

(4)(A) Two percent (2%) to the Senior and Disabled Transportation Account, for allocation by the Controller as grants to transportation planning entities in accordance with the designations made in Section 29532 of the Government Code and Section 99214 of the Public Utilities Code to be used to provide transportation to seniors and people with disabilities otherwise unable to drive or take regularly scheduled public transportation. Twenty percent (20%) of the grants annually awarded pursuant to the program authorized by this paragraph shall be awarded to cities, counties, cities and counties, and other public agencies on a matching fund or service basis. If sufficient matching contributions are not available to use twenty percent (20%) of the grants, the remaining money shall be used for grants to public agencies that cannot provide matching contributions.

(B)(i) To be eligible for a grant pursuant to this paragraph (4), a public agency applying for a grant pursuant to this paragraph shall annually expend for senior and disabled transportation purposes an amount not less than the annual average of its expenditures from its general fund during the 1996-97, 1997-98, and 1998-99 fiscal years, as reported to the Controller pursuant to Section 99243 of the Public Utilities Code, and as increased by the Consumer Price Index. For purposes of this subparagraph, in calculating a public agency's annual general fund expenditures and its average general fund expenditures for the 1996-97, 1997-98, and 1998-99 fiscal years, any unrestricted money that the public agency may expend at its discretion shall be considered expenditures from the general fund.

(ii) For any public agency created on or after July 1, 1996, the Controller shall calculate an annual average of expenditure for the part of the period from July 1, 1996, to December 31, 2000, inclusive, that the public agency was in existence. For any public agency created after 2000, the Controller may select an appropriate period of analysis.

(iii) For purposes of clause ii, the Controller may request fiscal data from public agencies in addition to data provided pursuant to Section 99243 of the Public Utilities Code, for the 1996-97, 1997-98, 1998-99, or any other fiscal years. Each public agency shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to public agencies that do not comply with the request for information or provide incomplete data.

(iv) The Controller may perform audits to ensure compliance with clause ii when deemed necessary. Any public agency that has not complied with clause ii shall reimburse the state for the money it received during that fiscal year. Any money withheld or returned as a result of a failure to comply with clause ii shall be reallocated to the other eligible public agencies whose expenditures are in compliance.

(v) If a public agency fails to comply with the requirements of clause ii in a particular fiscal year, the public agency may expend during that fiscal year and the

following fiscal year a total amount that is not less than the total amount required to be expended for those fiscal years for purposes of complying with clause ii.

(5)(A)(i) Four percent (4%) to the Rail Grade Separations Account, for allocation by the California Transportation Commission pursuant to a priority list developed by the Public Utilities Commission in accordance with the requirements of this paragraph, to be used for projects to separate rail lines from streets, roads, and highways.

(ii) Except for the projects in subparagraph (D), money in the account shall be transferred for expenditure by the California Transportation Commission only in a fiscal year in which at least \$15 million (\$15,000,000) is also allocated to rail grade separation projects pursuant to Section 190 of the Streets and Highways Code. In a fiscal year in which at least \$15 million (\$15,000,000) is not also allocated to rail grade separation projects pursuant to Section 190 of the Streets and Highways Code, the money that would otherwise be transferred to the account in that fiscal year shall be transferred instead to the Transit Capital Account established by paragraph (3) of subdivision (b).

(B) First priority for use of the money allocated from the account shall be for grade separation projects across existing heavy rail lines, based on the amount of traffic congestion that would be relieved by the grade separation. High priority shall be given to projects on rail lines that serve ports, since these projects reduce the need for truck traffic by making rail lines safer.

(C) Money allocated from the account shall be used to accommodate bicycles and pedestrians in grade separation projects, and projects that accommodate only bicycles and pedestrians are eligible to receive funding pursuant to this paragraph.

(D) Notwithstanding the restrictions in subparagraphs (A), (B), and (C), money in the account shall first be allocated to the following projects:

(i) To the Southern California Regional Rail Authority, ten million dollars (\$10,000,000) per year during the 2003-04 to 2006-07, inclusive, fiscal years for grade separations at Sand Canyon Road and Harvard Avenue. Design and construction shall be carried out by the jurisdictions within which each project is located.

(ii) To the City of San Bernardino, seven million five hundred thousand dollars (\$7,500,000) per year during the 2003-04 to 2006-07, inclusive, fiscal years for the following grade separation improvements associated with the Norton Air Force Base Intermodal Goods Movement Facility: Tippecanoe Avenue south of Central Avenue; Waterman Avenue south of Central Avenue; Mill Street west of Waterman Avenue; and E Street south of Rialto Avenue.

(6)(A) Ten percent (10%) to the Transportation Impacts Mitigation Trust Fund, to be allocated by the Resources Agency in accordance with Section 164.57 of the Streets and Highways Code.

(i) At least one million dollars (\$1,000,000) shall be expended in each fiscal year by the Resources Agency on facilities that assist wildlife in safely crossing transportation corridors, in order to increase motorist safety, reduce traffic congestion, and promote connectivity among wildlife populations. Sixty percent (60%) of the money for wildlife crossings authorized by this subparagraph shall be expended in County Group 2 and forty percent (40%) shall be expended in County Group 1.

(ii) At least one million dollars (\$1,000,000) shall be expended in or near urban or urbanizing areas in the region comprised of Orange, Riverside, San Bernardino, and San Diego Counties, each fiscal year by the Department of Food and Agriculture in accordance with subdivision (f) of Section 164.57 of the Streets and Highways Code.

(B) Notwithstanding subparagraph (A) and the restrictions of Section 164.57 of the Streets and Highways Code, the following amounts shall first be allocated from the trust fund:

(i) To the City of Irvine, ten million dollars (\$10,000,000) per year during the 2003-04 to 2014-15, inclusive, fiscal years for the creation of a wildlife corridor and related trail systems connecting the Laguna Coast Wilderness Park and Crystal Cove State Park to the Orange County Central Park and Nature Preserve; and for infrastructure, landscaping, forestation, and recreational improvements for the Orange County Central Park and Nature Preserve, to mitigate the effects of Interstates 5 and 405 and other roads that interfere with wildlife migration in this area; and for bicycle and pedestrian crossings of streets and flood control improvements relating to transportation facilities, and other improvements along the Jeffrey Open Space Spine.

(ii) To the County of Riverside, six million dollars (\$6,000,000) per year for the Western Riverside County Habitat Conservation Plan Implementation Program. First priority for the expenditure of this money shall be for land acquisition. The purpose of these expenditures is to acquire wildlife habitat to mitigate the effect of transportation and transportation-related development in Riverside

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County. During the 2003-04 to 2012-13, inclusive, fiscal years, not more than one million dollars (\$1,000,000) may be expended for operations and maintenance of the lands acquired by the program. Commencing with the 2014-15 fiscal year, and during each subsequent fiscal year, up to five million dollars (\$5,000,000) may be expended for operations and maintenance of the lands acquired by the program.

(iii) To the San Joaquin River Conservancy, five hundred thousand dollars (\$500,000) per year, to be expended by the conservancy and at the direction of the conservancy for the acquisition of land, development of facilities, and the operation and maintenance thereof. Of this amount, the conservancy shall grant not less than twenty-five percent (25%) each year to nonprofit organizations in Fresno and Madera Counties one of whose principal purposes is conservation of and education about the San Joaquin River for projects that meet the requirements of this subparagraph. These expenditures are necessary because of the impacts of state highways and freeways such as State Routes 99 and 41, and other transportation corridors on the environment on and near the San Joaquin River.

(iv) To the Santa Monica Mountains Conservancy, eight million dollars (\$8,000,000) each fiscal year, to be expended by the conservancy, and at the direction of the conservancy, by any joint powers agency of which the conservancy is a member, on projects that meet the requirements of this subparagraph and Section 164.57 of the Streets and Highways Code, including the operation and maintenance of the land acquired and facilities constructed pursuant to this subparagraph. Notwithstanding any other provision of law, one million dollars (\$1,000,000) of the amount specified in this subparagraph shall annually be used for the acquisition and improvement of natural parks within the heavily urbanized area of Los Angeles County. These expenditures are necessary because of the impacts of state highways and freeways such as Interstate 10, U.S. 101, State Routes 134 and 1, and many other state and local roads that have negatively impacted the environmental quality of the Santa Monica Mountains, and other lands that are to be preserved by the conservancy and its public agency partners.

(v)(I) To the County of Sacramento, one million dollars (\$1,000,000) per year for the acquisition of land, development, and operation and maintenance of the American River parkway, including trails, to promote greater use of the parkway. The parkway's J. Edgar Smith Memorial Trail (off-street) is a recreation resource of regional, state, and national significance, and is a major east-west, 23-mile long transportation corridor for commuter bicyclists. Use of the parkway by bicyclists and other recreational users is an important part of Sacramento County's strategy to reduce public exposure to air pollution and toxic air contaminants by supporting bicycling, including the provision of bicycle circulation infrastructure for commuter and recreational travel. Improved levels of maintenance and enhanced public safety services in the parkway will promote increased use of the parkway by people traveling to and from work, school, and other destinations served by U.S. 50, Interstate 80, and other local arterials.

(II) To be eligible to receive an allocation pursuant to this subparagraph, the County of Sacramento shall annually expend from its general fund for the American River Parkway, an amount not less than the annual average of its expenditures from its general fund during the 1999-2000, 2000-01, and 2001-02 fiscal years as reported to the Controller, and as increased by the Consumer Price Index. In calculating the county's annual general fund expenditures for the 1999-2000, 2000-01, and 2001-02 fiscal years, any unrestricted money that the county may expend at its discretion shall be considered expenditures from the general fund. The Controller may request fiscal data from the county for the fiscal years identified. The county shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to the county if it does not comply with the request for information or provides incomplete data. The Controller may perform audits to ensure compliance when deemed necessary. If the county does not comply, the county shall reimburse the state for the money it received during that fiscal year.

(vi) The following projects will mitigate the impact of transportation projects on wildlife corridors in Riverside County:

(I) To the County of Riverside, three million dollars (\$3,000,000) per year for the San Timoteo Park project, including San Timoteo Creek and Canyon and adjacent land in the canyons and hills between Loma Linda and Beaumont. First priority for the expenditure of this money shall be for land acquisition. In a year in which no land can be acquired, the allocations shall be used to operate and maintain the lands acquired for the San Timoteo Park project.

(II) To the City of Riverside, one million dollars (\$1,000,000) per year for the La Sierra/Norco Hills project between the cities of Riverside and Norco, including acquisition of land for habitat and a wildlife corridor connection to the Santa Ana River, and adjacent Santa Ana River Trail improvements. First priority for the expenditure of this money shall be for land acquisition, and second

priority shall be for Santa Ana River Trail improvements. In years when no land can be acquired, and no trail improvements are needed, the money shall be used to operate and maintain the La Sierra/Norco Hills habitat area and the Santa Ana River Trail in the City of Riverside.

(vii) To the State Coastal Conservancy, two million dollars (\$2,000,000) per year during the 2003-04 to 2004-05 inclusive, fiscal years, for a grant to a nonprofit organization one of whose principal purposes is to improve the Golden Gate National Recreation Area, for transportation improvements and related enhancements at or near oceanfront and bay shoreline sites in the National Recreation Area. Such improvements may include, but are not limited to, bicycle and pedestrian projects, transportation safety projects, park entrance projects, transit access projects, parking improvements that reduce the impact of motor vehicles on the visitor experience, visitor facilities, and beach and shoreline restoration of natural areas that have been impacted by roadways.

(viii) To the City of Laguna Woods, two million dollars (\$2,000,000) for the 2003-04 fiscal year, for the acquisition of land within the city or within the sphere of influence of the city near or adjacent to the Laguna Coast Wilderness Park, and for the development of trails connecting to the park. The purpose of these funds is to reduce the impact of nearby transportation facilities on wildlife corridors.

(ix) To the State Coastal Conservancy, three million five hundred thousand dollars (\$3,500,000) for the 2003-04 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is the restoration of the San Diego River, for acquisition of land and the restoration of habitat along the river. The purpose of these funds is to mitigate the impact of transportation facilities such as State Route 67, Interstate 5, and other roads on the San Diego River.

(x) To the Department of Parks and Recreation, five million dollars (\$5,000,000) per year during the 2003-04 to 2013-14 fiscal years, inclusive, for the acquisition of coastal wetlands resources located in Los Angeles County within the coastal zone, as defined in Section 30103 of the Public Resources Code, and within the Ballona Creek watershed to offset the effects of transportation improvements and road construction within the coastal zone in Los Angeles County.

(xi) To the City of Sacramento, two million dollars (\$2,000,000) per year during the 2003-04 to 2004-05, inclusive, fiscal years, for the Downtown to the Riverfront Reconnection, to be developed on air rights over Interstate 5. The decking project, aimed at mitigating the impact of Interstate 5, will create open space and support the revitalization of the waterfront.

(xii) To the State Coastal Conservancy, one million dollars (\$1,000,000) for the 2003-04 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is the restoration and enhancement of bicycle paths, pedestrian trails, and related signage and lighting, and the acquisition and upgrade of pedestrian and bicycle access points to and along La Ballona Creek in the incorporated and unincorporated areas of Los Angeles County.

(xiii) To the State Coastal Conservancy, five hundred thousand dollars (\$500,000) for the 2003-04 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is the creation of an educational program in coastal Southern California to instruct schoolage children and the general public about non-point source pollution from automobiles, trucks, and other motor vehicles that enters the watersheds and storm drains leading to the ocean. The grant shall be used to acquire one or more Mobil Ocean and Traveling Discovery Center vehicles. Vehicles acquired with this money shall certify to the lowest achievable emission levels for criteria pollutants.

(xiv) To the Coachella Valley Mountains Conservancy, two million dollars (\$2,000,000) each fiscal year, to be expended directly by the conservancy or through grants from the conservancy to public agency partners, joint powers agencies, or nonprofit conservation organizations for the acquisition of land and the operation and maintenance thereof. The acquisitions shall assist in the local implementation of the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Community Conservation Plan, and help implement the Conservancy's mission to protect mountainous and natural community conservation lands in and surrounding the Coachella Valley. These expenditures are necessary because of the impacts of state and federal highways such as Interstate 10, and related interchange projects, State Routes 62, 74, 86, and 111 and many other state and local roads that have negatively impacted the environmental quality of the Coachella Valley.

(xv) To the State Coastal Conservancy, one million dollars (\$1,000,000) for the 2003-04 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is the preservation of the San Dieguito River, for the acquisition of land and the restoration of habitat along the San Dieguito River, and for the development of trails. These expenditures are to mitigate the effect of

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transportation and transportation-related development in and near the San Diego River Valley.

(xvi) To the Wildlife Conservation Board, ten million dollars (\$10,000,000) for the 2003-04 fiscal year, for the acquisition of "natural lands" in the watershed of the Sacramento River with outstanding spring run and other salmon and steelhead populations, water rights important to the salmon and steelhead populations, important archaeological resources, and diverse wildlife populations. For the purposes of this subparagraph, acquisition shall be fee simple purchases and permanent conservation easements. For purposes of this subparagraph the "natural lands" shall be lands that include at least five miles of frontage on a major tributary of the Sacramento River and include 5,000 contiguous acres or more, and that are also large enough to substantially protect the watershed of a major tributary of the Sacramento River that meet the requirements of this subparagraph. This acquisition is to compensate for the damage done to salmon populations and archaeological resources in the Sacramento Valley by such transportation facilities as Interstate 5, State Routes 99 and 70, and other major roads and highways.

(xvii)(I) To the County of Sacramento, one million five hundred thousand dollars (\$1,500,000) per year for expenditure in the area along the State Route 16, Scott Road, Deer Creek, and Cosumnes River corridors, and particularly the area north of State Route 16 lying west of the Amador and El Dorado County line, south of White Rock Road, and east of the westerly boundary of the East County Open Space study area as defined in 2001 by the Sacramento County Board of Supervisors and including the Sloughhouse area generally; and the area south of Highway 16 lying west of the Amador County line and north of Meiss Road, to be more specifically delineated by the Board of Supervisors. The money shall be expended within Sacramento County for the primary purpose of mitigating the impacts of transportation activities elsewhere in the county and the region, such as air, noise, and water pollution, by maintaining as much land as possible within the study area and associated corridors in a predominantly rural, scenic, and open space character through the use of cost-effective, incentive-driven cooperative programs with area landowners (with highest priority given to farmers and ranchers), and assisting with appropriate protection and improvement of the area's roads and corridors to provide for their safe use and enjoyment by local and non-local users, consistent with continuing their rural and scenic character. The money allocated by this subparagraph shall be expended pursuant to a program developed and approved by the Board of Supervisors.

(II) At least seventy five percent (75%) of the money allocated pursuant to subclause (I) shall be expended in any 10-year period for the purpose of funding long-term contractual open space stewardship, management, and enhancement agreements with willing landowners to actively maintain and improve one or more mutually determined and preferably conjunctive open space values of the property, including, but not limited to, farming, ranching, wildlife habitat and related biological values, oaks and oak woodlands, riparian corridors, watersheds, historic and cultural resources, viewsheds, and where mutually deemed appropriate, public access and recreation. Stewardship agreements shall cover a minimum of 320 acres and shall not include land owned in fee by a governmental agency or a tax-exempt nonprofit organization qualified under Section 501(c)(3) of the United States Internal Revenue Code. A proposed stewardship agreement program may be developed by the Sloughhouse Resource Conservation District for consideration for approval by the Board of Supervisors. Compensation for landowners pursuant to stewardship agreements shall be established by mutual consent, including, but not limited to, consideration of the length and terms of the agreement, the public interest value of the resources or activities covered, and the labor, services, and investment expected of the landowner. Where relevant and appropriate, costs shall generally be less than or competitive with costs typically incurred by public agencies using public employees to perform similar functions.

(III) Up to twenty five percent (25%) of the money allocated pursuant to subclause (I) over any 10-year period may be used for safety improvements on Scott Road, including improvements to minimize the need to close Scott Road because of flooding, that are consistent with its rural and scenic character, for assisting in the maintenance, rehabilitation and reuse of the historic bridges over the Cosumnes River, and for preserving, restoring, and interpreting historic and cultural resources, particularly in the State Route 16 and Cosumnes River corridors and the Sloughhouse area.

(7) Two percent (2%) to the Transportation Water Quality Account, to be allocated by the State Water Resources Control Board for expenditure pursuant to Section 164.58 of the Streets and Highways Code.

(8)(A) Three percent (3%) to the Air Quality Account for allocation by the State Air Resources Board to the Carl Moyer Memorial Air Quality

Standards Attainment Program established under Chapter 9 (commencing with Section 44275) of Part 5 of Division 26 of the Health and Safety Code, and any other additional transfers as provided in subparagraph (B). Each air district (as defined in Section 39025 of the Health and Safety Code) shall be eligible for grants of not less than one hundred thousand dollars (\$100,000) per year. Any district with a population less than 150,000 shall not be required to provide matching funds.

(B) If the State Air Resources Board determines that money is no longer needed for the Carl Moyer Memorial Air Quality Standards Attainment Program, seventy-five percent (75%) of the money that would otherwise be deposited in the Air Quality Account shall be transferred to the Bicycle Efficiency Account and twenty-five percent (25%) shall be transferred to the Pedestrian Account, to be used for the purposes of those accounts.

(9) Two percent (2%) to the Bicycle Efficiency Account, to be allocated by the Department of Transportation for bicycle projects pursuant to Section 894.5 of the Streets and Highways Code.

(10) One percent (1%) to the Pedestrian Account, to be allocated by the Department of Transportation for projects to facilitate pedestrian utilization and pedestrian safety projects pursuant to Section 894.5 of the Streets and Highways Code and to accommodate paratransit needs at school bus stops.

(11)(A) Four percent (4%) to the Intercity and Commuter Rail Capital and Operations Account, to be allocated by the California Transportation Commission to the Department of Transportation and to public agencies operating commuter rail services, to be used for the operation of intercity and commuter rail service, to acquire rolling stock, to rehabilitate rail service, to construct new rail lines and stations, consolidate existing rail lines, and to improve existing lines to benefit passenger rail service.

(B) Forty percent (40%) of the money allocated by subparagraph (A) shall be allocated to commuter rail, to provide improved service that generally parallels congested segments of freeway corridors. Sixty percent (60%) of the money allocated by subparagraph (A) shall be allocated to intercity rail, with highest priority given to service that generally parallels congested freeway corridors. The calculation required by this paragraph shall be made after the expenditures required by subparagraph (C) have been made.

(C)(i) Notwithstanding the requirements of subparagraph (B), first priority for the expenditure of the money allocated pursuant to this paragraph (11) shall be an allocation of fifteen million dollars (\$15,000,000) per year during the 2003-04 to 2010-11, inclusive, fiscal years to the Department of Transportation, for the following project to reduce traffic congestion on the Interstate 10 and other highway corridors, and to improve highway and rail passenger safety. The project shall include capital outlay for intercity passenger rail service from Los Angeles via Fullerton and Colton, to Palm Springs and Indio, including the following components: two trainsets each consisting of at least five cars and one locomotive; track and signal improvements to facilitate passenger rail trains serving Palm Springs through Indio; one passenger rail station at Ramon Road in the mid-Valley section of the Coachella Valley; one passenger rail station near Jackson Street in the east Valley section of the Coachella Valley in Indio; and improvements to the rail passenger station currently located in Palm Springs. Passenger rail stations shall include platforms, passenger stations, any necessary parking and tunnels, and other station amenities. First priority for expenditure shall be the development of passenger rail stations for this service. The city or Indian reservation within which each station is located may elect to manage the design and construction of these stations, subject to the design and financial approval of the Department of Transportation.

(ii) The Department of Transportation shall contract with a national rail passenger service provider to operate this intercity service and shall seek support for the operation of this service from all federal funding sources, including, but not limited to, the United States Department of Transportation.

(12)(A) Two percent (2%) to the Rural Transportation Account, to be allocated by the Controller directly to transit operators in counties with a population of less than 250,000 as follows: Fifty percent (50%) in the manner as provided for allocation of State Transit Assistance funds pursuant to Sections 99314 and 99314.3 of the Public Utilities Code, except that money shall be allocated directly to transit operators by the Controller, and fifty percent (50%) to transportation planning agencies for allocation to transit operators in the same manner as provided for allocation of State Transit Assistance funds pursuant to Section 99313 of the Public Utilities Code, except that this money shall be allocated by the transportation planning agency only to transit operators and not for other purposes, to be used to improve the mobility of people living in rural areas who cannot drive motor vehicles.

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## PROPOSITION 51 (cont.)

(B) First priority for expenditure of the money in the account shall be to serve persons with disabilities and other health problems, seniors, students, and persons with low incomes who do not drive motor vehicles.

(13) Three percent (3%) to the Transit Oriented Development Account, to be allocated by the Secretary of the Business, Transportation, and Housing Agency on the basis of population to regional transportation planning agencies for capital outlay projects to develop public use facilities associated with rail and bus transit stations, in accordance with the competitive grant program established under Section 13984 of the Government Code. Sixty percent (60%) of the grants shall be made in County Group 2 and forty percent (40%) shall be made in County Group 1.

(14) One percent (1%) to the Bicycle and Pedestrian Safety Law Enforcement Account, to be allocated by the Controller as follows:

(A) Two-thirds to the Office of Criminal Justice Planning for grants to state and local law enforcement agencies to increase enforcement of speed limit and other traffic safety laws along heavily used pedestrian and bicycle routes. The highest priority for grants shall be for routes financed under the Safe Routes to School Program established under Section 2333.5 of the Streets and Highways Code. The Office of Criminal Justice Planning may adopt guidelines or regulations to implement this paragraph. The guidelines or regulations are not subject to the review and approval of the Office of Administrative Law or subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Sixty percent (60%) of the grants shall be made in County Group 2 and forty percent (40%) shall be made in County Group 1.

(B) One-third to the State Department of Education for grants to school districts to educate students and parents about how children can safely travel to school on foot and by bicycle along heavily used pedestrian and bicycle routes, in compliance with state and local traffic safety laws, ordinances, and programs. The highest priority for grants shall be for schools along routes financed under the Safe Routes to School Program established under Section 2333.5 of the Streets and Highways Code. The State Department of Education may adopt guidelines or regulations to implement this paragraph. The guidelines or regulations are not subject to the review and approval of the Office of Administrative Law or subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Sixty percent (60%) of the grants shall be made in County Group 2 and forty percent (40%) shall be made in County Group 1. School districts receiving money pursuant to this subparagraph shall consult with bicycling and law enforcement organizations about the implementation of these programs.

(15)(A) Eight percent (8%) to the Safe and Clean School Bus Account, for allocation by the State Department of Education for grants to any public school district, county office of education, state-operated school, or Joint Powers Authority for the purpose of purchasing or leasing new school buses, as defined in Section 39830 of the Education Code, in the following order of priority: First priority shall be to replace currently certified California school buses manufactured prior to April 1, 1977, that do not meet current Federal Motor Vehicle Safety Standards. Second priority shall be to replace currently certified California school buses manufactured prior to January 1, 1987, that do not meet current pollution control standards. Third priority shall be to replace currently certified California school buses manufactured on or after January 1, 1987, and to increase fleet size. The State Department of Education shall develop and use a life cycle cost formula to determine the life cycle and cost of any new school buses leased or purchased under this program. Grants shall be made on a competitive basis, and the criteria for awarding grants shall be determined in consultation with the State Air Resources Board.

(B) Grants shall be made only for the purchase or lease of new buses that certify to the lowest achievable emissions levels for criteria pollutants. Public school districts, county offices of education, state-operated schools, or joint powers authorities with an average daily attendance of fewer than 500 students or located in a region certified by the California Energy Commission to be without fuels necessary to meet this requirement, may request relief from this requirement. Grants may include funding for refueling infrastructure.

(C) Public school districts, county offices of education, state-operated schools, or joint powers authorities shall pay ten percent (10%) of the cost of each new or leased bus up to the amount of ten thousand dollars (\$10,000), but matching funds may be obtained from other agencies or applicable programs. Grant recipients shall present documented proof to the State Department of Education that buses built prior to 1977 and replaced under this program shall be destroyed and that school buses manufactured prior to January 1, 1987, and replaced under this program shall be removed from school bus service, and shall

not be re-registered within the State of California. Any regulations adopted to implement this paragraph shall not be subject to the review or approval of the Office of Administrative Law and shall not be subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(16) Five percent (5%) to the Traffic Safety Improvement Account, for allocation by the California Transportation Commission to the Department of Transportation and the regional transportation planning agencies, for grants for projects that improve highway safety, to be allocated strictly on the basis of the potential of the project to reduce motorist, bicyclist, and pedestrian fatalities and injuries. First priority shall be given to projects that improve safety on the street and highway segments that have the highest rate of injuries and fatalities. The commission shall give priority to projects that are cost-effective. The Office of Traffic Safety shall advise the commission on the development of this program. The commission may adopt regulations or guidelines to implement this paragraph. Any regulations or guidelines adopted to implement this paragraph shall not be subject to the review or approval of the Office of Administrative Law and shall not be subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(17) Four percent (4%) to the Passenger Rail Improvement, Safety, and Modernization Account, to be allocated by the Controller pursuant to Chapter 7 (commencing with Section 99571) of Part 11 of Division 10 of the Public Utilities Code.

(c) Money allocated as a grant or expended by a state agency under this section may be used as matching contributions to meet the requirements of any local, state, or federal transportation program.

(d)(1) If the recipient of money under this section fails to comply with the terms of the grant the agency making the grant may initiate an action to rescind the grant, and recover the money granted to the recipient, together with interest as computed on deficiency assessments.

(2) Any money recovered under this subdivision shall be deposited in the account from which it was awarded and shall be available for appropriation for the purposes of the account from which it was awarded, and for no other purpose.

(3) The initiation of an action pursuant to this subdivision does not preclude the imposition of any fine, forfeiture, or other penalty, or the undertaking of an administrative enforcement action pursuant to any other provision of law or regulation.

(e) The Controller may transfer money from the fund for purposes expressly authorized in this section, and for the limited purposes set forth in Section 13985 of the Government Code and for investment in the Pooled Money Investment Account, and for no other purposes. Notwithstanding any other provision of law, money deposited in the Pooled Money Investment Account shall be available for immediate allocation or reallocation as provided in this section and may not be loaned to, or borrowed by, any other special fund or the General Fund. All interest earned from investment in the Pooled Money Investment Account shall be deposited in the fund and shall be used solely for the purposes of the fund and shall be allocated in accordance with this section.

(f) In the event of damage to transportation facilities in California due to an earthquake occurring subsequent to the effective date of this measure, the Governor may utilize money from the fund to match federal funds to repair damage to those facilities from that earthquake for up to 12 months after the date of the earthquake. No funds allocated pursuant to this subdivision shall be used to supplant federal funds otherwise available in the absence of state financial relief.

(g) No money in the fund may be used for debt service for general obligation bonds issued for transportation purposes pursuant to Chapter 17 (commencing with Section 2701) of Division 3 of the Streets and Highways Code, or bonds issued pursuant to Chapter 6 (commencing with Section 99690) of Part 11.5 of Division 10 of the Public Utilities Code, or for any existing or future general obligation bonds that the state authorizes or issues.

(h) Notwithstanding any other provision of law, except as provided by this section and Section 13985 of the Government Code, money deposited into the fund shall not be transferred to or revert to the General Fund, but shall remain in the fund until allocated or reallocated as provided in this section.

(i) Money in the fund shall not be used to replace money that was previously planned, programmed, or approved by a local or regional transportation entity or a city, county, or city and county for public transportation purposes.

(j) Expenditures made pursuant to this section may include the costs directly related to the mitigation of a project financed pursuant to this section. No expenditure shall be made of any money made available pursuant to this section for any mitigation costs required by federal or state law or a local ordinance for any project that was not financed pursuant to this section.

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## PROPOSITION 51 (cont.)

(k) Emissions reductions resulting from the part of a project financed under this section may not be used under any local, state, or federal emissions averaging or trading program to offset or reduce any emissions reduction obligation that is in effect at the time the project is financed. Emissions reductions resulting from the part of a project financed under this section may not be banked under any local, state, or federal emissions banking program.

(l) All money allocated by this section shall be disbursed quickly and efficiently. All forms for applications for grants of money from state agencies shall be clear, simple, understandable, and as short as possible. All applications for grants shall be processed quickly and approved or rejected within 180 days of submission, and within 90 days on projects of less than five million dollars (\$5,000,000). Unsuccessful applicants shall be given guidance as to how to change their applications to gain approval. This guidance may also be provided in a way that allows applicants to change pending applications before they are subjected to approval or rejection.

(m) Not later than December 31 of each year, each state and local agency receiving money from the fund shall publish a list of all projects approved under this section during the preceding fiscal year. The report shall include for each project a description of the project, the cost of the project, the amount of annual reductions in air emissions or water pollution estimated to result from the project, if any, and the effect of the project on traffic congestion, if any. The report shall be transmitted to the Governor and the Legislature, and shall be available to the public, including through the Internet.

(n) Any project that receives money from the fund shall by appropriate signage at the project site and through publicity inform the public about the use of money from the fund. The signage shall indicate that the source of the money was a voter-approved initiative, passed in 2002. The Secretary of the Business, Transportation, and Housing Agency shall develop regulations to implement this section. Those regulations shall not be subject to the review or approval of the Office of Administrative Law and shall not be subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(o) In implementing this section, each agency allocating money from the fund, and each agency receiving money from the fund shall give preference to contracting with the California Conservation Corps or community conservation corps, as defined in and certified pursuant to Section 14507.5 of the Public Resources Code, in undertaking work financed pursuant to this section to the extent that the corps have the capability of carrying out the programs to be implemented by the agencies.

(p) Every project undertaken pursuant to this section shall comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(q) Construction projects or works of improvement for facilities that are paid for in part or in whole using money from the fund shall be considered public works projects subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and shall be regulated by the Department of Industrial Relations in the same manner in which it carries out this responsibility under the Labor Code.

(r) Section 99683 of the Public Utilities Code applies to all rail and bus capital outlay projects undertaken pursuant to this section.

(s) Expenditures from the fund shall be subject to an annual audit by an independent seven member commission composed of five members appointed by the Governor, and one each appointed by the Speaker of the Assembly and the Senate Committee on Rules. The commission shall elect its own chair. The members shall serve without pay, but may receive per diem as determined by the Department of Finance. The costs of the commission, including the costs of the audit, shall be paid with money in the fund by the Controller before allocation to the accounts in the fund, as specified in this section.

(t) The audit required under subdivision(s) shall include review of the administration of the program and expenses incurred, including, but not limited to, the initial start-up costs of the program. The independent commission created under subdivision(s) shall contract with a private auditing firm to conduct the audit. On completion of the audit, the commission shall immediately report the results to the Governor, and the Legislature, and shall make the results available to the public, including through the Internet. Each state and local agency that administers any part of the program authorized under this section shall report to the Governor, the Legislature, and the public its response to the results and recommendations of the audit within 90 days of completion of the audit. If the audit recommends a reduction in the cost of administering the program, the agency shall reduce its administrative costs or provide a written explanation to the Governor and the Legislature explaining why the administrative expenses cannot be reduced.

(u) Pursuant to Section 8 of Article XVI of the California Constitution, funds in the Traffic Congestion Relief and Safe School Bus Trust Fund in the State Treasury, established under this section, shall be added to General Fund revenues otherwise considered in making the calculations required under Section 8 of Article XVI.

(v) Except as expressly authorized under this section, money may not be transferred between or among the accounts established under subdivision (b) or between or among the funds named in this section.

(w) Money made available by this section may not be used for projects that result in a decrease in the existing level of pedestrian and bicycle access or safety features along and across a street, road, railway, highway, or bridge.

(x) Money made available by this section may be used to supplement other money in order to complete a capital outlay project, or to operate a transportation system.

(y) The California Transportation Commission may adopt guidelines or regulations to implement any of the requirements and provisions that apply to the commission pursuant to this section. Any regulations adopted to implement this subdivision shall not be subject to the review or approval of the Office of Administrative Law and shall not be subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(z) If a project or program is eligible for funding from more than one account under this section, it may receive funding from more than one account for a single project or program.

(aa)(1) Unless otherwise specified in this section, notwithstanding Sections 13340, 16304, and 16304.1 of the Government Code, all money in the fund, the trust fund, and accounts created by this section allocated to any state agency by this section is continuously appropriated to that agency without regard to fiscal years, and all money in the fund, the trust fund, and accounts created by this section allocated to any state or local agencies shall remain available to those agencies from year to year until expended.

(2) Notwithstanding Sections 13340, 16304, and 16304.1 of the Government Code, all money transferred by the Controller to the accounts established by this section and the Transportation Impacts Mitigation Trust Fund is continuously appropriated without regard to fiscal years for the purposes of the accounts and the trust fund, and shall remain available for expenditure from the accounts and the trust fund to the agencies and nonprofit organizations eligible to receive money from the accounts and the trust fund from year to year until expended.

(bb) If a statute passed by the Legislature transfers any money from an account to any other account, fund, or other depository, directly or indirectly, within 90 days of the effective date of the statute the Controller shall transfer an amount equivalent to the amount of the transfer from the General Fund to the account. There is hereby appropriated from the General Fund an amount necessary to make any transfer required by this subdivision.

(cc) It is the intent of the voters that money provided by the State of California to cities, counties, and special districts not be reduced by the Legislature as a result of the initiative measure that added this section to the Revenue and Taxation Code.

(dd) No agency shall expend more than two percent (2%) of the money available to it pursuant to this section on the administration of that money.

(ee) For purposes of this section, County Group 1 and County Group 2 are those county groups as defined in Section 187 of the Streets and Highways Code.

(ff) In allocating money pursuant to this section that is distributed solely utilizing Section 187 of the Streets and Highways Code, state and regional agencies, including the Controller, granting the money shall further distribute the money so that each county having a population greater than 250,000 receives an amount that is within ten percent (10%) what it would receive if the money were distributed on a per capita basis.

(gg) Any statute that alters the flow of revenue governed by Section 7102 or this section in a manner different than the provisions of the initiative measure that added this section to the Revenue and Taxation Code shall be void and without force or effect. Any bill or statute that interferes with the intended operation of the provisions of the initiative measure that added this section to the Revenue and Taxation Code with respect to the flow of money or in any other way shall be void and without force or effect.

(hh) Money appropriated, expended, or transferred pursuant to this section shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

(ii) For purposes of this section, commuter rail services include, but are not limited to, the Bay Area Rapid Transit, the Capitol Corridor, CalTrain, Altamont Commuter Express, Coaster, and Metrolink systems.

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(jj) In the expenditure of capital outlay or operating funds received pursuant to this section, the Southern California Regional Rail Authority shall give first priority to additional service and facilities along Metrolink rail lines that parallel congested freeways, such as State Routes 91, 118, 60, and 14, U.S. 101, and Interstates 215, 10 and 5, as well to facilities that support such service.

SEC. 3. Section 13984 is added to the Government Code, to read:

13984. (a) For purposes of this section, the following terms shall have the following meanings:

(1) "Rail or bus transit" means any of the following: light rail (including trolley buses), commuter rail, heavy rail, or intercity rail; or exclusive bus transit ways or bus transit lines with service no less than every 15 minutes during peak traffic congestion periods.

(2) "Public use facilities" means all of the following:

(A) Street, sidewalk, and pedestrian crosswalk improvements within one-third mile of a rail or bus transit line.

(B) Rail or bus transit station amenities, including, but not limited to, artwork, benches, pedestrian and bicycle overpasses and tunnels, accommodations in compliance with the Americans with Disabilities Act of 1990 (Public Law 101-336), elevators, escalators, and bicycle parking and motor vehicle parking structures that enable increased rail or bus transit station use and offer preferential parking to rail or bus transit users.

(C) Child care centers, libraries, community rooms, restrooms, and other public facilities and public spaces that serve or are accessible to rail or bus transit users.

(D) Acquisition of land to implement projects qualifying for grants under this section.

(E) Multi-modal facilities, including, but not limited to, infrastructure to accommodate connections to bus lines, other rail or bus transit lines, jitneys, taxis, tour buses, pedestrian facilities, and access routes used by bicyclists.

(F) Facilities to accommodate publicly owned low emission motor vehicles at rail or bus transit stations, including, but not limited to, recharging stations, secure parking, and storage facilities.

(G) Traffic light synchronization controllers and signal priority for public transit near rail or bus transit stations.

(H) The cost of relocation assistance required to implement any of the projects listed in this subdivision, up to ten percent (10%) of the total cost of the project.

(I) Remediation of contaminated lands to implement any of the projects listed in this subdivision, if there is, at least in part, no party responsible for remediation or the state is itself a responsible party.

(3) "Project" means a mixed-use housing and business development that is within one-third mile of a rail stop or bus transit stop that includes at least two of the following elements:

(A) Housing.

(B) Retail.

(C) Office space.

(b) The purpose of this section is to pay for public use facilities in order to improve the financial feasibility of private development projects located at rail or bus transit stations serving housing and employment centers, and thereby to increase rail or bus transit use.

(c)(1) The secretary shall develop a program for implementation by regional transportation planning agencies to develop public use facilities associated with transit stations as part of proposed projects that will increase rail or bus transit ridership in a cost-effective manner.

(2) A project shall be given preference under this section if it meets any of the following criteria:

(A) The project has received a density bonus from a local land use agency.

(B) The project includes a parking facility that is shared by rail or bus transit users and users of the proposed project. Higher priority shall be given to proposals that include paid parking.

(C) The project has reduced parking requirements due to the increased use of rail or bus transit resulting from close association with a rail or bus transit station. The parking requirements shall be at least thirty percent (30%) below the zoning in force for the six months prior to submittal of the grant application.

(3) Each application for a grant from a local public agency (including but not limited to cities, counties, cities and counties, transportation agencies, redevelopment agencies, and housing authorities) shall be accompanied by all of the following:

(A) A development plan for the rail or bus transit station and adjacent project, including, but not limited to, a description of the involvement of private developers willing to implement the development plan.

(B) A letter from the owner of the rail or bus transit station indicating a willingness to cooperate in implementation of the proposed project.

(C) Station area zoning and densities allowed at the rail or bus transit station and the immediately surrounding area. Zoning and densities shall be at a level that will promote cost-effective development.

(d) Each public agency receiving a grant for a project that includes housing pursuant to this section shall assure that not less than twenty percent (20%) of the money is for projects that dedicate at least twenty-five percent (25%) of their units for housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code. Highest priority shall be given to grant applications that include a commitment for matching contributions for local agency programs that provide incentives to construct this and other types of housing.

(e) At least fifty percent (50%) of the money available pursuant to this section shall be expended for housing projects that meet the other requirements of this section.

(f) The secretary shall adopt regulations to implement this section, including a definition of "peak traffic congestion period." Those regulations shall not be subject to review or approval of the Office of Administrative Law or subject to any other requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 4. Section 13985 is added to the Government Code, to read:

13985. (a) The money in the Traffic Congestion Relief and Safe School Bus Trust Fund, which is created in the State Treasury by Section 7105 of the Revenue and Taxation Code, shall be transferred to the General Fund by the Controller if 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 of the California Constitution in the current fiscal year. In the event that a transfer of money to the General Fund pursuant to this subdivision is necessary, the Department of Finance shall determine the amount to be transferred to the General Fund, and shall notify the Controller in writing as to the amount, the timing of the transfer, and the applicable time period affected by the transfer.

(b) The Controller shall reduce the total amount of money transferred to the Traffic Congestion Relief and Safe School Bus Trust Fund by the Controller in any fiscal year if 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 not projected to increase compared to the previous fiscal year in an amount equal to the amount of money to be transferred to the fund in accordance with this section. Reductions in money transferred to the fund due to operation of this subdivision shall be allocated in proportion to the percentage of money in the fund allocated to each account in subdivision (b) of Section 7105 of the Revenue and Taxation Code and the Transportation Impacts Mitigation Trust Fund. In the event that a reduction of the money to be transferred to the Traffic Congestion Relief and Safe School Bus Trust Fund from the General Fund by the Controller is necessary pursuant to this subdivision, the Department of Finance shall determine the amount of the reduction and shall notify the Controller in writing as to the amount, the timing of the transfer, and the applicable time period affected by the transfer.

(c) Money in the Traffic Congestion Relief and Safe School Bus Trust Fund in the State Treasury may be allocated only in accordance with Section 7105 of the Revenue and Taxation Code, this section, Sections 164.57, 164.58, and 894.5 of the Streets and Highways Code, and Chapter 7 (commencing with Section 99571) of Part 11 of Division 10 of the Public Utilities Code.

(d) In a fiscal year in which a particular project allocated money by paragraph (1), (3), (5), (6), or (11) of subdivision (b) of Section 7105 of the Revenue and Taxation Code for a limited number of years does not receive all or part of its allocation due to the operation of this section, each project that did not receive its full allocation in that fiscal year shall receive a replacement allocation in subsequent fiscal years for each fiscal year it did not receive an allocation. The replacement allocation shall be made at the end of the period specified in Section 7105 of the Revenue and Taxation Code that allocations are made to the particular project. The replacement allocations shall be in the same amount that would have otherwise been allocated. Replacement allocations shall be made in as many sequential fiscal years as are needed to compensate for the allocations that were not made during the fiscal years in which the allocation otherwise would have been made. The intent of this subdivision is to be sure that each project specified in paragraphs (1), (3), (5), (6), or (11) of subdivision (b) of Section 7105 of the Revenue and Taxation Code receives all the funds it would have received if subdivision (a) and (b) of this section had not been in operation.

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## PROPOSITION 51 (cont.)

SEC. 5. Section 14556.40 of the Government Code is amended to read:

14556.40. (a) The following projects are eligible for grants from the fund for the purposes and amounts specified:

(1) BART to San Jose; extend BART from Fremont to Downtown San Jose in Santa Clara and Alameda Counties. Seven hundred twenty-five million dollars (\$725,000,000). The lead applicant is the Santa Clara Valley Transportation Authority.

~~(2) Fremont South Bay Commuter Rail; acquire rail line and start commuter rail service between Fremont and San Jose in Santa Clara and Alameda Counties. BART to San Jose; extend BART from Fremont to Downtown San Jose in Santa Clara and Alameda Counties. Thirty-five million dollars (\$35,000,000). The lead applicant is the Santa Clara Valley Transportation Authority.~~

(3) Route 101; widen freeway from four to eight lanes south of San Jose, Bernal Road to Burnett Avenue in Santa Clara County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the Santa Clara Valley Transportation Authority.

(4) Route 680; add northbound HOV lane over Sunol Grade, Milpitas to Route 84 in Santa Clara and Alameda Counties. Sixty million dollars (\$60,000,000). The lead applicant is the department or the Alameda County Congestion Management Agency.

(5) Route 101; add northbound lane to freeway through San Jose, Route 87 to Trimble Road in Santa Clara County. Five million dollars (\$5,000,000). The lead applicant is the department or the Santa Clara Valley Transportation Authority.

(6) Route 262; major investment study for cross connector freeway, Route 680 to Route 880 near Warm Springs in Santa Clara County. One million dollars (\$1,000,000). The lead applicant is the department or the Santa Clara Valley Transportation Authority.

(7) CalTrain; expand service to Gilroy; improve parking, stations, and platforms along UPRR line in Santa Clara County. Fifty-five million dollars (\$55,000,000). The lead applicant is Santa Clara Valley Transportation Authority.

(8) Route 880; reconstruct Coleman Avenue Interchange near San Jose Airport in Santa Clara County. Five million dollars (\$5,000,000). The lead applicant is the department or the Santa Clara Valley Transportation Authority.

(9) Capitol Corridor; improve intercity rail line between Oakland and San Jose, and at Jack London Square and Emeryville stations in Alameda and Santa Clara Counties. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the Capitol Corridor Joint Powers Authority.

(10) Regional Express Bus; acquire low-emission buses for new express service on HOV lanes regionwide. In nine counties. Forty million dollars (\$40,000,000). The lead applicant is the Metropolitan Transportation Commission.

(11) San Francisco Bay Southern Crossing; complete feasibility and financial studies for new San Francisco Bay crossing (new bridge, HOV/transit bridge, terminal connection, or second BART tube) in Alameda and San Francisco or San Mateo Counties. Five million dollars (\$5,000,000). The lead applicant is the department or the Metropolitan Transportation Commission.

(12) Bay Area Transit Connectivity; complete studies of, and fund related improvements for, the I-580 Livermore Corridor; the Hercules Rail Station and related improvements, West Contra Costa County and Route 4 Corridors in Alameda and Contra Costa Counties. Seventeen million dollars (\$17,000,000). Of the amount specified, seven million dollars (\$7,000,000) shall be made available for the Route 4 Corridor study and improvements, seven million dollars (\$7,000,000) shall be made available for the I-580 Corridor study and improvements, and three million dollars (\$3,000,000) shall be made available for the Hercules Rail Station study and improvements. The lead applicant for the Hercules Rail Station and related improvements in west Contra Costa County is the Contra Costa County Transportation Authority. The lead applicants, for the I-580 Livermore Study and improvements are the Alameda County Congestion Management Authority and the San Francisco Bay Area Rapid Transit District. The lead applicants for the Route 4 Corridor study and improvements are the Contra Costa County Transportation Authority and the San Francisco Bay Area Rapid Transit District.

(13) CalTrain Peninsula Corridor; acquire rolling stock, add passing tracks, and construct pedestrian access structure at stations between San Francisco and San Jose in San Francisco, San Mateo, and Santa Clara Counties. One hundred twenty-seven million dollars (\$127,000,000). The lead applicant is the Peninsula Joint Powers Board.

(14) CalTrain; extension to Salinas in Monterey County. Twenty million dollars (\$20,000,000). The lead applicant is the Transportation Agency for Monterey County.

(15) Route 24; Caldecott Tunnel; add fourth bore tunnel with additional lanes in Alameda and Contra Costa Counties. Twenty million dollars (\$20,000,000). The lead applicant is the department or the Metropolitan Transportation Commission.

(16) Route 4; construct one or more phases of improvements to widen freeway to eight lanes from Railroad through Loveridge Road, including two high-occupancy vehicle lanes, and to six or more lanes from east of Loveridge Road through Hillcrest. Thirty-nine million dollars (\$39,000,000). The lead applicant is the Contra Costa Transportation Authority.

(17) Route 101; add reversible HOV lane through San Rafael, Sir Francis Drake Boulevard to North San Pedro Road in Marin County. Fifteen million dollars (\$15,000,000). The lead applicant is the department or the Marin Congestion Management Agency.

(18) Route 101; widen eight miles of freeway to six lanes, Novato to Petaluma (Novato Narrows) in Marin and Sonoma Counties. Twenty-one million dollars (\$21,000,000). The lead applicant is the department or the Sonoma County Transportation Authority.

(19) Bay Area Water Transit Authority; establish a regional water transit system beginning with Treasure Island in the City and County of San Francisco. Two million dollars (\$2,000,000). The lead applicant is the Bay Area Water Transit Authority.

(20) San Francisco Muni Third Street Light Rail; extend Third Street line to Chinatown (tunnel) in the City and County of San Francisco. One hundred forty million dollars (\$140,000,000). The lead applicant is the San Francisco Municipal Transportation Agency.

(21) San Francisco Muni Ocean Avenue Light Rail; reconstruct Ocean Avenue light rail line to Route 1 near California State University, San Francisco, in the City and County of San Francisco. Seven million dollars (\$7,000,000). The lead applicant is the San Francisco Municipal Transportation Agency.

(22) Route 101; environmental study for reconstruction of Doyle Drive, from Lombard St./Richardson Avenue to Route 1 Interchange in City and County of San Francisco. Fifteen million dollars (\$15,000,000). The lead applicant is the department or the San Francisco County Transportation Authority.

(23) CalTrain Peninsula Corridor; complete grade separations at Poplar Avenue in (San Mateo), 25th Avenue or vicinity (San Mateo), and Linden Avenue (South San Francisco) in San Mateo County. Fifteen million dollars (\$15,000,000). The lead applicant is the San Mateo County Transportation Authority.

(24) Vallejo Baylink Ferry; acquire low-emission ferryboats to expand Baylink Vallejo-San Francisco service in Solano County. Five million dollars (\$5,000,000). The lead applicant is the City of Vallejo.

(25) I-80/I-680/Route 12 Interchange in Fairfield in Solano County; 12 interchange complex in seven stages (Stage 1). Thirteen million dollars (\$13,000,000). The lead applicant is the department or the Solano Transportation Authority.

(26) ACE Commuter Rail; add siding on UPRR line in Livermore Valley in Alameda County. One million dollars (\$1,000,000). The lead applicant is the Alameda County Congestion Management Authority.

(27) Vasco Road Safety and Transit Enhancement Project in Alameda and Contra Costa Counties. Eleven million dollars (\$11,000,000). The lead applicant is Alameda County Congestion Management Authority.

(28) Parking Structure at Transit Village at Richmond BART Station in Contra Costa County. Five million dollars (\$5,000,000). The lead applicant is the City of Richmond.

(29) AC Transit; buy two fuel cell buses and fueling facility for demonstration project in Alameda and Contra Costa Counties. Eight million dollars (\$8,000,000). The lead applicant is the Alameda Contra Costa Transit District.

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

(30) Implementation of commuter rail passenger service from Cloverdale south to San Rafael and Larkspur in Marin and Sonoma Counties. Thirty-seven million dollars (\$37,000,000). The lead applicant is the Sonoma-Marín Area Transit Authority.

(31) Route 580; construct eastbound and westbound HOV lanes from Tassajara Road/Santa Rita Road to Vasco Road in Alameda County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the Alameda County Congestion Management Authority.

(32) North Coast Railroad; repair and upgrade track to meet Class II (freight) standards in Napa, Sonoma, Marin, Mendocino and Humboldt Counties. Sixty million dollars (\$60,000,000). The lead applicant is the North Coast Rail Authority. Except for the amounts specified in paragraph (1) of subdivision (a) and subdivision (b) of Section 14456.50, no part of the specified amount may be made available to the authority until it has made a full accounting to the commission demonstrating that the expenditure of funds provided to the authority in the Budget Act of 2000 (Chapter 52 of the Statutes of 2000) was consistent with the limitations placed on those funds in that Budget Act.

(33) Bus Transit; acquire low-emission buses for Los Angeles County MTA bus transit service. One hundred fifty million dollars (\$150,000,000). The lead applicant is the Los Angeles County Metropolitan Transportation Authority.

(34) Blue Line to Los Angeles; new rail line Pasadena to Los Angeles in Los Angeles County. Forty million dollars (\$40,000,000). The lead applicant is the Pasadena Metro Blue Line Construction Authority.

(35) Pacific Surfliner; triple track intercity rail line within Los Angeles County and add run-through-tracks through Los Angeles Union Station in Los Angeles County. One hundred million dollars (\$100,000,000). The lead applicant is the department.

(36) Los Angeles Eastside Transit Extension; build new light rail line in East Los Angeles, from Union Station to Atlantic via 1st Street to Lorena in Los Angeles County. Two hundred thirty-six million dollars (\$236,000,000). The lead applicant is the Los Angeles County Metropolitan Transportation Authority.

(37) Los Angeles Mid-City Transit Improvements; build Bus Rapid Transit system or Light Rail Transit in Mid-City/Westside/Exposition Corridors in Los Angeles County. Two hundred fifty-six million dollars (\$256,000,000). The lead applicant is the Los Angeles County Metropolitan Transportation Authority.

(38) Los Angeles-San Fernando Valley Transit Extension; (A) build an East-West Bus Rapid Transit system in the Burbank-Chandler corridor, from North Hollywood to Warner Center. One hundred forty-five million dollars (\$145,000,000). (B) Build a North-South corridor bus transit project that interfaces with the foregoing East-West Burbank-Chandler Corridor project and with the Ventura Boulevard Rapid Bus project. One hundred million dollars (\$100,000,000). The lead applicant for both extension projects is the Los Angeles County Metropolitan Transportation Authority.

(39) Route 405; add northbound HOV lane over Sepulveda Pass, Route 10 to Route 101 in Los Angeles County. Ninety million dollars (\$90,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(40) Route 10; add HOV lanes on San Bernardino Freeway over Kellogg Hill, near Pomona, Route 605 to Route 57 in Los Angeles County. Ninety million dollars (\$90,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(41) Route 5; add HOV lanes on Golden State Freeway through San Fernando Valley, Route 170 (Hollywood Freeway) to Route 14 (Antelope Valley Freeway) in Los Angeles County. Fifty million dollars (\$50,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(42) Route 5; widen Santa Ana Freeway to 10 lanes (two HOV + two mixed flow), Orange County line to Route 710, with related major arterial improvements, in Los Angeles County. One hundred twenty-five million dollars (\$125,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(43) Route 5; improve Carmenita Road Interchange in Norwalk in Los Angeles County. Seventy-one million dollars (\$71,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(44) Route 47 (Terminal Island Freeway); construct interchange at Ocean Boulevard Overpass in the City of Long Beach in Los Angeles County. Eighteen million four hundred thousand dollars (\$18,400,000). The lead applicant is the Port of Long Beach.

(45) Route 710; complete Gateway Corridor study, Los Angeles/Long Beach ports to Route 5 in Los Angeles County. Two million dollars (\$2,000,000). The lead applicant is the department.

(46) Route 1; reconstruct intersection at Route 107 in Torrance in Los Angeles County. Two million dollars (\$2,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(47) Route 101; California Street off-ramp in Ventura County. Fifteen million dollars (\$15,000,000). The lead applicant is the department or the City of San Buenaventura.

(48) Route 101; corridor analysis and PSR to improve corridor from Route 170 (North Hollywood Freeway) to Route 23 in Thousand Oaks (Ventura County) in Los Angeles and Ventura Counties. Three million dollars (\$3,000,000). The lead applicant is the department.

(49) Hollywood Intermodal Transportation Center; intermodal facility at Highland Avenue and Hawthorn Avenue in the City of Los Angeles. Ten million dollars (\$10,000,000). The lead applicant is the City of Los Angeles.

(50) Route 71; complete three miles of six-lane freeway through Pomona, from Route 10 to Route 60 in Los Angeles County. Thirty million dollars (\$30,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(51) Route 101/405; add auxiliary lane and widen ramp through freeway interchange in Sherman Oaks in Los Angeles County. Twenty-one million dollars (\$21,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(52) Route 405; add HOV and auxiliary lanes for 1 mile in West Los Angeles, from Waterford Avenue to Route 10 in Los Angeles County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the Los Angeles County Metropolitan Transportation Authority.

(53) Automated Signal Corridors (ATSAC); improve 479 automated signals in Victory/Ventura Corridor, and add 76 new automated signals in Sepulveda Boulevard and Route 118 Corridors in Los Angeles County. Sixteen million dollars (\$16,000,000). The lead applicant is the City of Los Angeles.

(54) Alameda Corridor East; build grade separations on Burlington Northern-Santa Fe and Union Pacific Railroad lines, downtown Los Angeles to Los Angeles County line in Los Angeles County. One hundred fifty million dollars (\$150,000,000). The lead applicant is the San Gabriel Valley Council of Governments.

(55) Alameda Corridor East; build grade separations on Burlington Northern-Santa Fe and Union Pacific Railroad lines, with rail-to-rail separation at Colton through San Bernardino County. Ninety-five million dollars (\$95,000,000). The lead applicant is the San Bernardino Associated Governments.

(56) Metrolink; track and signal improvements on Metrolink; San Bernardino line in San Bernardino County. Fifteen million dollars (\$15,000,000). The lead applicant is the Southern California Regional Rail Authority.

(57) Route 215; add HOV lanes through downtown San Bernardino, Route 10 to Route 30 in San Bernardino County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the San Bernardino County Transportation Commission.

(58) Route 10; widen freeway to eight lanes through Redlands, Route 30 to Ford Street in San Bernardino County. Ten million dollars (\$10,000,000). The lead applicant is the department or the San Bernardino County Transportation Commission.

(59) Route 10; Live Oak Canyon Interchange, including, but not limited to, the 14th Street Bridge over Wilson Creek, in the City of Yucaipa in San Bernardino County. Eleven million dollars (\$11,000,000). The lead applicant is the department or the San Bernardino County Transportation Commission.

(60) Route 15; southbound truck climbing lane at two locations in San Bernardino County. Ten million dollars (\$10,000,000). The lead

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

applicant is the department or the San Bernardino County Transportation Commission.

(61) Route 10; reconstruct Apache Trail Interchange east of Banning in Riverside County. Thirty million dollars (\$30,000,000). The lead applicant is the department or the Riverside County Transportation Commission.

(62) Route 91; add HOV lanes through downtown Riverside, Mary Street to Route 60/215 junction in Riverside County. Forty million dollars (\$40,000,000). The lead applicant is the department or the Riverside County Transportation Commission.

(63) Route 60; add seven miles of HOV lanes west of Riverside, Route 15 to Valley Way in Riverside County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the Riverside County Transportation Commission.

(64) Route 91; improve the Green River Interchange and add auxiliary lane and connector ramp east of the Green River Interchange to northbound Route 71 in Riverside County. Five million dollars (\$5,000,000). The lead applicant is the department or the Riverside County Transportation Commission.

(70) Route 22; add HOV lanes on Garden Grove Freeway, Route 1-405 to Route 55 in Orange County. Two hundred six million five hundred thousand dollars (\$206,500,000). The lead applicant is the department or the Orange County Transportation Authority.

(73) Alameda Corridor East; (Orangethorpe Corridor) build grade separations on Burlington Northern-Santa Fe line, Los Angeles County line through Santa Ana Canyon in Orange County. Twenty-eight million dollars (\$28,000,000). The lead applicant is the Orange County Transportation Authority.

(74) Pacific Surfliner; double track intercity rail line within San Diego County, add maintenance yard in San Diego County. Forty-seven million dollars (\$47,000,000). The lead applicant is the department or North Coast Transit District.

(75) San Diego Transit Buses; acquire about 85 low-emission buses for San Diego transit service in San Diego County. Thirty million dollars (\$30,000,000). The lead applicant is the San Diego Metropolitan Transit Development Board.

(76) Coaster Commuter Rail; acquire one new train set to expand commuter rail in San Diego County. Fourteen million dollars (\$14,000,000). The lead applicant is North County Transit District.

(77) Route 94; complete environmental studies to add capacity to Route 94 corridor, downtown San Diego to Route 125 in Lemon Grove in San Diego County. Twenty million dollars (\$20,000,000). The lead applicant is the department or San Diego Association of Governments.

(78) East Village access; improve access to light rail from new in-town East Village development in San Diego County. Fifteen million dollars (\$15,000,000). The lead applicant is the San Diego Metropolitan Transit Development Board.

(79) North County Light Rail; build new 20-mile light rail line from Oceanside to Escondido in San Diego County. Eighty million dollars (\$80,000,000). The lead applicant is North County Transit District.

(80) Mid-Coast Light Rail; extend Old Town light rail line 6 miles to Balboa Avenue in San Diego County. Ten million dollars (\$10,000,000). The lead applicant is the San Diego Metropolitan Transit Development Board.

(81) San Diego Ferry; acquire low-emission high-speed ferryboat for new off-coast service between San Diego and Oceanside in San Diego County. Five million dollars (\$5,000,000). The lead applicant is the Port of San Diego.

(82) Routes 5/805; reconstruct and widen freeway interchange, Genesee Avenue to Del Mar Heights Road in San Diego County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the San Diego Association of Governments.

(83) Route 15; add high-tech managed lane on I-15 freeway north of San Diego (Stage 1) from Route 163 to Route 78 in San Diego County. Seventy million dollars (\$70,000,000). The lead applicant is the department or the San Diego Association of Governments.

(84) Route 52; build four miles of new six-lane freeway to Santee, Mission Gorge to Route 67 in San Diego County. Forty-five million dollars (\$45,000,000). The lead applicant is the department or the San Diego Association of Governments.

(85) Route 56; construct approximately five miles of new freeway alignment between I-5 and I-15 from Carmel Valley to Rancho Penasquitos in the City of San Diego in San Diego County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the San Diego Association of Governments.

(86) Route 905; build new six-lane freeway on Otay Mesa, Route 805 to Mexico Port of Entry in San Diego County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the San Diego Association of Governments.

(87) Routes 94/125; build two new freeway connector ramps at Route 94/125 in Lemon Grove in San Diego County. Sixty million dollars (\$60,000,000). The lead applicant is the department or the San Diego Association of Governments.

(88) Route 5; realign freeway at Virginia Avenue, approaching San Ysidro Port of Entry to Mexico in San Diego County. Ten million dollars (\$10,000,000). The lead applicant is the department or the San Diego Association of Governments.

(89) Route 99; improve Shaw Avenue Interchange in northern Fresno in Fresno County. Five million dollars (\$5,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(90) Route 99; widen freeway to six lanes, Kingsburg to Selma in Fresno County. Twenty million dollars (\$20,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(91) Route 180; build new expressway east of Clovis, Clovis Avenue to Temperance Avenue in Fresno County. Twenty million dollars (\$20,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(92) San Joaquin Corridor; improve track and signals along San Joaquin intercity rail line near Hanford in Kings County. Ten million dollars (\$10,000,000). The lead applicant is the department.

(93) Route 180; complete environmental studies to extend Route 180 westward from Mendota to I-5 in Fresno County. Seven million dollars (\$7,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(94) Route 43; widen to four-lane expressway from Kings County line to Route 99 in Selma in Fresno County. Five million dollars (\$5,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(95) Route 41; add auxiliary lane/operational improvements and improve ramps at Friant Road Interchange in Fresno in Fresno County. Ten million dollars (\$10,000,000). The lead applicant is the department or the Council of Fresno County Governments.

(96) Friant Road; widen to four lanes from Copper Avenue to Road 206 in Fresno County. Ten million dollars (\$10,000,000). The lead applicant is the County of Fresno.

(97) Operational improvements on Shaw Avenue, Chestnut Avenue, Willow Avenue, and Barstow Avenue near California State University at Fresno in Fresno County. Ten million dollars (\$10,000,000). The lead applicant is the California State University at Fresno. Of the amount authorized under this paragraph, the sum of two million dollars (\$2,000,000) shall be transferred to the California State University at Fresno for the purposes of funding preliminary plans, working drawings, or both of those, and related program management costs for the Fresno Events Center.

(98) Peach Avenue; widen to four-lane arterial and add pedestrian overcrossings for three schools in Fresno County. Ten million dollars (\$10,000,000). The lead applicant is the City of Fresno.

(99) San Joaquin Corridor; improve track and signals along San Joaquin intercity rail line in seven counties. Fifteen million dollars (\$15,000,000). The lead applicant is the department.

(100) San Joaquin Valley Emergency Clean Air Attainment Program; incentives for the reduction of emissions from heavy-duty diesel engines operating within the eight-county San Joaquin Valley region. Twenty-five million dollars (\$25,000,000). The lead applicant is the San Joaquin Valley Unified Air Pollution Control District.

(101) Santa Cruz Metropolitan Transit District bus fleet; acquisition of low-emission buses. Three million dollars (\$3,000,000). The lead applicant is the Santa Cruz Metropolitan Transit District.

(102) Route 101 access; State Street smart corridor Advanced Traffic Corridor System (ATSC) technology in Santa Barbara County. One

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

million three hundred thousand dollars (\$1,300,000). The lead applicant is the City of Santa Barbara.

(103) Route 99; improve interchange at Seventh Standard Road, north of Bakersfield in Kern County. Eight million dollars (\$8,000,000). The lead applicant is the department or Kern Council of Governments.

(104) Route 99; build seven miles of new six-lane freeway south of Merced, Buchanan Hollow Road to Healey Road in Merced County. Five million dollars (\$5,000,000). The lead applicant is the department or the Merced County Association of Governments.

(105) Route 99; build two miles of new six-lane freeway, Madera County line to Buchanan Hollow Road in Merced County. Five million dollars (\$5,000,000). The lead applicant is the department or the Merced County Association of Governments.

(106) Campus Parkway; build new arterial in Merced County from Route 99 to Bellevue Road. Twenty-three million dollars (\$23,000,000). The lead applicant is the County of Merced.

(107) Route 205; widen freeway to six lanes, Tracy to I-5 in San Joaquin County. Twenty-five million dollars (\$25,000,000). The lead applicant is the department or the San Joaquin Council of Governments.

(108) Route 5; add northbound lane to freeway through Mossdale "Y", Route 205 to Route 120 in San Joaquin County. Seven million dollars (\$7,000,000). The lead applicant is the department or the San Joaquin Council of Governments.

(109) Route 132; build four miles of new four-lane expressway in Modesto from Dakota Avenue to Route 99 and improve Route 99 Interchange in Stanislaus County. Twelve million dollars (\$12,000,000). The lead applicant is the department or the Stanislaus Council of Governments.

(110) Route 132; build 3.5 miles of new four-lane expressway from Route 33 to the San Joaquin county line in Stanislaus and San Joaquin Counties. Two million dollars (\$2,000,000). The lead applicant is the department or the Stanislaus Council of Governments.

(111) Route 198; build 10 miles of new four-lane expressway from Route 99 to Hanford in Kings and Tulare Counties. Fourteen million dollars (\$14,000,000). The lead applicant is the department or the Kings County Association of Governments.

(112) Jersey Avenue; widen from 17th Street to 18th Street in Kings County. One million five hundred thousand dollars (\$1,500,000). The lead applicant is Kings County.

(113) Route 46; widen to four lanes for 33 miles from Route 5 to San Luis Obispo County line in Kern County. Thirty million dollars (\$30,000,000). The lead applicant is the department or the Kern Council of Governments.

(114) Route 65; add four passing lanes, intersection improvement, and conduct environmental studies for ultimate widening to four lanes from Route 99 in Bakersfield to Tulare County line in Kern County. Twelve million dollars (\$12,000,000). The lead applicant is the department or the Kern Council of Governments.

(115) South Line Light Rail; extend South Line three miles towards Elk Grove, from Meadowview Road to Calvine Road in Sacramento County. Seventy million dollars (\$70,000,000). The lead applicant is the Sacramento Regional Transit District.

(116) Route 80 Light Rail Corridor; double-track Route 80 light rail line for express service in Sacramento County. Twenty-five million dollars (\$25,000,000). The lead applicant is the Sacramento Regional Transit District.

(117) Folsom Light Rail; extend light rail tracks from 7th Street and K Street to the Amtrak Depot in downtown Sacramento, and extend Folsom light rail from Mather Field Station to downtown Folsom. Add a new vehicle storage and maintenance facility in the area between the Sunrise Boulevard and Hazel Avenue Stations in Sacramento County. Twenty million dollars (\$20,000,000). The lead applicant is the Sacramento Regional Transit District.

(118) Sacramento Emergency Clean Air/Transportation Plan (SECAT); incentive for the reduction of emissions from heavy-duty diesel engines operating within the Sacramento region. Fifty million dollars (\$50,000,000). The lead applicant is the Sacramento Area Council of Governments.

(119) Convert Sacramento Regional Transit bus fleet to low emission and provide Yolo bus service by the Yolo County Transportation District;

acquire approximately 50 replacement low-emission buses for service in Sacramento and Yolo Counties. Nineteen million dollars (\$19,000,000). The lead applicants are the Sacramento Regional Transit District, the Sacramento Area Council of Governments, and the Yolo Bus Authority.

(121) Metropolitan Bakersfield System Study; to reduce congestion in the City of Bakersfield. Three hundred fifty thousand dollars (\$350,000). The lead applicant is the Kern County Council of Governments.

(122) Route 65; widening project from 7th Standard Road to Route 190 in Porterville. Three million five hundred thousand dollars (\$3,500,000). The lead applicant is the County of Tulare.

(123) Oceanside Transit Center; parking structure. One million five hundred thousand dollars (\$1,500,000). The lead applicant is the City of Oceanside.

(126) Route 50/Watt Avenue Interchange; widening of overcrossing and modifications to interchange. Seven million dollars (\$7,000,000). The lead applicant is the County of Sacramento.

(127) Route 85/Route 87; interchange completion; addition of two direct connectors for southbound Route 85 to northbound Route 87 and southbound Route 87 to northbound Route 85. Three million five hundred thousand dollars (\$3,500,000). The lead applicant is the City of San Jose.

(128) Airport Road; reconstruction and intersection improvement project. Three million dollars (\$3,000,000). The lead applicant is the County of Shasta.

(129) Route 62; traffic and pedestrian safety and utility undergrounding project in right-of-way of Route 62. Three million two hundred thousand dollars (\$3,200,000). The lead applicant is the Town of Yucca Valley.

(133) Feasibility studies for grade separation projects for Union Pacific Railroad at Elk Grove Boulevard and Bond Road. One hundred fifty thousand dollars (\$150,000). The lead applicant is the City of Elk Grove.

(134) Route 50/Sunrise Boulevard; interchange modifications. Three million dollars (\$3,000,000). The lead applicant is the County of Sacramento.

(135) Route 99/Sheldon Road; interchange project; reconstruction and expansion. Three million dollars (\$3,000,000). The lead applicant is the County of Sacramento.

(138) Cross Valley Rail; upgrade track from Visalia to Huron. Four million dollars (\$4,000,000). The lead applicant is the Cross Valley Rail Corridor Joint Powers Authority.

(139) Balboa Park BART Station; phase I expansion. Six million dollars (\$6,000,000). The lead applicant is the San Francisco Bay Area Rapid Transit District.

(140) City of Goshen; overpass for Route 99. One million five hundred thousand dollars (\$1,500,000). The lead applicant is the department.

(141) Union City; pedestrian bridge over Union Pacific rail lines. Two million dollars (\$2,000,000). The lead applicant is the City of Union City.

(142) West Hollywood; repair, maintenance, and mitigation of Santa Monica Boulevard. Two million dollars (\$2,000,000). The lead applicant is the City of West Hollywood.

(144) Seismic retrofit of the national landmark Golden Gate Bridge. Five million dollars (\$5,000,000). The lead applicant is the Golden Gate Bridge, Highway and Transportation District.

(145) Construction of a new siding in Sun Valley between Sheldon Street and Sunland Boulevard. Six million five hundred thousand dollars (\$6,500,000). The lead applicant is the Southern California Regional Rail Authority.

(146) Construction of Palm Drive Interchange. Ten million dollars (\$10,000,000). The lead applicant is the Coachella Valley Association of Governments.

(148) Route 98; widening of 8 miles between Route 111 and Route 7 from 2 lanes to 4 lanes. Ten million dollars (\$10,000,000). The lead applicant is the department.

(149) Purchase of low-emission buses for express service on Route 17. Three million seven hundred fifty thousand dollars (\$3,750,000). The lead applicant is the Santa Cruz Metropolitan Transit District.

(150) Renovation or rehabilitation of Santa Cruz Metro Center. One million dollars (\$1,000,000). The lead applicant is the Santa Cruz Metropolitan Transit District.

(151) Purchase of 5 alternative fuel buses for the Pasadena Area Rapid Transit System. One million one hundred thousand dollars (\$1,100,000). The lead applicant is the Pasadena Area Rapid Transit System.

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

(152) Pasadena Blue Line transit-oriented mixed-use development. One million five hundred thousand dollars (\$1,500,000). The lead applicant is the City of South Pasadena.

(153) Pasadena Blue Line utility relocation. Five hundred fifty thousand dollars (\$550,000). The lead applicant is the City of South Pasadena.

(154) Route 134/I-5 Interchange study. One hundred thousand dollars (\$100,000). The lead applicant is the department.

(156) Seismic retrofit and core segment improvements for the Bay Area Rapid Transit system. Twenty million dollars (\$20,000,000). The lead applicant is the San Francisco Bay Area Rapid Transit District.

(157) Route 12; Congestion relief improvements from Route 29 to I-80 through Jamison Canyon. Seven million dollars (\$7,000,000). The lead applicant is the department.

(158) Remodel the intersection of Olympic Boulevard, Mateo Street, and Porter Street and install a new traffic signal. Two million dollars (\$2,000,000). The lead applicant is the City of Los Angeles.

(159) Route 101; redesign and construction of Steele Lane Interchange. Six million dollars (\$6,000,000). The lead applicant is the department or the Sonoma County Transportation Authority.

(160) The extension of CalTrain from its present northern terminal to the Transbay Terminal in San Francisco, and the reconstruction and modernization of the Transbay Terminal in San Francisco. The lead applicant is the Transbay Joint Powers Authority.

(161) Blue Line to Claremont; extend rail line Pasadena to Claremont in Los Angeles County. The lead applicant is the Pasadena Metro Blue Line Construction Authority.

(b) As used in this section "route" is a state highway route as identified in Article 3 (commencing with Section 300) of Chapter 2 of Division 1 of the Streets and Highways Code.

SEC. 6. Section 164.56 of the Streets and Highways Code is amended to read:

164.56. (a) It is the intent of the Legislature to allocate ~~ten~~ twenty million dollars ~~(\$10,000,000)~~ (\$20,000,000) annually to the Environmental Enhancement and Mitigation Program Fund, which is hereby created.

(b) Local, state, and federal agencies and nonprofit entities may apply for and may receive grants, not to exceed five million dollars (\$5,000,000) for any single grant, to undertake environmental enhancement and mitigation projects that are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction, or expansion of new transportation facilities.

(c) Projects eligible for funding include, but are not limited to, all of the following:

(1) Highway landscaping and urban forestry projects designed to offset vehicular emissions of carbon dioxide.

(2) Acquisition or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within the right-of-way acquired for proposed transportation ~~improvements~~ facilities.

(3) Roadside recreational opportunities, including roadside rests, trails, trailheads, and parks.

(4) Projects to mitigate the impact of proposed transportation facilities or to enhance the environment, where the ability to effectuate the mitigation or enhancement measures is beyond the scope of the lead agency responsible for assessing the environmental impact of the proposed transportation ~~improvement~~ facility.

(d) Grant proposals shall be submitted to the Resources Agency for evaluation in accordance with procedures and criteria ~~prescribed~~ adopted by the Resources Agency. The Resources Agency shall evaluate proposals submitted to it and prepare a list of proposals recommended for funding. The list may be revised at any time. Prior to including a proposal on the list, the Resources Agency shall make a finding that the proposal is eligible for funding pursuant to subdivision (f).

(e) Within the fiscal limitations of subdivisions (a) and (b), the commission shall annually award grants to fund proposals that are included on the list prepared by the Resources Agency pursuant to subdivision (d).

(f) Projects funded pursuant to this section shall be projects that contribute to mitigation of the environmental effects of transportation facilities, as provided for by Section 1 of Article XIX of the California Constitution.

(g) Notwithstanding Section 7550.5 of the Government Code, on or before December 31 of each year, the commission shall provide the

Assembly Committee on Budget and the Senate Committee on Budget and Fiscal Review with a list of projects funded from the Environmental Enhancement and Mitigation Program during the previous fiscal year and a copy of the most recent criteria for allocating grants pursuant to this section.

SEC. 7. Section 164.57 is added to the Streets and Highways Code, to read:

164.57. (a) The Transportation Impacts Mitigation Trust Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, all money in the trust fund is continuously appropriated to the Resources Agency, without regard to fiscal years, for expenditure by the Secretary of the Resources Agency in accordance with this section and paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code.

(b)(1) Local and state agencies, public agencies, and nonprofit organizations may apply for grants from the Resources Agency to undertake environmental enhancement and mitigation projects that are directly or indirectly related to the environmental impact of existing transportation facilities; the design, construction, or expansion of new transportation facilities; or the modification of existing transportation facilities.

(2) As used in this section, "nonprofit organization" means any nonprofit public benefit corporation formed pursuant to the Nonprofit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code), qualified to do business in California, and qualified under Section 501(c)(3) of the United States Internal Revenue Code, and which has among its primary purposes the creation and improvement of urban parks, or the preservation, protection, or enhancement of land or water resources in their natural, scenic, historical, agricultural, forested, or open-space condition or use.

(c) Projects eligible for funding include, but are not limited to, all of the following:

(1) Highway landscaping and urban forestry projects, as authorized by the California Urban Forestry Act of 1978 (Chapter 2 (commencing with Section 4799.06) of Part 2.5 of Division 4 of the Public Resources Code) designed to offset vehicular emissions of carbon dioxide.

(2) Acquisition or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within or near the right-of-way acquired for proposed transportation facilities.

(3) Roadside recreational opportunities, including roadside rests, trails (including bicycle trails), trailheads, and parks.

(4) Projects to mitigate, or which contribute to the mitigation of, the direct or indirect impacts of proposed transportation facilities or to enhance the environment, where the ability to effectuate the mitigation or enhancement measures is beyond the authority of the lead agency responsible for assessing the environmental impact of the proposed transportation facility.

(5) Acquisition or enhancement of wildlife corridors and habitat linkages to mitigate the habitat fragmentation impacts of the expansion of transportation facilities.

(6) Projects to protect wildlife, recreational, or open-space resources from the cumulative impacts of the expansion of transportation facilities.

(7) Acquisition and development of river parkway projects along any river that is crossed by a public street or highway, and any river parkway project with a bikeway or other recreational trail that provides public access to a river. Not less than ten percent (10%) of the money in the trust fund shall be expended for river parkway projects pursuant to this paragraph. Specific projects meeting the specifications of this paragraph that are authorized by paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code shall be counted toward this requirement.

(8) Acquisition and development of any urban park in an urbanized area affected by population growth or daily commuter traffic resulting from a transportation facility.

(9) Acquisition and protection of agricultural lands, grazing lands, or other open-space lands constituting the viewshed of a public street or highway.

(d) Grant proposals shall be submitted to the Resources Agency quarterly for evaluation in accordance with procedures and criteria adopted by the Resources Agency. These procedures and criteria shall not be subject to the review or approval of the Office of Administrative Law or subject to any other requirement of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(e) Sixty percent (60%) of the money in the trust fund shall be expended in County Group 2 and forty percent (40%) shall be expended in County Group 1. This calculation shall be made after expenditures from the trust fund for

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projects listed in paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code are made.

(f) In order to provide visual amenities for users of roads and highways, buffers between transportation and other land uses, weed abatement, repression of noxious non-native plants, prevention of fires which can cause road closures and safety hazards, and to prevent dumping on unused land which can result in hazardous material being blown on to the roadways, the Resources Agency shall allocate funds to the Department of Food and Agriculture pursuant to subparagraph (A) of paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code to make grants to local public agencies or nonprofit organizations in San Bernardino, Riverside, Orange, and San Diego Counties for the acquisition of agricultural easements or other interests in land within one-quarter mile of state or interstate highways and locally designated significant roads in or near urban or urbanizing areas for the purpose of maintaining land adjacent and nearby roads and highways in agricultural use. These grants may also be used to provide infrastructure necessary to allow these lands to be used for agricultural purposes and for land rents to make agriculture along roads and highways economically viable. Infrastructure may include providing water facilities and purchasing water, with first preference to reclaimed water, facilities for the collection of water runoff and tailwater, pollution control facilities; electricity including solar photovoltaic generation; roadside stands to sell locally grown produce; and informational displays to interpret agriculture for motorists. The Department of Food and Agriculture shall work with applicants to develop this program in a way that makes it possible for small farmers to participate in the program. For purposes of this subdivision, in addition to the definition in subdivision (b) of Section 51201 of the Government Code, "agricultural use" includes the cultivation of native or ornamental plants, nursery activities; and the raising, keeping, and use of animals.

(g) The Department of Transportation shall allow the use of its lands for agricultural purposes unless prevented from doing so due to safety or environmental considerations, or if the lands are expected to be needed for transportation purposes within five years.

(h) Money in the trust fund may be expended in compliance with the requirements of a habitat conservation plan, natural community conservation plan, multiple species conservation plan, or any similar plan if the other requirements of this section are met.

(i) Money appropriated, expended, or transferred pursuant to this section shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

(j) At least twenty percent (20%) of the money from the trust fund shall be expended within the counties that are members of the Metropolitan Transportation Commission. This calculation shall be made after expenditures from the trust fund for projects listed in paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code are made.

(k) Notwithstanding Section 13340 of the Government Code or any other provision of this section, twenty-five percent (25%) of the money from the trust fund is continuously appropriated to, and shall be available each year to the State Coastal Conservancy for expenditure for the purposes of subdivision (c). This calculation shall include expenditures from the trust fund made pursuant to paragraph (6) of subdivision (b) of Section 7105 of the Revenue and Taxation Code. This allocation is made to reduce the many effects of transportation facilities such as State Routes 1, 101, and other roads that impact the resources of the coastal zone.

(l) If the Secretary for Resources approves a project for funding under subdivision (b) that was submitted by an agency within the Resources Agency for implementation either directly or through a grant to a public agency or nonprofit organization, then the provisions of this subdivision shall apply. In such cases, the Secretary may notify the Controller of the amount of funds to be allocated to the agency from funds deposited in the Transportation Impacts Mitigation Trust Fund in that fiscal year, and the Controller shall disburse that amount of money to the agency in same manner as if the money were appropriated to that agency by this section.

SEC. 8. Section 164.58 is added to the Streets and Highways Code, to read:

164.58. (a) The Transportation Water Quality Account is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, all money in the account is continuously appropriated, without regard to fiscal years, for expenditure in accordance with this section. The account shall be allocated by the State Water Resources Control Board solely for funding capital outlay projects and grants that prevent, reduce, remediate, or mitigate the adverse environmental impacts of motor vehicles and facilities used by motor vehicles on

the quality of California's waters and riparian habitats, through the acquisition, protection, restoration, and enhancement of streams, creeks, marshlands, diked lands, ponds, submerged and tidal lands, wetlands, and watersheds, subject to the following criteria and priorities:

(1) The account may be used only for projects and grants that are consistent with the adopted plans of the applicable regional water quality control board, applicable watershed management programs, or other adopted plans that identify goals, objectives, and implementation strategies for achieving compliance with this chapter and related statutes, including, but not limited to, Chapter 6 (commencing with Section 1600) of Division 2 of the Fish and Game Code, Article 4 (commencing with Section 13160) of Chapter 3 of, and Chapter 5.6 (commencing with Section 13390) of, Division 7 of the Water Code, and Division 2 (commencing with Section 2001) of the Public Resources Code.

(2) The account may not be used to support projects or activities that are required as part of any permit, license, or entitlement, other than a permit or license that is required of a project whose purpose is to implement the purposes of this section.

(3) Priority shall be given to those projects and grants that most effectively accomplish the purposes of this section through the long-term protection, restoration, and enhancement of the natural environment.

(4) Projects and grants that are eligible for funding include, but are not limited to, all of the following:

(A) Nonpoint source pollution treatment and pollution reduction projects such as constructed, restored, and enhanced wetlands, marshlands, diked lands, ponds, streams, creeks, vegetated channels, and watersheds.

(B) Hydrologic modifications to improve natural stream functions such as removal of channel barriers and restoration of floodplain and low-flow channels, and to control erosion by restoring abandoned roads to more natural conditions, correcting design deficiencies of existing roads and culverts, and stabilizing stream banks.

(C) Acquisition of riparian buffers, wetlands, and watershed lands to protect, restore, and enhance the functioning of riparian and associated habitats and to protect, restore, and enhance the movement of fish and wildlife within and between those habitats.

(D) Acquisition of land and conservation easements to protect or facilitate the restoration of watersheds and habitats impacted by motor vehicles and motor vehicle facilities.

(E) Not more than ten percent (10%) of the money in the account may be expended by the board for research and education to improve scientific and public understanding of the impacts of motor vehicles, facilities used by motor vehicles, and related infrastructure on water quality, habitats, and the movement of fish and wildlife within and between those habitats, as well as the most effective projects and management practices for preventing, reducing, remediating, or mitigating those impacts.

(b) Sixty percent (60%) of the money in Transportation Water Quality Account shall be expended in County Group 2 and forty percent (40%) shall be expended in County Group 1. At least one-third of the money expended in County Group 2 shall be allocated to the Santa Ana Water Project Authority by the board for expenditure in the watershed of the Santa Ana River.

(c) Notwithstanding the requirements of subdivisions (a) and (b), the first priority for expenditure of money from the account shall be for the following:

(1) To the County of Orange, five hundred thousand dollars (\$500,000) per year for maintenance and repair of water quality facilities within the Upper Newport Bay Ecological Reserve. This work will help mitigate the impact of pollutants generated from state and local transportation facilities within the Upper Newport Bay watershed.

(2) To the Irvine Ranch Water District, five hundred thousand dollars (\$500,000) per year for maintenance and repair of water quality facilities within the San Diego Creek watershed. This work will help mitigate the impact of pollutants generated from state and local transportation facilities within the San Diego Creek watershed.

(3) To the State Coastal Conservancy, five hundred thousand dollars (\$500,000) for the 2003-2004 fiscal year, for a grant to a nonprofit organization one of whose principal purposes is protection of coastal water quality, for acquisition of equipment to monitor and analyze coastal waters for pollutants that originate from runoff from roads in coastal watersheds.

SEC. 9. Section 164.59 is added to the Streets and Highways Code, to read:

164.59. (a) Notwithstanding any other provision of this code or the Water Code, if the use of recycled water meets the requirements of the State Department of Health Services, the Department of Transportation and its

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contractors shall use recycled wastewater for all irrigation purposes unless the local water agency, water district, city, city and county, or other agency supplying recycled wastewater is unable or unwilling to supply recycled wastewater to the Department of Transportation.

(b) In order to comply with the requirements of Section 42241 of the Public Resources Code, subdivision (c) of Section 12205 of the Public Contract Code, and the procurement requirements of the federal Resource Conservation and Recovery Act (P.L. 95-580) as set forth in 42 U.S.C. Sec. 6962, at least fifty percent (50%) of all compost, co-compost, and mulch products purchased by the department and its contractors shall be recycled products derived from organic materials. In making the determination whether to purchase recycled compost, co-compost, and mulch products, the department and its contractors shall make a maximum effort to use these products. The California Transportation Commission may reverse the decision of the department not to purchase recycled compost, co-compost, and mulch products on any highway segment.

SEC. 10. Section 894.5 is added to the Streets and Highways Code, to read:

894.5. (a)(1) Five percent (5%) of the funds in the Bicycle Efficiency Account in the Traffic Congestion Relief and Safe School Bus Trust Fund, created by paragraph (9) of subdivision (b) of Section 7105 of the Revenue and Taxation Code, shall be allocated by the Controller to the State Department of Health Services, to be used for bicycle education, safety, and promotion programs, in partnership with the University of California through the Physical Activity and Health Initiative, or any successor to that program.

(2) Ninety-five percent (95%) of the money in the Bicycle Efficiency Account shall be allocated by the Controller on a per capita basis to the regional transportation planning agencies for bicycle projects that primarily benefit bicycle commuters or students traveling to K-12 schools, colleges, or universities, rather than recreational users; and on the basis of whether the project increases the efficiency or safety of bicycle travel.

(3) Regional transportation planning agencies may expend this money for the following purposes:

(A) Striping or restriping highway lanes or widening outside lanes to better accommodate bicycles; or building highway bicycle lanes. Highest priority shall be given to projects on arterial streets.

(B) Converting streets from one way to two way to better accommodate bicyclists.

(C) Signage and stenciling to indicate the right of bicyclists to use the roadway.

(D) Bicycle parking devices; racks, carriages and other means of storing bicycles on buses, trains or ferries; facilities to improve bicycle parking, bicycle rental availability, or bicycle repair services at or near transit stops; and other facilities such as showers, changing rooms, and bicycle storage facilities at places of employment, schools, or other destinations for commuter cyclists.

(E) Marking, adjusting, or replacing traffic signal actuation devices, such as inductive loops, to improve detection of bicycles.

(F) Implementation of training programs and instructional materials intended to teach bicyclists how to operate their bicycles as vehicles on public roadways and to inform the general public about the needs, rights, and responsibilities of bicyclists.

(G) Other projects intended to directly benefit bicycle commuters or students using public highways.

(4) Regional transportation planning agencies may spend up to twenty percent (20%) of the money received pursuant to paragraph (2) on the planning, design, maintenance, right-of-way acquisition or construction of paved multi-use paths meeting the standards for Class I bikeway if the bikeways are primarily used to reduce trips that would be otherwise taken in motor vehicles. A bikeway funded wholly or in part under paragraph (2) is not a trail for the purposes of Section 831.4 of the Government Code.

(b)(1) Money in the Pedestrian Account in the Traffic Congestion Relief and Safe School Bus Trust Fund, created by paragraph (10) of subdivision (b) of Section 7105 of the Revenue and Taxation Code, shall be allocated by the Controller on a per capita basis to the regional transportation planning agencies for sidewalk and rural walkway projects that primarily benefit pedestrians.

(2) A sidewalk project shall be eligible for funding only if it is in an urbanized area, with the highest priority given to projects that complete gaps in existing sidewalks with significant pedestrian traffic. Repair of an existing sidewalk is not eligible for funding pursuant to this subdivision.

(3) A rural walkway project shall be eligible for funding only if it is along a road that is heavily used by pedestrians or bicycling children on a suggested route

to school, or if the project is in support of public transit use and is within one-third mile of a transit stop in a rural area.

(4) High priority for funding for pedestrian projects shall be given to projects that are eligible for the "Safe Routes to School" construction program established under Section 2333.5.

(c) If a regional transportation planning agency does not encumber money received for bicycle or pedestrian projects pursuant to this section within seven years, the money shall be returned to the account from which it came, and shall be redistributed in accordance with this section.

(d) No money from the account may be used on any project that increases the motor vehicle capacity of a highway, street, or road.

SEC. 11. Section 2106 of the Streets and Highways Code is amended to read:

2106. (a) A sum equal to the net revenue derived from one and four one-hundredths cent (\$0.0104) per gallon tax under the Motor Vehicle Fuel License Tax Law (Part 2 (commencing with Section 7301) of Division 2 of the Revenue and Taxation Code) shall be apportioned monthly from the Highway Users Tax Account in the Transportation Tax Fund among the counties and cities as follows:

~~(a)(1)~~ Four hundred dollars (\$400) per month shall be apportioned to each city and city and county and eight hundred dollars (\$800) per month shall be apportioned to each county and city and county.

~~(b)(1)(2)~~ Commencing on July 31, 2001, and on the last day of each month after that date, ~~to and including June 30, 2006~~, the sum of not less than six hundred thousand dollars (\$600,000) per month shall be transferred to the Bicycle Transportation Account in the State Transportation Fund.

~~(2) After June 30, 2006, the sum of four hundred sixteen thousand six hundred sixty-seven dollars (\$416,667) shall be transferred on the last day of each month after that date to the Bicycle Transportation Account in the State Transportation Fund.~~

~~(a)(3)~~ The balance shall be apportioned, as follows:

~~(A)~~ A base sum shall be computed for each county by using the same proportions of fee-paid and exempt vehicles as are established for purposes of apportionment of funds under subdivision (d) of Section 2104.

~~(B)~~ For each county, the percentage of the total assessed valuation of tangible property subject to local tax levies within the county which is represented by the assessed valuation of tangible property outside the incorporated cities of the county shall be applied to its base sum, and the resulting amount shall be apportioned to the county. The assessed valuation of taxable tangible property, for purposes of this computation, shall be that most recently used for countywide tax levies as reported to the Controller by the State Board of Equalization. If an incorporation or annexation is legally completed following the base sum computation, the new city's assessed valuation shall be deducted from the county's assessed valuation, the estimate of which may be provided by the State Board of Equalization.

~~(C)~~ The difference between the base sum for each county and the amount apportioned to the county shall be apportioned to the cities of that county in the proportion that the population of each city bears to the total population of all the cities in the county. Populations used for determining apportionment of money under Section 2107 are to be used for purposes of this section.

(b) The Legislature may amend this section, but any statute that attempts, or has the effect of, reducing, in whole or part, the amount of money required to be allocated to the Bicycle Transportation Account pursuant to paragraph (2) of subdivision (a) shall be void and without force or effect.

SEC. 12. Section 2331 of the Streets and Highways Code, as amended by Section 1 of Chapter 600 of the Statutes of 2001, is repealed.

2331. (a) The Highway Safety Act of 1973 (Title II of PL 93-87, 87 Stat. 250) has authorized appropriations for a number of programs relating to projects for the improvement of highway safety and the reduction of traffic congestion. These programs consist of the rail-highway crossings program (Section 202 of the Highway Safety Act of 1973), the pavement marking demonstration program (23 U.S.C. Sec. 151), projects for high-hazard locations, including, but not limited to, projects for bicycle and pedestrian safety and traffic calming measures in those locations (23 U.S.C. Sec. 152), program for the elimination of roadside obstructions (23 U.S.C. Sec. 153), and the federal aid safer roads demonstration program (23 U.S.C. Sec. 405). The purpose of this chapter is to implement these programs in this state. The commission, the department, boards of supervisors, and city councils are authorized to do all things

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necessary in their respective jurisdictions to secure and expend federal funds in accordance with the intent of the federal act and of this chapter.

(b) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 13. Section 2331 of the Streets and Highways Code, as added by Section 3 of Chapter 600 of the Statutes of 2001, is repealed.

2331. (a) The Highway Safety Act of 1973 (Title II of P.L. 93-87, 87 Stat. 250) has authorized appropriations for a number of programs relating to projects for the improvement of highway safety and the reduction of traffic congestion. These programs consist of the rail-highway crossings program (Section 203 of the Highway Safety Act of 1973), the pavement marking demonstration program (23 U.S.C. Sec. 151), projects for high-hazard locations (23 U.S.C. Sec. 152), program for the elimination of roadside obstacles (23 U.S.C. Sec. 153), and the federal aid safer roads demonstration program (23 U.S.C. Sec. 405). The purpose of this chapter is to implement these programs in this state. The commission, the department, boards of supervisors, and city councils are authorized to do all things necessary in their respective jurisdictions to secure and expend such federal funds in accordance with the intent of the federal act and of this chapter.

(b) This section shall become operative on January 1, 2005.

SEC. 14. Section 2331 is added to the Streets and Highways Code, to read:

2331. The Highway Safety Act of 1973 (Title II of P.L. 93-87, 87 Stat. 250) has authorized appropriations for a number of programs relating to projects for the improvement of highway safety and the reduction of traffic congestion. These programs consist of the rail-highway crossings program (Section 203 of the Highway Safety Act of 1973), the pavement marking demonstration program (23 U.S.C. Sec. 151), projects for high-hazard locations, including, but not limited to, projects for bicycle and pedestrian safety and traffic calming measures in those locations (23 U.S.C. Sec. 152), program for the elimination of roadside obstacles (23 U.S.C. Sec. 153), and the federal aid safer roads demonstration program (23 U.S.C. Sec. 405). The purpose of this chapter is to implement these programs in this state. The commission, the department, boards of supervisors, and city councils are authorized to do all things necessary in their respective jurisdictions to secure and expend federal funds in accordance with the intent of the federal act and of this chapter.

SEC. 15. Section 2333 of the Streets and Highways Code, as amended by Section 4 of Chapter 600 of the Statutes of 2001, is repealed.

2333. (a) In each annual proposed budget prepared pursuant to Section 165, there shall be included an amount equal to the estimated apportionment available from the federal government for the programs described in Sections 2331 and 2333.5. The commission may allocate a portion of these funds each year for use on city streets and county roads. For projects authorized under Section 2333.5 and receiving funding under this section, the department may substitute State Highway Account funds in accordance with the department's policy for state funding in place at the time of the project fund allocation, if those federal funds are directed to projects on state highways that are eligible for funding under Section 152 of Title 23 of the United States Code. It is the intent of the Legislature that the commission allocate the total amount received from the federal government for all of the programs described in Sections 2331 and 2333.5 in a manner that, over a period of five years, makes not less than one million dollars (\$1,000,000) of those funds available for use pursuant to Section 2333.5 and the remaining funds available for use in approximately equal amounts on state highways, local roads, and the program established under Section 2333.5. In addition, it is the intent of the Legislature that the commission shall apportion for use, in financing the railroad grade separation program described in Section 190, a substantial portion of the funds received pursuant to the federal rail-highway crossings program. Notwithstanding any other provision of law, the share of any railroad of the cost of maintaining railroad crossing protection facilities funded, in whole or in part, by funds described in Section 2331 shall be the same share it would be if no federal funds were involved and the crossing protection facilities were funded pursuant to an order of the Public Utilities Commission pursuant to Section 1202 of the Public Utilities Code; and in case of dispute, the Public Utilities Commission shall determine that share pursuant to this section.

(b) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 16. Section 2333 of the Streets and Highways Code, as added by Section 6 of Chapter 600 of the Statutes of 2001, is repealed.

2333. (a) In each annual proposed budget prepared pursuant to Section 165, there shall be included an amount equal to the estimated apportionment available from the federal government for the programs described in Section 2331. The commission may allocate a portion of such funds each year for use on city streets and county roads. It is the intent of the Legislature that the commission allocate the total amount received from the federal government for all of the programs described in Section 2331 in such a manner that, over a period of five years, such funds are made available for use in approximately equal amounts on state highways and on local roads. In addition, it is the intent of the Legislature that the commission shall apportion for use, in financing the railroad grade separation program described in Section 190, a substantial portion of the funds received pursuant to the federal rail-highway crossings program. Notwithstanding any other provision of law, the share of any railroad of the cost of maintaining railroad crossing protection facilities funded, in whole or in part, by funds described in Section 2331 shall be the same share it would be if no federal funds were involved and the crossing protection facilities were funded pursuant to an order of the Public Utilities Commission pursuant to Section 1202 of the Public Utilities Code; and in case of dispute, the Public Utilities Commission shall determine such share pursuant to this section.

(b) This section shall become operative on January 1, 2005.

SEC. 17. Section 2333 is added to the Streets and Highways Code, to read:

2333. In each annual proposed budget prepared pursuant to Section 165, there shall be included an amount equal to the estimated apportionment available from the federal government for the programs described in Sections 2331 and 2333.5. The commission may allocate a portion of those funds each year for use on city streets and county roads. The commission shall allocate the total amount received from the federal government for all of the programs described in Sections 2331 and 2333.5 in a manner that, over a period of five years, makes not less than one million dollars (\$1,000,000) of those funds available for use pursuant to Section 2333.5 and the remaining funds available for use in approximately equal amounts on state highways, local roads, and the program established under Section 2333.5. In addition, the commission shall apportion for use, in financing the railroad grade separation program described in Section 190, a substantial portion of the funds received pursuant to the federal rail-highway crossings program. Notwithstanding any other provision of law, the share of any railroad of the cost of maintaining railroad crossing protection facilities funded, in whole or in part, by funds described in Section 2331 shall be the same share it would be if no federal funds were involved and the crossing protection facilities were funded pursuant to an order of the Public Utilities Commission pursuant to Section 1202 of the Public Utilities Code; and in case of dispute, the Public Utilities Commission shall determine that share pursuant to this section.

SEC. 18. Section 2333.5 of the Streets and Highways Code, as amended by Section 7 of Chapter 600 of the Statutes of 2001, is repealed.

2333.5. (a) The department, in consultation with the Department of the California Highway Patrol, shall establish and administer a "Safe Routes to School" construction program pursuant to the authority granted under Section 152 of Title 23 of the United States Code and shall use federal transportation funds for construction of bicycle and pedestrian safety and traffic calming projects.

(b) The department shall make grants available to local governmental agencies under the program based on the results of a statewide competition that requires submission of proposals for funding and rates those proposals on all of the following factors:

- (1) Demonstrated needs of the applicant.
- (2) Potential of the proposal for reducing child injuries and fatalities.
- (3) Potential of the proposal for encouraging increased walking and bicycling among students.
- (4) Identification of safety hazards.
- (5) Identification of current and potential walking and bicycling routes to school.

(6) Consultation and support for projects by school-based associations, local traffic engineers, local elected officials, law enforcement agencies, and school officials.

(c) With respect to the use of funds provided in subdivision (a), prior to the award of any construction grant or the department's use of those funds for a "Safe Routes to School" construction project encompassing a

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~~freeway, state highway or county road, the department shall consult with, and obtain approval from, the Department of the California Highway Patrol, ensuring that the "Safe Routes to School" proposal complements the California Highway Patrol's Pedestrian Corridor Safety Program and is consistent with its statewide pedestrian safety statistical analysis.~~

~~(d)(1) The department shall study the effectiveness of the program established under this section with particular emphasis on the program's effectiveness in reducing traffic accidents and its contribution to improving safety and reducing the number of child injuries and fatalities in the vicinity of the project.~~

~~(2) The department shall submit a report to the Legislature on or before December 31, 2003, regarding the results of the study described in paragraph (1).~~

~~(3) On March 30, 2003, and each March 30th thereafter, the department shall submit an annual report to the Legislature listing and describing those projects funded under this section.~~

~~(e) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.~~

SEC. 19. Section 2333.5 is added to the Streets and Highways Code, to read:

2333.5. (a) The department, in consultation with the Department of the California Highway Patrol, shall establish and administer a "Safe Routes to School" construction program pursuant to the authority granted under Section 152 of Title 23 of the United States Code and shall use federal transportation funds for construction of bicycle and pedestrian safety and traffic calming projects.

(b) The department shall make grants available to local governmental agencies under the program based on the results of a statewide competition that requires submission of proposals for funding and rates those proposals on all of the following factors:

- (1) Demonstrated needs of the applicant.
- (2) Potential of the proposal for reducing child injuries and fatalities.
- (3) Potential of the proposal for encouraging increased walking and bicycling among students.
- (4) Identification of safety hazards.
- (5) Identification of current and potential walking and bicycling routes to school.
- (6) Consultation and support for projects by school-based associations, local traffic engineers, local elected officials, law enforcement agencies, and school officials.

(c) With respect to the use of funds provided in subdivision (a), prior to the award of any construction grant or the department's use of those funds for a "Safe Routes to School" construction project encompassing a freeway, state highway, or county road, the department shall consult with, and obtain approval from, the Department of the California Highway Patrol, ensuring that the "Safe Routes to School" proposal complements the California Highway Patrol's Pedestrian Corridor Safety Program and is consistent with its statewide pedestrian safety statistical analysis.

(d)(1) The department shall study the effectiveness of the program established under this section with particular emphasis on the program's effectiveness in reducing traffic accidents and its contribution to improving safety and reducing the number of child injuries and fatalities in the vicinity of the project.

(2) The department shall submit a report to the Legislature on or before December 31, 2004, regarding the results of the study described in paragraph (1).

(3) On March 31, 2003, and each March 31 thereafter, the department shall submit an annual report to the Legislature listing and describing those projects funded under this section.

SEC. 20. Chapter 7 (commencing with Section 99571) is added to Part 11 of Division 10 of the Public Utilities Code, to read:

### CHAPTER 7. THE PASSENGER RAIL IMPROVEMENT, SAFETY, AND MODERNIZATION PROGRAM

99571. There is hereby created the Passenger Rail Improvement, Safety, and Modernization Program.

99572. For purposes of this chapter, "program" is the Passenger Rail Improvement, Safety, and Modernization Program established under this chapter.

99573. The Passenger Rail Improvement, Safety, and Modernization Subaccount is hereby created in the Public Transportation Account in the State Transportation Fund.

99576. Funds transferred to the Passenger Rail Improvement, Safety, and Modernization Subaccount shall be allocated by the Controller to eligible recipients, as follows:

(a) To eligible recipients except for a national rail passenger service provider, based upon the following:

- (1) One-third of the route miles utilized by the eligible recipient.
- (2) One-third of the annual vehicle miles.
- (3) One-third of the annual passenger trips.
- (b) To a national rail passenger service provider, based upon the following:
  - (1) One-third of the route miles utilized by state-supported intercity rail.
  - (2) One-third of the annual vehicle miles.
  - (3) One-third of the annual passenger trips.

(c) For the purposes of this section, the following terms have the following meanings:

- (1) "Track miles" means the miles of track used by a public agency or joint powers authority for regular passenger rail service.
- (2) "Vehicle miles" means the total miles traveled, commencing with pull-out from the maintenance depot, by all locomotives and cars operated in a train consist for passenger rail service by a public agency or joint powers authority.
- (3) "Passenger trips" means the annual unlinked passenger boardings reported by a public agency or joint powers authority for regular passenger rail service.
- (4) "Route miles" means the total miles a train travels between the first and last station of each passenger rail line operated by a public agency or joint powers authority.

99577. (a) Eligible recipients for funding under this chapter shall be public agencies and joint power authorities that operate regularly scheduled passenger rail service in the following categories:

- (1) Cable car.
- (2) Commuter rail.
- (3) Light rail.
- (4) Heavy rail.
- (5) The Department of Transportation, for state-supported intercity rail.

(b) In addition to subdivision (a), eligible recipients of funding under this chapter shall be the Department of Transportation, for intercity rail services, and other passenger rail operators that provide regularly scheduled service and use public funds to operate and maintain rail facilities, rights-of-way, and equipment.

99578. (a) Funds allocated pursuant to the program shall be used for the rehabilitation or modernization of tracks utilized for public passenger rail transit, signals, structures, facilities, and rolling stock.

(b) Eligible recipients may use the funds for any eligible rail element set forth in subdivision (a).

(c) Funds allocated pursuant to this chapter to the Southern California Regional Rail Authority for eligible projects within its service area shall be apportioned each fiscal year in accordance with memorandums of understanding to be executed between the Southern California Regional Rail Authority and its member agencies. The memorandum or memorandums of understanding shall take into account the rail rehabilitation needs of the Southern California Regional Rail Authority and of the member agencies, revenue attributable to member agencies, and separate contributions to the Southern California Regional Rail Authority from the member agencies.

(d) Any funds allocated pursuant to this chapter not contractually obligated to a project within three years from the date of allocation shall be returned to the Passenger Rail Improvement, Safety, and Modernization Subaccount for reallocation in the following fiscal year.

99579. (a) In order to be eligible for funding under this chapter, an eligible recipient shall provide matching funds in an amount not less than the total amount allocated to the recipient from the Passenger Rail Improvement, Safety, and Modernization Subaccount.

(b) An eligible recipient of funding shall certify that it has met its matching funds requirement, and all other requirements of this chapter, by resolution of its governing board.

99580. (a) Funds made available under this chapter shall supplement existing local, state, or federal revenues being used for maintenance and rehabilitation of the passenger rail system. Eligible recipients of funding shall maintain their existing commitment of local, state, or federal funds for maintenance and rehabilitation of the passenger rail system in order to remain eligible for allocation and expenditure of the additional funding made available by this chapter.

(b) In order to receive any allocation under this chapter, an eligible recipient shall annually expend from existing local, state, or federal revenues being used for maintenance and rehabilitation of the passenger rail system an amount not less

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

than the annual average of its expenditures from local revenues for those purposes during the 1997-98, 1998-99, and 1999-2000 fiscal years, and as increased by the Consumer Price Index.

SEC. 21. Section 41202 of the Education Code is amended to read:

41202. The words and phrases set forth in subdivision (b) of Section 8 of Article XVI of the Constitution of the State of California shall have the following meanings:

(a) "Moneys to be applied by the State," as used in subdivision (b) of Section 8 of Article XVI of the California Constitution, means appropriations from the General Fund that are made for allocation to school districts, as defined, or community college districts. An appropriation that is withheld, impounded, or made without provisions for its allocation to school districts or community college districts, shall not be considered to be "moneys to be applied by the State."

(b)(1) "General Fund revenues which may be appropriated pursuant to Article XIII B," as used in paragraph (1) of subdivision (b) of Section 8 of Article XVI, means General Fund revenues that are the proceeds of taxes as defined by subdivision (c) of Section 8 of Article XIII B of the California Constitution, including, for the 1986-87 fiscal year only, any revenues that are determined to be in excess of the appropriations limit established pursuant to Article XIII B for the fiscal year in which they are received. General Fund revenues for a fiscal year to which paragraph (1) of subdivision (b) is being applied shall include, in that computation, only General Fund revenues for that fiscal year that are the proceeds of taxes, as defined in subdivision (c) of Section 8 of Article XIII B of the California Constitution, and shall not include prior fiscal year revenues. Commencing with the 1995-96 fiscal year, and each fiscal year thereafter, "General Fund revenues that are the proceeds of taxes," as defined in subdivision (c) of Section 8 of Article XIII B of the California Constitution, includes any portion of the proceeds of taxes received from the state sales tax that are transferred to the counties pursuant to, and only if, legislation is enacted during the 1995-96 fiscal year the purpose of which is to realign children's programs. The amount of the proceeds of taxes shall be computed for any fiscal year in a manner consistent with the manner in which the amount of the proceeds of taxes was computed by the Department of Finance for purposes of the Governor's Budget for the Budget Act of 1986.

(2) Pursuant to Section 8 of Article XVI of the California Constitution, funds in the Traffic Congestion Relief and Safe School Bus Trust Fund in the State Treasury, established under Section 7105 of the Revenue and Taxation Code, shall be added to General Fund revenues otherwise considered in making the calculations required under Section 8 of Article XVI.

(c) "General Fund revenues appropriated for school districts," as used in paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means the sum of appropriations made that are for allocation to school districts, as defined in Section 41302.5, regardless of whether those appropriations were made from the General Fund to the Superintendent of Public Instruction, to the Controller, or to any other fund or state agency for the purpose of allocation to school districts. The full amount of any appropriation shall be included in the calculation of the percentage required by paragraph (1) of subdivision (b) of Section 8 of Article XVI, without regard to any unexpended balance of any appropriation. Any reappropriation of funds appropriated in any prior year shall not be included in the sum of appropriations.

(d) "General Fund revenues appropriated for community college districts," as used in paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means the sum of appropriations made that are for allocation to community college districts, regardless of whether those appropriations were made from the General Fund to the Controller, to the Chancellor of the California Community Colleges, or to any other fund or state agency for the purpose of allocation to community college districts. The full amount of any appropriation shall be included in the calculation of the percentage required by paragraph (1) of subdivision (b) of Section 8 of Article XVI, without regard to any unexpended balance of any appropriation. Any reappropriation of funds appropriated in any prior year shall not be included in the sum of appropriations.

(e) "Total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as used in paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means the sum of appropriations made that are for allocation to school districts, as defined in Section 41302.5, and community college districts, regardless of whether those appropriations were made from the General Fund to the Controller, to the

Superintendent of Public Instruction, to the Chancellor of the California Community Colleges, or to any other fund or state agency for the purpose of allocation to school districts and community college districts. The full amount of any appropriation shall be included in the calculation of the percentage required by paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI, without regard to any unexpended balance of any appropriation. Any reappropriation of funds appropriated in any prior year shall not be included in the sum of appropriations.

(f) "General Fund revenues appropriated for school districts and community college districts, respectively" and "moneys to be applied by the state for the support of school districts and community college districts," as used in Section 8 of Article XVI of the California Constitution, shall include funds appropriated for the Child Care and Development Services Act pursuant to Chapter 2 (commencing with Section 8200) of Part 6 and shall not include any of the following:

(1) Any appropriation that is not made for allocation to a school district, as defined in Section 41302.5, or to a community college district regardless of whether the appropriation is made for any purpose that may be considered to be for the benefit to a school district, as defined in Section 41302.5, or a community college district. This paragraph shall not be construed to exclude any funding appropriated for the Child Care and Development Services Act pursuant to Chapter 2 (commencing with Section 8200) of Part 6.

(2) Any appropriation made to the Teachers' Retirement Fund or to the Public Employees' Retirement Fund except those appropriations for reimbursable state mandates imposed on or before January 1, 1988.

(3) Any appropriation made to service any public debt approved by the voters of this state.

(g) "Allocated local proceeds of taxes," as used in paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means, for school districts as defined, those local revenues, except revenues identified pursuant to paragraph (5) of subdivision (h) of Section 42238, that are used to offset state aid for school districts in calculations performed pursuant to Sections 2558, 42238, and Chapter 7.2 (commencing with Section 56836) of Part 30.

(h) "Allocated local proceeds of taxes," as used in paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, means, for community college districts, those local revenues that are used to offset state aid for community college districts in calculations performed pursuant to Section 84700. In no event shall the revenues or receipts derived from student fees be considered "allocated local proceeds of taxes."

(i) For the purposes of calculating the 4 percent entitlement pursuant to subdivision (a) of Section 8.5 of Article XVI of the California Constitution, "the total amount required pursuant to Section 8(b)" shall mean the General Fund aid required for schools pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution, and shall not include allocated local proceeds of taxes.

(j) The Legislature may amend paragraph (2) of subdivision (b) to better achieve its intent, which is to ensure that the initiative measure that amended this section does not diminish funding for school districts or community college districts to a level that is below that which would be required had the initiative measure that amended this section not been approved.

SEC. 22. If any provision of this act or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 23. (a) It is the intent of the People of the State of California in approving this act that, should any statute or amendment to the California Constitution be approved on November 5, 2002, that could prevent this act from taking effect, the People intend that this act go into effect, regardless of the passage of any such statute or constitutional amendment, and regardless of the number of votes received by any measure on the November 5, 2002, ballot.

(b) This act shall take effect notwithstanding any other provision of law.

(c) It is the express intent of the voters that this act shall take effect and become operative at 12:01 a.m. on November 5, 2002.

(d) It is the express intent of the voters that this act shall take effect and become operative even if the California Constitution is amended at the November 5, 2002, election to prohibit or restrict the enactment of new taxation.

## TEXT OF PROPOSED LAWS

## PROPOSITION 51 (cont.)

(e) Notwithstanding any other provision of this section, Section 2 of this act shall take effect on January 1, 2003.

SEC. 24. (a) This act shall be liberally construed to further its purposes, especially with respect to being allowed to take effect. (b) Any conflict between a provision in this act and any other provision of law in existence prior to the effective date of this act shall be resolved in favor of the provision in this act.

(c) The act shall be implemented in the most expeditious manner. All state and local officials shall implement this act to the fullest extent of their authority.

(d) Any person has standing to enforce any provision of this act.

(e) Money appropriated, expended, or transferred pursuant to this measure shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.



## PROPOSITION 52

This initiative measure is submitted to the people in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends and adds sections to the Elections Code; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

## PROPOSED LAW

ELECTION DAY VOTER REGISTRATION  
ACT OF 2002

## ARTICLE 1. TITLE

SECTION 1. This measure shall be known and may be cited as the "Election Day Voter Registration Act of 2002."

## ARTICLE 2. FINDINGS AND PURPOSES

SEC. 2. The people of the State of California hereby find and declare:

(1) It should be the policy of this state to ensure that every legally eligible voter who wants to vote has the chance to do so.

(2) Voter turnout in California is on the decline. In fact, the California 2000 Presidential election had the lowest voter turnout since the election of 1924. As the largest and most diverse state in the nation, California should modify its laws for the purpose of increasing voter turnout and should take all reasonable steps to achieve that purpose. States that currently allow Election Day Voter Registration lead the nation in voter turnout.

(3) The purposes of the Election Day Voter Registration Act are to:

(a) establish procedures that enable eligible voters to register and vote on Election Day;

(b) give every legally eligible voter the opportunity to vote; and

(c) increase protections against voter fraud.

(4) The Election Day Voter Registration Act increases penalties for vote fraud and voter registration fraud.

(5) It provides additional time for elections officials to prepare voter rolls and materials for Election Day.

## ARTICLE 3.

## ELECTION DAY VOTER REGISTRATION

SEC. 3. Article 4.5 (commencing with Section 2170) is added to Chapter 2 of Division 2 of the Elections Code, to read:

## Article 4.5. Election Day Registration and Voting

2170. In addition to other methods of voter registration provided by this code, any elector who is otherwise qualified to vote under this code and Section 2 of Article II of the California Constitution may register or reregister to vote in accordance with the following provisions upon presentation of proof of current residence address:

(a) An elector may register to vote, or may reregister if the reregistration is based only on a change of legal name or place of residence, on election day at the polling place in his or her precinct. The elections official shall provide voter registration forms for use in registration at all voting locations.

(b) An elector may register or reregister to vote beginning 28 days prior to the election and continuing through election day at any office of the county elections official in the county in which the voter resides. If the voter is currently reg-

istered within the county and has moved within that county, he or she must only complete a new affidavit of registration.

2171. (a) A person who registers or reregisters to vote on the day of the election, upon showing proof of current residence and executing an affidavit of registration that certifies under penalty of perjury that the information contained in the affidavit is true and correct, may cast a ballot as provided in Article 4 (commencing with Section 14270) of Chapter 3 of Division 14.

(b) For purposes of this section, proof of current residence for a voter attempting to vote at the polling place at which he or she is entitled to vote based on his or her current residence address shall consist of:

(1) A current, valid California driver's license or California identification card that includes the name and current residence address of the voter; or

(2) Any two documents from the categories listed below, except that no more than one document per category listed in subparagraphs (L) and (M) shall be used, both of which shall contain the name and current residence address of the voter:

(A) Military identification.

(B) College or university fee card or student identification.

(C) Lease agreement.

(D) Mortgage statement.

(E) Property tax statement.

(F) Income tax return.

(G) Utility bill.

(H) Credit card bill.

(I) Bank statement.

(J) Preprinted check or bank deposit slip.

(K) Vehicle registration.

(L) Mail addressed to the voter at his or her current residence address.

(M) Sworn written statement given in the presence of a poll worker at the polling place from a registered voter in the precinct stating that he or she knows and can identify the person who is attempting to vote, and attesting to the name and residence address of the person attempting to vote.

(c) The elections official shall send a voter notification form after the date of the election to any person who is properly registered or reregistered to vote pursuant to this section, and the voter shall be registered for future elections at the address at which the voter is so registered or reregistered. The affidavit of registration of any person whose voter notification form is returned by the post office as undeliverable shall be processed in accordance with the procedures set forth in Section 2221.

2172. A person who resides in an all-mail ballot precinct or in a jurisdiction holding an all-mail ballot election who wishes to register or reregister to vote within 28 days of the election or on election day may do so pursuant to subdivision (b) of Section 2170.

2173. The elections official shall compile a list or index of voters who registered or reregistered to vote pursuant to this article. After the canvass of the votes for the election, the elections official shall review the names on the list or index and cancel any duplicate voter registrations that may exist. If it appears that any voter whose name appears on the list or index may have committed fraud within the meaning of Section 18560 of the Elections Code, the elections official shall immediately notify in writing both the district attorney and the Secretary of State.

2174. (a) Each polling place shall have a separate area dedicated to election day voter registration. At least one precinct board member in each polling place shall be trained prior to the election in election day registration and voting procedures and shall be assigned to conduct election day voter registration. New registration or reregistration under this act shall be conducted in a manner that does not interfere with or delay the voting of persons previously registered to vote.

# TEXT OF PROPOSED LAWS

## PROPOSITION 52 (cont.)

(b) The elections official shall provide training to any persons who will be conducting election day registration or reregistration. Students who meet the requirements of Section 12302 may also conduct election day registration or reregistration provided they undergo the training provided for that purpose and are approved by the elections official.

2175. (a) Each polling place shall provide in a conspicuous location in the area designated for voter registration a poster that includes all of the following information:

(1) A statement that the law provides for election day registration and/or reregistration.

(2) A description of the types of documents that may be used to demonstrate proof of current residence.

(3) A statement that registration documents are signed under penalty of perjury and that any fraudulent statement made in connection with registering to vote may subject the person to criminal prosecution.

(b) In addition to the poster specified by subdivision (a), the same information will be available in written form for distribution at the polling place in any languages in which the ballot and voter registration materials are required to be available.

(c) The Secretary of State and each elections official shall educate voters about election day registration, and shall include information about the availability of election day registration in all existing voter education efforts. Information about election day voter registration will be available in languages other than English as required by current law relating to registration and voting materials.

### ARTICLE 4.

#### INCREASED PENALTIES FOR FRAUD

SEC. 4. In order to minimize the possibility of fraudulent registration or voting activity, the penalties for engaging in such activity, or conspiring to engage in such activity, shall be increased. The following Elections Code provisions are hereby amended to increase the penalties as indicated:

18001. Upon a conviction ~~for~~ of any crime punishable by imprisonment in any jail or prison, in relation to which no fine is herein prescribed, the court ~~may~~ shall impose a fine on the offender not exceeding ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) in cases of misdemeanors or ~~ten thousand dollars (\$10,000)~~ twenty thousand dollars (\$20,000) in cases of felonies, in addition to the imprisonment prescribed.

SEC. 5. NEW PENALTIES FOR CONSPIRACY TO COMMIT FRAUD. Section 18561.1 is added to the Elections Code, to read:

18561.1. If two or more persons conspire to commit the following acts they are guilty of a felony punishable by imprisonment in state prison for three, four, or five years:

(a) Not being entitled to vote at an election, fraudulently votes or fraudulently attempts to vote at an election.

(b) Being entitled to vote at an election, votes more than once or attempts to vote more than once.

(c) Procures, assists, counsels, or advises another person to vote at an election, knowing that the person is not entitled to vote.

(d) Procures, assists, counsels, or advises another person otherwise entitled to vote at an election to vote more than once.

(e) Pays, lends, contributes, offers or promises any money or other valuable consideration to another person to vote at an election for any particular candidate.

(f) Attempts to pay, lend, contribute, offer or promise any money or other valuable consideration to another person to vote at an election for any particular candidate.

### ARTICLE 5.

#### CLOSE OF REGISTRATION OTHER THAN 28-DAY PERIOD PRIOR TO ELECTION DAY REGISTRATION AND ELECTION DAY; OTHER CONFORMING CHANGES TO ELECTIONS CODE

SEC. 6. This act changes the current 15-day close of registration to 29 days, except in cases of voter registration in accordance with the provisions of this act occurring in the 28-day period prior to the election and on election day. The following provisions of the Elections Code are amended to effectuate this change:

SEC. 7. Section 321 of the Elections Code is amended to read:

321. "Elector" means any person who is a United States citizen 18 years of age or older and a resident of ~~an election precinct~~ the State of California at least 29 days prior to an election.

SEC. 8. Section 2035 of the Elections Code is amended to read:

2035. A person duly registered as a voter in any precinct in California who removes therefrom within ~~44~~ 28 days prior to an election shall, for the purpose of that election, be entitled to vote in the precinct from which the person so removed until the close of the polls on the date of that election.

SEC. 9. Section 2100 of the Elections Code is amended to read:

2100. No person shall be registered except as provided in this chapter ~~except~~, or as provided in Article 4.5 (commencing with Section 2170) of Chapter 2 of Division 2, or upon the production and filing of a certified copy of a judgment of the superior court directing registration to be made.

SEC. 10. Section 2102 of the Elections Code is amended to read:

2102. (a) A person may not be registered as a voter except by affidavit of registration. The affidavit shall be mailed or delivered to the county elections official and shall set forth all of the facts required to be shown by this chapter. A properly executed registration shall be deemed effective upon receipt of the affidavit by the county elections official if received on or before the ~~15th~~ 29th day prior to an election to be held in the registrant's precinct, or during the 28 days prior to the election or on election day in accordance with Article 4.5 (commencing with Section 2170) of Chapter 2 of Division 2. A properly executed registration shall also be deemed effective upon receipt of the affidavit by the county elections official if any of the following apply:

(1) The affidavit is postmarked on or before the ~~15th~~ 29th day prior to the election and received by mail by the county elections official.

(2) The affidavit is submitted to the Department of Motor Vehicles or accepted by any other public agency designated as a voter registration agency pursuant to the National Voter Registration Act of 1993 (42 U.S.C. Sec. 1973gg) on or before the ~~15th~~ 29th day prior to the election.

(3) The affidavit is delivered to the county elections official by means other than those described in ~~paragraphs~~ paragraph (1) or (2) on or before the ~~15th~~ 29th day prior to the election.

(b) For purposes of verifying signatures on a recall, initiative, or referendum petition or signatures on a nomination paper or any other election petition or election paper, a properly executed affidavit of registration shall be deemed effective for verification purposes if both ~~(a)~~ (1) the affidavit is signed on the same date or a date prior to the signing of the petition or paper, and ~~(b)~~ (2) the affidavit is received by the county elections official on or before the date on which the petition or paper is filed.

(c) Notwithstanding any other provision of law to the contrary, the affidavit of registration required under this chapter may not be taken under sworn oath, but the content of the affidavit shall be certified as to its truthfulness and correctness, under penalty of perjury, by the signature of the affiant.

SEC. 11. Section 2107 of the Elections Code is amended to read:

2107. (a) Except as provided in subdivision (b), the county elections official shall accept affidavits of registration at all times except during the ~~44~~ 28 days immediately preceding any election, when registration shall cease for that election as to electors residing in the territory within which the election is to be held ~~except as provided in Article 4.5 (commencing with Section 2170) of Chapter 2 of Division 2~~. Transfers of registration for an election may be made from one precinct to another precinct in the same county at any time when registration is in progress in the precinct to which the elector seeks to transfer.

(b) The county elections official shall accept an affidavit of registration executed as part of a voter registration card in the forthcoming election if the affidavit is executed on or before the ~~15th~~ 29th day prior to the election, and if any of the following apply:

(1) The affidavit is postmarked on or before the ~~15th~~ 29th day prior to the election and received by mail by the county elections official.

(2) The affidavit is submitted to the Department of Motor Vehicles or accepted by any other public agency designated as a voter registration agency pursuant to the National Voter Registration Act of 1993 (42 U.S.C. Sec. 1973gg) on or before the 29th day prior to the election.

(3) The affidavit is delivered to the county elections official by means other than those described in paragraphs ~~(2)~~ (1) and ~~(3)~~ (2) on or before the ~~15th~~ 29th day prior to the election.

SEC. 12. Section 2119 of the Elections Code is amended to read:

2119. (a) In lieu of executing a new affidavit of registration for a change of address within the county the county elections official shall

## TEXT OF PROPOSED LAWS

## PROPOSITION 52 (cont.)

accept a notice or letter of the change of address signed by a voter as he or she is registered.

(b) The county elections official shall accept a notification for the forthcoming election and shall change the address on the voter's affidavit of registration accordingly if the notification is executed on or before the ~~45th~~ 29th day prior to the election and if any of the following apply:

(1) The notification is postmarked on or before the ~~45th~~ 29th day prior to the election and received by mail by the county elections official.

(2) The notification is submitted to the Department of Motor Vehicles or accepted by any other public agency designated as a voter registration agency pursuant to the National Voter Registration Act of 1993 (42 U.S.C. Sec. 1973gg) on or before the 29th day prior to the election.

(3) The notification is delivered to the county elections official by means other than those described in paragraphs ~~(2)~~ (1) and ~~(3)~~ (2) on or before the ~~44th~~ 29th day prior to the election.

SEC. 13. Section 2154 of the Elections Code is amended to read:

2154. In the event that the county elections official receives an affidavit of registration that does not include portions of the information for which space is provided, the county elections official ~~voters~~ shall apply the following rebuttable presumptions:

(a) If no middle name or initial is shown, it shall be presumed that none exists.

(b) If no party affiliation is shown, it shall be presumed that the affiant has no party affiliation.

(c) If no execution date is shown, it shall be presumed that the affidavit was executed on or before the ~~45th~~ 29th day prior to the election, provided that (1) the affidavit is received by the county elections official on or before the ~~45th~~ 29th day prior to the election, or (2) the affidavit is postmarked on or before the ~~45th~~ 29th day prior to the election and received by mail by the county elections official.

(d) If the affiant fails to identify his or her state of birth within the United States, it shall be presumed that the affiant was born in a state or territory of the United States if the birthplace of the affiant is shown as "United States," "U.S.A.," or other recognizable term designating the United States.

SEC. 14. Section 2155 of the Elections Code is amended to read:

2155. Upon receipt of a properly executed affidavit of registration or address correction notice or letter pursuant to Section 2119, Article 2 (commencing with Section 2220), or the National Voter Registration Act of 1993 (42 U.S.C. Sec. 1973gg), the county elections official shall send the voter a voter notification by nonforwardable, first-class mail, address correction requested. The voter notification shall be substantially in the following form:

## VOTER NOTIFICATION

You are registered to vote. This card is being sent as a notification of:

1. Your recently completed affidavit of registration,

OR,

2. A correction to your registration because of an official notice that you have moved. If your residence address has not changed or if your move is temporary, please call or write the county elections official immediately.

~~You may vote in any election held 15 or more days after the date shown on the reverse side of this card.~~

Your name will appear on the index kept at the polls.

(Signature of Voter)

SEC. 15. Section 9094 of the Elections Code is amended to read:

9094. (a) The Secretary of State shall mail ballot pamphlets to voters, in those instances in which the county ~~elect~~ elections official uses data processing equipment to store the information set forth in the

affidavits of registration, before the election at which measures contained in the ballot pamphlet are to be voted on ~~unless a voter has registered fewer than 29 days before the election provided the voter has registered more than 28 days prior to the election~~. The mailing shall commence not less than 40 days before the election and shall be completed no later than 21 days before the election for those voters who registered on or before the 60th day before the election. The Secretary of State shall mail one copy of the ballot pamphlet to each registered voter at the postal address stated on the voter's affidavit of registration, or the Secretary of State may mail only one ballot pamphlet to two or more registered voters having the same surname and the same postal address.

(b) In those instances in which the county ~~elect~~ elections official does not utilize data processing equipment to store the information set forth in the affidavits of registration, the Secretary of State shall furnish ballot pamphlets to the county ~~elect~~ elections official not less than 45 days before the election at which measures contained in the ballot pamphlet are to be voted on and the county clerk shall mail ballot pamphlets to voters, on the same dates and in the same manner provided by subdivision (a).

(c) The Secretary of State shall provide for the mailing of ballot pamphlets to voters registering after the 60th day before the election and before the 28th day before the election, by either: (1) mailing in the manner as provided in subdivision (a), or (2) requiring the county ~~elect~~ elections official to mail ballot pamphlets to those voters registering in the county after the 60th day before the election and before the 28th day before the election pursuant to the provisions of this section. The second mailing of ballot pamphlets shall be completed no later than 10 days before the election. The county ~~elect~~ elections official shall mail a ballot pamphlet to any person requesting a ballot pamphlet. Three copies, to be supplied by the Secretary of State, shall be kept at every polling place, while an election is in progress, so that they may be freely consulted by the voters, including voters registering or reregistering on election day in accordance with Article 4.5 (commencing with Section 2170) of Chapter 2 of Division 2.

SEC. 16. Section 13303 of the Elections Code is amended to read:

13303. (a) For each election, each appropriate elections official shall cause to be printed, on plain white paper or tinted paper, without watermark, at least as many copies of the form of ballot provided for use in each voting precinct as there are voters in the precinct. These copies shall be designated "sample ballot" upon their face and shall be identical to the official ballots used in the election, except as otherwise provided by law. A sample ballot shall be mailed, postage prepaid, not more than 40 nor less than 21 days before the election to each voter who is registered at least 29 days prior to the election.

(b) The elections official shall send notice of the polling place to each voter with the sample ballot. Only official matter shall be sent out with the sample ballot as provided by law.

~~(c) The elections official shall send notice of the polling place to each voter who registered after the 29th day prior to the election and is eligible to participate in the election. The notice shall also include information as to where the voter can obtain a sample ballot and a ballot pamphlet prior to the election, a statement indicating that these documents will be available at the polling place at the time of the election, and the address of the Secretary of State's website and, if applicable, of the county website where a sample ballot may be viewed.~~

## ARTICLE 6.

FUNDING FOR ADDITIONAL  
ELECTION DAY PERSONNEL

SEC. 17. Section 2131 is added to the Elections Code, to read:

2131. (a) The Election Day Registration Fund is hereby established in the State Treasury. The fund is a special fund created for the purpose of assisting elections officials in implementing the provisions of this act, including, but not limited to, training and providing additional personnel to conduct registration on election days, providing additional voter registration materials and expanding voter outreach programs.

(b) Notwithstanding Section 13340 of the Government Code, the sum of six million dollars (\$6,000,000), adjusted annually to reflect increases in the cost of living, shall be continuously appropriated from the General Fund to the Election Day Registration Fund without regard to fiscal year for the purposes of this act.

## TEXT OF PROPOSED LAWS

## PROPOSITION 52 (cont.)

(c) On July 1 of each year the State Controller shall transfer from the General Fund to the Election Day Registration Fund the sum of six million dollars (\$6,000,000), along with any cost-of-living increases. Notwithstanding Section 13340 of the Government Code, all funds in the Election Day Registration Fund shall be continuously appropriated to the Secretary of State without regard to fiscal year to be expended for the purposes of the act.

(d) Funds deposited in the Election Day Registration Fund are not otherwise subject to appropriation by the Legislature and, notwithstanding any other provision of law, may be expended by the Secretary of State without regard to fiscal year and shall not revert to any other fund. Notwithstanding any other provision of law, interest earned by the fund shall accrue only to the fund and may be expended only for the purposes of the act.

(e) Moneys deposited in the Election Day Registration Fund shall be distributed annually by the Secretary of State to counties to cover the costs of implementing the provisions of this act, including the cost of providing and training additional personnel to conduct election day voter registration, creating additional voter registration materials and expanding voter outreach programs. Such moneys shall be allocated using a fair and equitable distribution formula that gives priority to the actual expenses of providing the additional personnel required by this act. All funds transferred to the Election Day Registration Fund shall be distributed to the counties for use as specified in this act; no part of these funds shall be used by the Secretary of State to administer the allocation process.

(f) Elections officials receiving moneys from the Election Day Registration Fund shall submit an annual report to the Secretary of State which identifies how those moneys were used, including the number of personnel added to conduct voter registration and a description of any voter outreach efforts implemented as a result of the funding.

## ARTICLE 7.

SEC. 18. LIBERAL CONSTRUCTION. The provisions of this act shall be liberally construed to effectuate its purpose of allowing and facilitating voter registration and voter reregistration on election day.

## ARTICLE 8.

SEC. 19. AMENDMENTS. This act may be amended to further its purpose by statute, passed in each house, two-thirds of the Legislature concurring, and signed by the Governor. For purposes of this section, a statute will not be deemed to further the purposes of the act if it eliminates or creates significant impediments to election day registration or reregistration. However, it is not the intent of this section to preclude changes in registration procedure that are the result of changes in technology, provided those changes are intended to facilitate the registration process and increase the number of eligible voters who register to vote. Notwithstanding the above, any of the sections contained in Article 5 of this act may be amended by statute, passed by majority vote of each house, and signed by the Governor.

## ARTICLE 9.

SEC. 20. SEVERABILITY. In the event that any section or provision of this act, or the application thereof to any person or circumstances, is held invalid, it is the intent of the voters that the remaining sections of the act continue in full force and effect, and to this end the provisions of the act are severable.