

May 3, 2012

STATUTORY PROVISIONS

An act to amend Sections 100, 101, 130, 149, 205, 1000, 8501, 8502, 8520, 8520.2, 8525, 8674, 8676, 10004, 10005, 10050, 10053, 11301, 11302, 11310, 11313, 19404, 19601.01, 19613.05, 19826, 19861, 19864, 19872, 19881, 23050, and 23075 of, and to repeal Sections 11313.2 and 19881.5 of, the Business and Professions Code, to amend Sections 14060.6, 25005, 29503, and 31004 of, and to repeal Sections 25600, 25601, 25602, and 25603 of, the Corporations Code, to amend Section 22001 of the Education Code, to amend Sections 125, 300, 320, 4805.055, 5104, 5106, 12003, 14003, 14200.1, 14200.2, 17002, 18002, 18002.5, 22005, 30002, 31055, and 50003 of, to amend the heading of Chapter 3 (commencing with Section 300) of Division 1 of, to amend the heading of Article 2 (commencing with Section 320) of Chapter 3 of Division 1 of, and to repeal and add Sections 321, 351, and 371 of, the Financial Code, to amend Sections 1389 and 2301 of the Fish and Game Code, to amend Sections 3806, 4101, 4101.3, 4101.4, 4102, 4104, 4105, 4106, 4108, and 58509 of, and to repeal Section 11451.5 of, the Food and Agricultural Code, to amend Sections 179.7, 955.1, 3101, 3102, 6254, 6254.23, 6276.26, 6276.38, 8550, 8570.5, 8574.17, 8574.20, 8574.21, 8574.22, 8575, 8584.1, 8585, 8585.05, 8585.1, 8585.2, 8585.7, 8586, 8587.7, 8588, 8588.1, 8588.3, 8588.7, 8588.10, 8588.11, 8589, 8589.1, 8589.2, 8589.5, 8589.6, 8589.7, 8589.9, 8589.10, 8589.19, 8590.1, 8590.3, 8590.4, 8591, 8592.1, 8592.5, 8592.7, 8593, 8593.1, 8593.2, 8593.6, 8596, 8599, 8600, 8607, 8607.2, 8608, 8610, 8610.5, 8612, 8613, 8614, 8649, 8651, 8657, 8657.5, 8670.20, 8670.25.5,

8670.26, 8670.64, 8682, 8682.9, 8685, 8687.7, 8692, 8840, 8841, 8844, 8870.1, 8870.2, 8870.4, 8870.7, 8870.71, 8871.3, 8871.4, 8876.7, 8878.52, 8879.23, 8879.50, 8879.53, 8879.57, 8879.58, 8879.59, 8879.60, 8879.61, 11340.2, 11532, 11534, 11535, 11537, 11538, 11540, 11541, 11542, 11543, 11544, 11545, 11546, 11546.1, 11546.2, 11546.3, 11546.4, 11546.5, 11546.6, 11549, 11549.3, 11550, 11552, 12012.90, 12800, 12804.5, 12804.7, 12805, 12855, 12856, 12901, 12944, 13901, 13903, 13978.6, 13984, 13995.20, 13995.30, 13995.40, 13995.42, 13995.43, 13995.44, 13995.45, 13995.50, 13995.51, 13995.53, 13995.54, 13995.55, 13995.56, 13995.60, 13995.63, 13995.64, 13995.65, 13995.68, 13995.69, 13995.71, 13995.72, 13995.73, 13995.74, 13995.75, 13995.77, 13995.82, 13995.83, 13995.84, 13995.102, 13995.110, 13995.116, 14001, 14002.5, 14500, 14520, 14601, 14998.2, 15251, 15254, 15275, 15277, 15363.61, 15363.62, 15363.63, 15700, 16304.9, 18521, 20002, 53108.5, 53126.5, 63021, and 63021.5 of, to add Sections 12803.2, 12813.5, and 19815.25 to, to repeal Section 65037.1 of, to repeal Chapter 3.1 (commencing with Section 8240) of Division 1 of Title 2 of, and to repeal and add Sections 12804 and 13975 of, the Government Code, to amend Sections 32, 33, 50, 50.1, 50.2, 85.2, and 1150 of, to repeal Sections 31 and 65.4 of, and to repeal Chapter 3 (commencing with Section 80) of Division 1 of the Harbors and Navigation Code, to amend Sections 18901, 18917.5, 18920, 18922, 50400, 50900, 50901, 50913, and 51005 of the Health and Safety Code, to amend Sections 326.3 and 326.5 of the Penal Code, to amend Sections 12101, 12103, 12104, 12105, 12120, and 12121 of the Public Contract Code, to amend Sections 5075.8, 5099.12, 10002, 30404, 36300, and 40400 of the Public Resources Code, to amend Sections 883, 2872.5, 2892, 2892.1, 7718, and 185020 of the Public Utilities Code, to amend Sections 41030, 41031, 41032, 41136.1, 41137, 41137.1, 41138, 41139, 41140, 41141 and 41142 of the Revenue and Taxation Code, to amend Sections 1500, 1505, 2100, 2109, 2901, and 2902 of the Vehicle Code, and to amend Sections 11910 and 11910.1 of the Water Code, relating to reorganization of the executive branch of state government.

LEGISLATIVE COUNSEL'S DIGEST

Governor's Reorganization Plan No.2 of 2011
 Governor's reorganization plan: reorganization of executive branch
 of state government.

Under existing law, the executive branch of state government includes the State and Consumer Services Agency; the Business, Transportation and Housing Agency; the California Emergency Management Agency; the California Environmental Protection Agency; the California Health and Human Services Agency; the Labor and Workforce Development Agency; the Natural Resources Agency; and the Corrections and Rehabilitation Agency. Existing law also establishes the Technology Agency, the Department of Food and Agriculture, and the Department of Veterans Affairs, which are headed by secretaries, in the executive branch.

This reorganization plan would revise the agency structure and result in establishing the following agencies in the executive branch of state government: Business and Consumer Services, Government Operations, Corrections and Rehabilitation, Labor and Workforce Development, California Health and Human Services, Environmental Protection, Natural Resources, and Transportation. The departments of Food and Agriculture and Veterans Affairs would also remain in the executive branch and be headed by secretaries. The plan would make the following specific changes with respect to state agencies, departments, and boards:

(1) Under existing law, the State and Consumer Services Agency is comprised of the Department of General Services; the Department of Consumer Affairs; the Franchise Tax Board; the Public Employees' Retirement System; the State Teachers' Retirement System; the Department of Fair Employment and Housing; the Fair Employment and Housing Commission; the California Science Center; the California Victim Compensation and Government Claims Board; the California African American Museum; the California Building Standards Commission; the Alfred E. Alquist Seismic Safety Commission; and the Office of Privacy Protection.

This reorganization plan would eliminate that agency and instead establish in state government the Business and Consumer Services Agency, comprised of the Department of Consumer Affairs, the Department of Housing and Community Development, the Department of Fair Employment and Housing, the Department of Business Oversight, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, and the Alfred E. Alquist Seismic Safety Commission. The plan would transfer the Office of Exposition Park Management, the California Science Center, and the California African American Museum to the Natural Resources Agency.

(2) Existing law creates in the Business, Transportation and Housing Agency the Department of Real Estate and the Office of Real Estate Appraisers.

This plan would abolish those departments and instead establish in the Department of Consumer Affairs the Bureau of Real Estate and the Bureau of Real Estate Appraisers.

(3) Existing law establishes the Structural Pest Control Board in the Department of Pesticide Regulation. Existing law also creates the State Board of Chiropractic Examiners.

The plan would transfer the Structural Pest Control Board from the Department of Pesticide Regulation to the Department of Consumer Affairs. The plan would also provide that the State Board of Chiropractic Examiners is a unit within the Department of Consumer Affairs.

(4) Existing law establishes the California Gambling Control Commission. Existing law vests the commission with jurisdiction over the operation, concentration, and supervision over gambling establishments in the state and over all persons or things having to do with the operation of gambling establishments. Among other duties, existing law authorizes the commission to act as the regulatory body for gambling establishments, proposition players, remote caller bingo, and tribal casinos, as specified, by creating policy, establishing regulations, issuing licenses, and administering certain Indian gaming revenues and trust funds, as defined.

Existing law vests the Department of Justice with law enforcement and investigatory powers pertaining to gambling establishments, gambling licenses, and work permits. Among other duties, existing law authorizes the department to conduct background investigations, monitor the conduct of licensees, and initiate disciplinary actions for violations of law, as specified.

This plan would consolidate the support, investigatory, auditing, and compliance functions of the California Gambling Control Commission and transfer these duties to the Department of Justice. The commission would retain jurisdiction over the licensing, policies, regulations, criteria, and standards pertaining to gaming.

(5) Existing law creates the Department of Corporations and the Department of Financial Institutions within the Business, Transportation and Housing Agency. The Department of Corporations provides for the licensure and regulation of businesses engaged in financial transactions, including securities brokers and dealers, investment advisors, financial planners, and certain fiduciaries and lenders, as specified. The

Department of Financial Institutions oversees the operation of state-chartered financial institutions, including banks, credit unions, and various mortgage and money lenders. The Commissioner of Corporations and the Commissioner of Financial Institutions are responsible for overseeing and carrying out the duties and responsibilities of their respective departments.

This plan would abolish the Department of Corporations and the Department of Financial Institutions and transfer their responsibilities to the Department of Business Oversight, which would be established within the Business and Consumer Services Agency. The executive officer of the new Department of Business Oversight would be the Commissioner of Business Oversight. The department's administration would include a Deputy Commissioner of Business Oversight for the Division of Corporations and a Deputy Commissioner of Business Oversight for the Division of financial Institutions.

(6) Existing law provides for the governance and finance of state government.

This plan would establish the Government Operations Agency and transfer to that agency the Office of Administrative Law, the Public Employees' Retirement System, the State Teachers' Retirement System, the State Personnel Board, the California Victim Compensation and Government Claims Board, the Department of General Services, a newly created Department of Technology, the Department of Human Resources, and the Franchise Tax Board.

(7) Existing law establishes within state government the California Emergency Management Agency, which is governed by the Secretary of California Emergency Management.

This plan would recast the agency as the Office of Emergency Services within the office of the Governor and the secretary as the Director of Emergency Services.

(8) Existing law establishes within state government the California Technology Agency, which governs, among others, the Office of Information Security and the Office of Technology Services. The agency is governed by the Secretary of California Technology. The offices are governed by directors.

This plan would recast the office as the Department of Technology within the Government Operations Agency and the secretary as the Director of Technology.

(9) Existing law establishes the California Infrastructure and Economic Development Bank, the Office of Tourism, the California

Film Commission, the Film California First Program, and the Small Business Loan Guarantee Program within the Business, Transportation and Housing Agency.

This plan would transfer these state entities to the Governor's Office of Business and Economic Development.

(10) Existing law establishes the Department of Transportation, the Department of Motor Vehicles, the Department of the California Highway Patrol, and the Board of Pilot Commissioners, among others, in the Business, Transportation and Housing Agency and a California Transportation Commission and a High-Speed Rail Authority in state government.

This plan would include all the above entities within the Transportation Agency.

(11) Existing law establishes the Department of Boating and Waterways in the Natural Resources Agency and charges the department with duties related to beach erosion, harbors, and recreational boat trails. Existing law establishes the Boating and Waterways Commission to provide advice to the department.

This plan would transfer the department into the Department of Parks and Recreation as a division of that department and eliminate the Boating and Waterways Commission.

(12) Existing law establishes the California Housing Finance Agency within the Business, Transportation and Housing Agency, and authorizes the California Housing Finance Agency to carry out various powers and duties relating to meeting the housing needs of persons and families of low or moderate income.

This plan would instead provide that the California Housing Finance Agency is within the Department of Housing and Community Development and make various conforming changes.

(13) Existing law establishes the Department of Resources Recycling and Recovery, a department charged with the responsibility of regulating solid waste disposal, in the Natural Resources Agency.

This plan would transfer the Department of Resources Recycling and Recovery to the California Environmental Protection Agency.

(14) Existing law establishes the California Traffic Safety Program, which consists of a comprehensive plan to reduce traffic accidents, deaths, injuries, and property damage resulting from accidents. Existing law authorizes the Governor to appoint a highway safety representative in the Business, Transportation and Housing, who serves at the pleasure of the Secretary of Business, Transportation and Housing Agency and

who is required to prepare the program. Existing law authorizes, to the maximum extent authorized by federal law, the Governor to delegate to the agency and the representative any power or authority to administer the program.

This plan would instead authorize the Governor to appoint the highway safety representative in the Transportation Agency who would serve at the pleasure of the Secretary of Transportation. The plan would authorize the Governor to delegate power and authority to the Secretary of Transportation to administer the program.

(15) This reorganization plan would become operative on July 1, 2013, and would authorize a state agency, department, or entity to take actions prior to July 1, 2013, that are necessary to ensure that the provisions of the plan become operative on July 1, 2013.

1 SECTION 1. Section 100 of the Business and Professions Code
2 is amended to read:

3 100. There is in the state government, in the ~~State Business~~
4 and Consumer Services Agency, a Department of Consumer
5 Affairs.

6 SEC. 2. Section 101 of the Business and Professions Code is
7 amended to read:

8 101. The department is comprised of *the following*:

- 9 (a) The Dental Board of California.
- 10 (b) The Medical Board of California.
- 11 (c) The State Board of Optometry.
- 12 (d) The California State Board of Pharmacy.
- 13 (e) The Veterinary Medical Board.
- 14 (f) The California Board of Accountancy.
- 15 (g) The California Architects Board.
- 16 (h) The Bureau of Barbering and Cosmetology.
- 17 (i) The Board for Professional Engineers and Land Surveyors.
- 18 (j) The Contractors' State License Board.
- 19 (k) The Bureau for Private Postsecondary Education.
- 20 (l) The Bureau of Electronic and Appliance Repair, Home
21 Furnishings, and Thermal Insulation.
- 22 (m) The Board of Registered Nursing.
- 23 (n) The Board of Behavioral Sciences.
- 24 (o) The State Athletic Commission.
- 25 (p) The Cemetery and Funeral Bureau.
- 26 (q) The State Board of Guide Dogs for the Blind.

- 1 (r) The Bureau of Security and Investigative Services.
 2 (s) The Court Reporters Board of California.
 3 (t) The Board of Vocational Nursing and Psychiatric
 4 Technicians.
 5 (u) The Landscape Architects Technical Committee.
 6 (v) The Division of Investigation.
 7 (w) The Bureau of Automotive Repair.
 8 (x) The Respiratory Care Board of California.
 9 (y) The Acupuncture Board.
 10 (z) The Board of Psychology.
 11 (aa) The California Board of Podiatric Medicine.
 12 (ab) The Physical Therapy Board of California.
 13 (ac) The Arbitration Review Program.
 14 (ad) The Physician Assistant Committee.
 15 (ae) The Speech-Language Pathology and Audiology Board.
 16 (af) The California Board of Occupational Therapy.
 17 (ag) The Osteopathic Medical Board of California.
 18 (ah) The Naturopathic Medicine Committee.
 19 (ai) The Dental Hygiene Committee of California.
 20 (aj) The Professional Fiduciaries Bureau.
 21 (ak) *The State Board of Chiropractic Examiners.*
 22 (al) *The Bureau of Real Estate.*
 23 (am) *The Bureau of Real Estate Appraisers.*
 24 (an) *The Structural Pest Control Board.*
 25 ~~(ak)~~
 26 (ao) Any other boards, offices, or officers subject to its
 27 jurisdiction by law.
 28 SEC. 3. Section 130 of the Business and Professions Code is
 29 amended to read:
 30 130. (a) Notwithstanding any other provision of law, the term
 31 of office of any member of an agency designated in subdivision
 32 (b) shall be for a term of four years expiring on June 1.
 33 (b) Subdivision (a) applies to the following boards or
 34 committees:
 35 (1) The Medical Board of California.
 36 (2) The California Board of Podiatric Medicine.
 37 (3) The Physical Therapy Board of California.
 38 (4) The Board of Registered Nursing.
 39 (5) The Board of Vocational Nursing and Psychiatric
 40 Technicians.

- 1 (6) The State Board of Optometry.
- 2 (7) The California State Board of Pharmacy.
- 3 (8) The Veterinary Medical Board.
- 4 (9) The California Architects Board.
- 5 (10) The Landscape Architect Technical Committee.
- 6 (11) The Board for Professional Engineers and Land Surveyors.
- 7 (12) The Contractors' State License Board.
- 8 (13) The State Board of Guide Dogs for the Blind.
- 9 (14) The Board of Behavioral Sciences.
- 10 (15) The Court Reporters Board of California.
- 11 (16) The State Athletic Commission.
- 12 (17) The Osteopathic Medical Board of California.
- 13 (18) The Respiratory Care Board of California.
- 14 (19) The Acupuncture Board.
- 15 (20) The Board of Psychology.
- 16 (21) *The Structural Pest Control Board.*

17 SEC. 4. Section 149 of the Business and Professions Code is
18 amended to read:

19 149. (a) If, upon investigation, an agency designated in
20 subdivision (e) has probable cause to believe that a person is
21 advertising in a telephone directory with respect to the offering or
22 performance of services, without being properly licensed by or
23 registered with the agency to offer or perform those services, the
24 agency may issue a citation under Section 148 containing an order
25 of correction that requires the violator to do both of the following:

- 26 (1) Cease the unlawful advertising.
- 27 (2) Notify the telephone company furnishing services to the
28 violator to disconnect the telephone service furnished to any
29 telephone number contained in the unlawful advertising.

30 (b) This action is stayed if the person to whom a citation is
31 issued under subdivision (a) notifies the agency in writing that he
32 or she intends to contest the citation. The agency shall afford an
33 opportunity for a hearing, as specified in Section 125.9.

34 (c) If the person to whom a citation and order of correction is
35 issued under subdivision (a) fails to comply with the order of
36 correction after that order is final, the agency shall inform the
37 Public Utilities Commission of the violation and the Public Utilities
38 Commission shall require the telephone corporation furnishing
39 services to that person to disconnect the telephone service furnished
40 to any telephone number contained in the unlawful advertising.

1 (d) The good faith compliance by a telephone corporation with
2 an order of the Public Utilities Commission to terminate service
3 issued pursuant to this section shall constitute a complete defense
4 to any civil or criminal action brought against the telephone
5 corporation arising from the termination of service.

6 (e) Subdivision (a) shall apply to the following boards, bureaus,
7 committees, commissions, or programs:

8 (1) The Bureau of Barbering and Cosmetology.

9 (2) The Cemetery and Funeral Bureau.

10 (3) The Veterinary Medical Board.

11 (4) The Landscape Architects Technical Committee.

12 (5) The California Board of Podiatric Medicine.

13 (6) The Respiratory Care Board of California.

14 (7) The Bureau of Electronic and Appliance Repair, Home
15 Furnishings, and Thermal Insulation.

16 (8) The Bureau of Security and Investigative Services.

17 (9) The Bureau of Automotive Repair.

18 (10) The California Architects Board.

19 (11) The Speech-Language Pathology and Audiology Board.

20 (12) The Board for Professional Engineers and Land Surveyors.

21 (13) The Board of Behavioral Sciences.

22 (14) The Structural Pest Control Board ~~within the Department~~
23 ~~of Pesticide Regulation.~~

24 (15) The Acupuncture Board.

25 (16) The Board of Psychology.

26 (17) The California Board of Accountancy.

27 (18) The Naturopathic Medicine Committee.

28 (19) The Physical Therapy Board of California.

29 (20) The Bureau for Private Postsecondary Education.

30 SEC. 5. Section 205 of the Business and Professions Code is
31 amended to read:

32 205. (a) There is in the State Treasury the Professions and
33 Vocations Fund. The fund shall consist of the following special
34 funds:

35 (1) Accountancy Fund.

36 (2) California Architects Board Fund.

37 (3) Athletic Commission Fund.

38 (4) Barbering and Cosmetology Contingent Fund.

39 (5) Cemetery Fund.

40 (6) Contractors' License Fund.

- 1 (7) State Dentistry Fund.
- 2 (8) State Funeral Directors and Embalmers Fund.
- 3 (9) Guide Dogs for the Blind Fund.
- 4 (10) Home Furnishings and Thermal Insulation Fund.
- 5 (11) California Architects Board-Landscape Architects Fund.
- 6 (12) Contingent Fund of the Medical Board of California.
- 7 (13) Optometry Fund.
- 8 (14) Pharmacy Board Contingent Fund.
- 9 (15) Physical Therapy Fund.
- 10 (16) Private Investigator Fund.
- 11 (17) Professional Engineer's and Land Surveyor's Fund.
- 12 (18) Consumer Affairs Fund.
- 13 (19) Behavioral Sciences Fund.
- 14 (20) Licensed Midwifery Fund.
- 15 (21) Court Reporters' Fund.
- 16 (22) Veterinary Medical Board Contingent Fund.
- 17 (23) Vocational Nurses Account of the Vocational Nursing and
- 18 Psychiatric Technicians Fund.
- 19 (24) Electronic and Appliance Repair Fund.
- 20 (25) Geology and Geophysics Account of the Professional
- 21 Engineer's and Land Surveyor's Fund.
- 22 (26) Dispensing Opticians Fund.
- 23 (27) Acupuncture Fund.
- 24 (28) Physician Assistant Fund.
- 25 (29) Board of Podiatric Medicine Fund.
- 26 (30) Psychology Fund.
- 27 (31) Respiratory Care Fund.
- 28 (32) Speech-Language Pathology and Audiology and Hearing
- 29 Aid Dispensers Fund.
- 30 (33) Board of Registered Nursing Fund.
- 31 (34) Psychiatric Technician Examiners Account of the
- 32 Vocational Nursing and Psychiatric Technicians Fund.
- 33 (35) Animal Health Technician Examining Committee Fund.
- 34 (36) State Dental Hygiene Fund.
- 35 (37) State Dental Assistant Fund.
- 36 (38) *Structural Pest Control Fund.*
- 37 (39) *Structural Pest Control Eradication and Enforcement Fund.*
- 38 (40) *Structural Pest Control Research Fund.*
- 39 (b) For accounting and recordkeeping purposes, the Professions
- 40 and Vocations Fund shall be deemed to be a single special fund,

1 and each of the several special funds therein shall constitute and
2 be deemed to be a separate account in the Professions and
3 Vocations Fund. Each account or fund shall be available for
4 expenditure only for the purposes as are now or may hereafter be
5 provided by law.

6 SEC. 6. Section 1000 of the Business and Professions Code is
7 amended to read:

8 1000. (a) The law governing practitioners of chiropractic is
9 found in an initiative act entitled “An act prescribing the terms
10 upon which licenses may be issued to practitioners of chiropractic,
11 creating the State Board of Chiropractic Examiners and declaring
12 its powers and duties, prescribing penalties for violation hereof,
13 and repealing all acts and parts of acts inconsistent herewith,”
14 adopted by the electors November 7, 1922.

15 (b) *The State Board of Chiropractic Examiners is within the*
16 *Department of Consumer Affairs.*

17 SEC. 7. Section 8501 of the Business and Professions Code is
18 amended to read:

19 8501. “Director” refers to the Director of ~~Pesticide Regulation~~
20 *Consumer Affairs.*

21 SEC. 8. Section 8502 of the Business and Professions Code is
22 amended to read:

23 8502. “Board” refers to the Structural Pest Control Board within
24 the Department of ~~Pesticide Regulation~~ *Consumer Affairs.*

25 SEC. 9. Section 8520 of the Business and Professions Code is
26 amended to read:

27 8520. (a) There is in the Department of ~~Pesticide Regulation~~
28 *Consumer Affairs* a Structural Pest Control Board, which consists
29 of seven members.

30 (b) Subject to the jurisdiction conferred upon the director by
31 ~~Division 6 (commencing with Section 11401) of the Food and~~
32 ~~Agricultural Code 1 (commencing with Section 100),~~ the board is
33 vested with the power to and shall administer the provisions of
34 this chapter.

35 (c) It is the intent of the Legislature that consumer protection
36 is the primary mission of the board.

37 (d) This section shall remain in effect only until January 1, 2015,
38 and as of that date is repealed, unless a later enacted statute, that
39 is enacted before January 1, 2015, deletes or extends that date. The

1 repeal of this section renders the board subject to the review
2 required by Division 1.2 (commencing with Section 473).

3 SEC. 10. Section 8520.2 of the Business and Professions Code
4 is amended to read:

5 8520.2. (a) The Structural Pest Control Board is hereby
6 transferred from the jurisdiction of the Department of ~~Consumer~~
7 ~~Affairs Pesticide Regulation~~ and placed under the jurisdiction of
8 the Department of ~~Pesticide Regulation~~ *Consumer Affairs*.

9 (b) The registrar of the board under the jurisdiction of the
10 Department of ~~Consumer Affairs Pesticide Regulation~~ shall remain
11 as the registrar of the board under the jurisdiction of the
12 Department of ~~Pesticide Regulation~~ *Consumer Affairs*.

13 (c) The members appointed to the board while under the
14 jurisdiction of the Department of ~~Consumer Affairs Pesticide~~
15 ~~Regulation~~ shall remain as members of the board under the
16 jurisdiction of the Department of ~~Pesticide Regulation~~ *Consumer*
17 *Affairs*.

18 (d) All employees of the board under the jurisdiction of the
19 Department of ~~Consumer Affairs Pesticide Regulation~~ are hereby
20 transferred to the board under the jurisdiction of the Department
21 of ~~Pesticide Regulation~~ *Consumer Affairs*.

22 (e) The duties, powers, purposes, responsibilities, and
23 jurisdictions of the board under the jurisdiction of the Department
24 of ~~Consumer Affairs Pesticide Regulation~~ shall remain with the
25 board under the jurisdiction of the Department of ~~Pesticide~~
26 ~~Regulation~~ *Consumer Affairs*.

27 (f) For the performance of the duties and the exercise of the
28 powers vested in the board under this chapter, the board shall have
29 possession and control of all records, papers, offices, equipment,
30 supplies, or other property, real or personal, held for the benefit
31 or use by the board formerly within the jurisdiction of the
32 Department of ~~Consumer Affairs Pesticide Regulation~~.

33 (g) Any reference to the board in this chapter or in any other
34 provision of law or regulation shall be construed as a reference to
35 the board under the jurisdiction of the Department of ~~Pesticide~~
36 ~~Regulation~~ *Consumer Affairs*.

37 SEC. 11. Section 8525 of the Business and Professions Code
38 is amended to read:

39 8525. (a) The board, subject to the approval of the director,
40 may, in accordance with Chapter 3.5 (commencing with Section

1 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
2 adopt, amend, repeal, and enforce reasonably necessary rules and
3 regulations relating to the practice of pest control and its various
4 branches as established by Section 8560 and the administration of
5 this chapter.

6 *(b) The board shall consult with the Department of Pesticide*
7 *Regulation when developing or adopting regulations that may*
8 *affect the Department of Pesticide Regulation or a county*
9 *agricultural commissioner's responsibilities pursuant to Division*
10 *7 (commencing with Section 12501) of the Food and Agricultural*
11 *Code.*

12 SEC. 12. Section 8674 of the Business and Professions Code
13 is amended to read:

14 8674. The fees prescribed by this chapter are the following:

15 (a) A duplicate license fee of not more than two dollars (\$2).

16 (b) A fee for filing a change of name of a licensee of not more
17 than two dollars (\$2).

18 (c) An operator's examination fee of not more than twenty-five
19 dollars (\$25).

20 (d) An operator's license fee of not more than one hundred fifty
21 dollars (\$150).

22 (e) An operator's license renewal fee of not more than one
23 hundred fifty dollars (\$150).

24 (f) A company registration fee of not more than one hundred
25 twenty dollars (\$120).

26 (g) A branch office registration fee of not more than sixty dollars
27 (\$60).

28 (h) A field representative's examination fee of not more than
29 fifteen dollars (\$15).

30 (i) A field representative's license fee of not more than forty-five
31 dollars (\$45).

32 (j) A field representative's license renewal fee of not more than
33 forty-five dollars (\$45).

34 (k) An applicator's examination fee of not more than fifteen
35 dollars (\$15).

36 (l) An applicator's license fee of not more than fifty dollars
37 (\$50).

38 (m) An applicator's license renewal fee of not more than fifty
39 dollars (\$50).

- 1 (n) An activity form fee, per property address, of not more than
2 three dollars (\$3).
- 3 (o) A fee for certifying a copy of an activity form of not more
4 than three dollars (\$3).
- 5 (p) A fee for filing a change of a registered company's name,
6 principal office address, or branch office address, qualifying
7 manager, or the names of a registered company's officers, or bond
8 or insurance of not more than twenty-five dollars (\$25) for each
9 change.
- 10 (q) A fee for approval of continuing education providers of not
11 more than fifty dollars (\$50).
- 12 (r) A pesticide use report filing fee of not more than five dollars
13 (\$5) for each pesticide use report or combination of use reports
14 representing a registered structural pest control company's total
15 county pesticide use for the month.
- 16 (s) A fee for approval of continuing education courses of not
17 more than twenty-five dollars (\$25).
- 18 (t) (1) Any person who pays a fee pursuant to subdivision (r)
19 shall, in addition, pay a fee of two dollars (\$2) for each pesticide
20 use stamp purchased from the board. Notwithstanding any other
21 provision of law, the fee established pursuant to this subdivision
22 shall be deposited with a bank or other depository approved by
23 the Department of Finance and designated by the Research
24 Advisory Panel or into the Structural Pest Control Research Fund
25 that is hereby continued in existence and continuously appropriated
26 to be used only for structural pest control research. If the Research
27 Advisory Panel designates that the fees be deposited in an account
28 other than the Structural Pest Control Research Fund, any moneys
29 in the fund shall be transferred to the designated account.
- 30 (2) Prior to the deposit of any funds, the depository shall enter
31 into an agreement with the Department of ~~Pesticide Regulation~~
32 *Consumer Affairs* that includes, but is not limited to, all of the
33 following requirements:
- 34 (A) The depository shall serve as custodian for the safekeeping
35 of the funds.
- 36 (B) Funds deposited in the designated account shall be
37 encumbered solely for the exclusive purpose of implementing and
38 continuing the program for which they were collected.
- 39 (C) Funds deposited in the designated account shall be subject
40 to an audit at least once every two years by an auditor selected by

1 the Director of ~~Pesticide Regulation~~ *Consumer Affairs*. A copy of
2 the audit shall be provided to the director within 30 days of
3 completion of the audit.

4 (D) The Department of ~~Pesticide Regulation~~ *Consumer Affairs*
5 shall be reimbursed for all expenses it incurs that are reasonably
6 related to implementing and continuing the program for which the
7 funds were collected in accordance with the agreement.

8 (E) A reserve in an amount sufficient to pay for costs arising
9 from unanticipated occurrences associated with administration of
10 the program shall be maintained in the designated account.

11 (3) A charge for administrative expenses of the board in an
12 amount not to exceed 5 percent of the amount collected and
13 deposited in the Structural Pest Control Research Fund may be
14 assessed against the fund. The charge shall be limited to expenses
15 directly related to the administration of the fund.

16 (4) The board shall, by regulation, establish a five-member
17 research advisory panel including, but not limited to,
18 representatives from each of the following: (A) the Structural Pest
19 Control Board, (B) the structural pest control industry, (C) the
20 Department of Pesticide Regulation, and (D) the University of
21 California. The panel, or other entity designated by the board, shall
22 solicit on behalf of the board all requests for proposals and present
23 to the panel all proposals that meet the criteria established by the
24 panel. The panel shall review the proposals and recommend to the
25 board which proposals to accept. The recommendations shall be
26 accepted upon a two-thirds vote of the board. The board shall direct
27 the panel, or other entity designated by the board, to prepare and
28 issue the research contracts and authorize the transfer of funds
29 from the Structural Pest Control Research Fund to the applicants
30 whose proposals were accepted by the board.

31 (5) A charge for requests for proposals, contracts, and
32 monitoring of contracted research shall not exceed 5 percent of
33 the research funds available each year and shall be paid from the
34 Structural Pest Control Research Fund.

35 SEC. 13. Section 8676 of the Business and Professions Code
36 is amended to read:

37 8676. The Department of ~~Pesticide Regulation~~ *Consumer*
38 *Affairs* shall receive and account for all moneys collected under
39 this chapter at the end of each month, and shall pay it into the

1 Treasury to the credit of the Structural Pest Control Fund, which
2 is hereby continued in existence.

3 The moneys in this fund shall be expended for the pro rata cost
4 of administration of the Department of ~~Pesticide Regulation~~
5 *Consumer Affairs* and for the purpose of carrying out the provisions
6 of this chapter.

7 SEC. 14. Section 10004 of the Business and Professions Code
8 is amended to read:

9 10004. ~~“Department”~~ *“Bureau”* means the ~~Department~~ *Bureau*
10 of Real Estate in the ~~Business, Transportation and Housing Agency~~
11 *Department of Consumer Affairs*.

12 SEC. 15. Section 10005 of the Business and Professions Code
13 is amended to read:

14 10005. Whenever the terms *“bureau,”* *“division,”*
15 *“department,”* *“Department of Real Estate,”* *“State Real Estate*
16 *Division,”* or *“Real Estate Division”* are used in this division, they
17 mean the ~~Department~~ *Bureau* of Real Estate.

18 Whenever the terms *“Department of Real Estate,”* *“State Real*
19 *Estate Division”* *Division,”* or *“Real Estate Division”* are used in
20 any other law, they mean the ~~Department~~ *Bureau* of Real Estate.

21 SEC. 16. Section 10050 of the Business and Professions Code
22 is amended to read:

23 10050. (a) There is in the ~~Business and Transportation Agency~~
24 *Department of Consumer Affairs* a ~~Department~~ *Bureau* of Real
25 Estate, the chief officer of which ~~department~~ *bureau* is named the
26 Real Estate Commissioner.

27 ¶

28 (b) *It* shall be the principal responsibility of the commissioner
29 to enforce all laws in this part (commencing with Section 10000)
30 and Chapter 1 (commencing with Section 11000) of Part 2 of this
31 division in a manner ~~which~~ *that* achieves the maximum protection
32 for the purchasers of real property and those persons dealing with
33 real estate licensees.

34 (c) *Wherever the term “commissioner” is used in this division,*
35 *it means the Real Estate Commissioner.*

36 SEC. 17. Section 10053 of the Business and Professions Code
37 is amended to read:

38 10053. The commissioner shall receive an annual salary as
39 provided in Chapter 6 (commencing with Section 11550) of Part
40 1 of Division 3 of Title 2 of the Government Code, to be paid

1 monthly out of the State Treasury upon a warrant of the Controller,
2 and shall be allowed his *or her* actual and necessary expenses in
3 the discharge of his *or her* duties.

4 SEC. 18. Section 11301 of the Business and Professions Code
5 is amended to read:

6 11301. (a) There is hereby created within the ~~Business,~~
7 ~~Transportation and Housing Agency an Office~~ *Department of*
8 *Consumer Affairs a Bureau of Real Estate Appraisers* to administer
9 and enforce this part.

10 (b) *Whenever the term “Office of Real Estate Appraisers”*
11 *appears in any other law, it means the “Bureau of Real Estate*
12 *Appraisers.”*

13 SEC. 19. Section 11302 of the Business and Professions Code
14 is amended to read:

15 11302. For the purpose of applying this part, the following
16 terms, unless otherwise expressly indicated, shall mean and have
17 the following definitions:

18 (a) ~~“Agency” means the Business, Transportation and Housing~~
19 ~~Agency.~~ *“Department” means the Department of Consumer*
20 *Affairs.*

21 (b) “Appraisal” means a written statement (b) independently and
22 impartially prepared by a qualified appraiser setting forth an
23 opinion in a federally related transaction as to the market value of
24 an adequately described property as of a specific date, supported
25 by the presentation and analysis of relevant market information.

26 The term “appraisal” does not include an opinion given by a real
27 estate licensee or engineer or land surveyor in the ordinary course
28 of his or her business in connection with a function for which a
29 license is required under Chapter 7 (commencing with Section
30 6700) or Chapter 15 (commencing with Section 8700) of Division
31 3, or Chapter 3 (commencing with Section 10130) or Chapter 7
32 (commencing with Section 10500) and the opinion shall not be
33 referred to as an appraisal. This part does not apply to a probate
34 referee acting pursuant to Sections 400 to 408, inclusive, of the
35 Probate Code unless the appraised transaction is federally related.

36 (c) “Appraisal Foundation” means the Appraisal Foundation
37 that was incorporated as an Illinois not-for-profit corporation on
38 November 30, 1987.

39 (d) (1) “Appraisal management company” means any person
40 or entity that satisfies all of the following conditions:

1 (A) Maintains an approved list or lists, containing 11 or more
2 independent contractor appraisers licensed or certified pursuant
3 to this part, or employs 11 or more appraisers licensed or certified
4 pursuant to this part.

5 (B) Receives requests for appraisals from one or more clients.

6 (C) For a fee paid by one or more of its clients, delegates
7 appraisal assignments for completion by its independent contractor
8 or employee appraisers.

9 (2) “Appraisal management company” does not include any of
10 the following, when that person or entity directly contracts with
11 an independent appraiser:

12 (A) Any bank, credit union, trust company, savings and loan
13 association, or industrial loan company doing business under the
14 authority of, or in accordance with, a license, certificate, or charter
15 issued by the United States or any state, district, territory, or
16 commonwealth of the United States that is authorized to transact
17 business in this state.

18 (B) Any finance lender or finance broker licensed pursuant to
19 Division 9 (commencing with Section 22000) of the Financial
20 Code, when acting under the authority of that license.

21 (C) Any residential mortgage lender or residential mortgage
22 servicer licensed pursuant to Division 20 (commencing with
23 Section 50000) of the Financial Code, when acting under the
24 authority of that license.

25 (D) Any real estate broker licensed pursuant to Part 1
26 (commencing with Section 10000) of Division 4 of the Business
27 and Professions Code, when acting under the authority of that
28 license.

29 (3) “Appraisal management company” does not include any
30 person licensed to practice law in this state who is working with
31 or on behalf of a client of that person in connection with one or
32 more appraisals for that client.

33 (e) “Appraisal Subcommittee” means the Appraisal
34 Subcommittee of the Federal Financial Institutions Examination
35 Council.

36 (f) “Controlling person” means one or more of the following:

37 (1) An officer or director of an appraisal management company,
38 or an individual who holds a 10 percent or greater ownership
39 interest in an appraisal management company.

1 (2) An individual employed, appointed, or authorized by an
2 appraisal management company that has the authority to enter into
3 a contractual relationship with clients for the performance of
4 appraisal services and that has the authority to enter into
5 agreements with independent appraisers for the completion of
6 appraisals.

7 (3) An individual who possesses the power to direct or cause
8 the direction of the management or policies of an appraisal
9 management company.

10 (g) “Director” or “chief” means the ~~Director~~ *Chief* of the ~~Office~~
11 *Bureau* of Real Estate Appraisers.

12 (h) “Federal financial institutions regulatory agency” means the
13 Federal Reserve Board, Federal Deposit Insurance Corporation,
14 Office of the Comptroller of the Currency, Office of Thrift
15 Supervision, Federal Home Loan Bank System, National Credit
16 Union Administration, and any other agency determined by the
17 director to have jurisdiction over transactions subject to this part.

18 (i) “Federally related real estate appraisal activity” means the
19 act or process of making or performing an appraisal on real estate
20 or real property in a federally related transaction and preparing an
21 appraisal as a result of that activity.

22 (j) “Federally related transaction” means any real estate-related
23 financial transaction which a federal financial institutions
24 regulatory agency engages in, contracts for or regulates and which
25 requires the services of a state licensed real estate appraiser
26 regulated by this part. This term also includes any transaction
27 identified as such by a federal financial institutions regulatory
28 agency.

29 (k) “License” means any license, certificate, permit, registration,
30 or other means issued by the ~~office~~ *bureau* authorizing the person
31 to whom it is issued to act pursuant to this part within this state.

32 (l) “Licensure” means the procedures and requirements a person
33 shall comply with in order to qualify for issuance of a license and
34 includes the issuance of the license.

35 (m) “Office” or “bureau” means the ~~Office~~ *Bureau* of Real
36 Estate Appraisers.

37 (n) “Registration” means the procedures and requirements with
38 which a person or entity shall comply in order to qualify to conduct
39 business as an appraisal management company.

1 (o) ~~“Secretary” means the Secretary of Business, Transportation~~
2 ~~and Housing.~~

3 ~~(p)~~

4 (o) “State licensed real estate appraiser” is a person who is
5 issued and holds a current valid license under this part.

6 ~~(q)~~

7 (p) “Uniform Standards of Professional Appraisal Practice” are
8 the standards of professional appraisal practice established by the
9 Appraisal Foundation.

10 ~~(r)~~

11 (q) “Course provider” means a person or entity that provides
12 educational courses related to professional appraisal practice.

13 SEC. 20. Section 11310 of the Business and Professions Code
14 is amended to read:

15 11310. The Governor shall appoint, subject to confirmation
16 by the Senate, the ~~Director Chief~~ of the ~~Office Bureau~~ of Real
17 Estate Appraisers who shall, in consultation with the Governor
18 and ~~secretary~~ the *Director of Consumer Affairs*, administer the
19 licensing and certification program for real estate appraisers. In
20 making the appointment, consideration shall be given to the
21 qualifications of an individual that demonstrate knowledge of the
22 real estate appraisal profession.

23 (a) The ~~director chief~~ shall serve at the pleasure of the Governor.
24 The salary for the ~~director chief~~ shall be fixed and determined by
25 the ~~secretary~~ *Director of Consumer Affairs* with approval of the
26 Department of ~~Personnel Administration~~ *Human Resources*.

27 (b) The ~~director chief~~ shall not be actively engaged in the
28 appraisal business or any other affected industry for the term of
29 appointment, and thereafter the ~~director commissioner~~ shall be
30 subject to Section 87406 of the Government Code.

31 (c) The ~~director chief~~, in consultation with the ~~secretary~~ *Director*
32 *of Consumer Affairs* and in accordance with the State Civil Service
33 Act, may appoint and fix the compensation of legal, clerical,
34 technical, investigation, and auditing personnel as may be necessary
35 to carry out this part. All personnel shall perform their respective
36 duties under the supervision and direction of the ~~director chief~~.

37 (d) The ~~director chief~~ may appoint not more than four ~~deputy~~
38 ~~directors deputies~~ as he or she deems appropriate. The ~~deputy~~
39 ~~directors deputies~~ shall perform their respective duties under the
40 supervision and direction of the ~~director chief~~.

1 (e) Every power granted to or duty imposed upon the ~~director~~
2 ~~chief~~ under this part may be exercised or performed in the name
3 of the ~~director chief~~ by the ~~deputy directors~~ *deputies*, subject to
4 conditions and limitations as the ~~director chief~~ may prescribe.

5 SEC. 21. Section 11313 of the Business and Professions Code
6 is amended to read:

7 11313. The ~~office~~ *bureau* is under the supervision and control
8 of the ~~secretary~~ *Director of Consumer Affairs*. The duty of
9 enforcing and administering this part is vested in the ~~director chief~~,
10 and he or she is responsible to the ~~secretary~~ *Director of Consumer*
11 *Affairs* therefor. The ~~director chief~~ shall adopt and enforce rules
12 and regulations as are determined reasonably necessary to carry
13 out the purposes of this part. Those rules and regulations shall be
14 adopted pursuant to Chapter 3.5 (commencing with Section 11340)
15 of Part 1 of Division 3 of Title 2 of the Government Code.
16 *Regulations adopted by the former Director of the Office of Real*
17 *Estate Appraisers shall continue to apply to the bureau and its*
18 *licensees.*

19 SEC. 22. Section 11313.2 of the Business and Professions
20 Code is repealed.

21 11313.2. (a) ~~The secretary shall review and evaluate the office,~~
22 ~~and make recommendations to the Legislature by October 1, 2014,~~
23 ~~regarding whether the office should be consolidated within the~~
24 ~~Department of Real Estate, or consolidated within any other state~~
25 ~~department or office, and shall provide appropriate justification~~
26 ~~for that recommendation.~~

27 (b) ~~Notwithstanding any other provision of law, on and after~~
28 ~~January 1, 2015, the office shall be subject to review by the~~
29 ~~appropriate policy committees of the Legislature. The review shall~~
30 ~~include, but shall not be limited to, the recommendations of the~~
31 ~~secretary regarding the office.~~

32 SEC. 23. Section 19404 of the Business and Professions Code
33 is amended to read:

34 19404. "Board" means the California Horse Racing Board
35 *within the Business and Consumer Services Agency.*

36 SEC. 24. Section 19601.01 of the Business and Professions
37 Code is amended to read:

38 19601.01. (a) Notwithstanding any other provision of law, a
39 thoroughbred association or fair, upon the filing of a written notice
40 with, and approval by, the board specifying the percentage to be

1 deducted, may deduct from the total amount handled in the
2 parimutuel pool for any type of wager an amount of not less than
3 10 percent nor more than 25 percent. The written notice shall
4 include the written agreement of the thoroughbred association or
5 fair and the horsemen's organization for the meeting of the
6 thoroughbred association or fair accepting the wager. The
7 established percentage to be deducted shall remain in effect until
8 the filing of a subsequent notice with, and approval by, the board,
9 unless otherwise specified in the notice. The amount deducted
10 shall be distributed as prescribed in this chapter. However, any
11 such distribution, except for amounts payable for the support of
12 the board and the equine drug testing program pursuant to
13 subdivision (a) of Section 19616.51, may be modified or redirected
14 upon the filing with, and approval by, the board of a written notice
15 that is authorized and signed by the organization representing each
16 entity affected by the modification or redirection, including, but
17 not limited to, horsemen's organizations, racing associations, and
18 fairs. If the proposed distribution modification or redirection
19 increases or would increase the financial burden of any other
20 organization or entity, the consent of that organization or entity
21 shall also be obtained. This organization or entity consent provision
22 for a distribution modification or redirection applies even if the
23 percentage deduction is not increased pursuant to this subdivision.

24 (b) A notice filed with the board to modify or redirect a
25 distribution pursuant to subdivision (a) shall be accompanied by
26 a report detailing all receipts and expenditures over the two prior
27 fiscal years of the funds and accounts proposed to be affected by
28 the notice.

29 (c) Initial approval of a distribution modification or redirection
30 pursuant to this section shall be limited to a one-year period. An
31 approval may be extended in subsequent years contingent upon
32 annual receipt of the report described in subdivision (e) and a
33 determination by the board that the extension is in the economic
34 interest of thoroughbred racing. However, in order for an initial
35 approval of a distribution modification or redirection to be extended
36 beyond the first year, the consent of each organization and entity
37 that gave its consent to that initial distribution modification or
38 redirection shall also be obtained for the extension. In the absence
39 of the consent of all of these organizations and entities, the board
40 shall not approve the extension.

1 (d) A thoroughbred association or fair whose written notice for
2 a percentage deduction pursuant to subdivision (a) has been
3 approved by the board shall provide subsequent quarterly reports
4 of receipts and expenditures of the affected funds if requested by
5 the board.

6 (e) A thoroughbred association or fair whose written notice for
7 a percentage deduction pursuant to subdivision (a) has been
8 approved by the board shall file a report with the board and the
9 respective fiscal committees and Committees on Governmental
10 Organization of the Senate and the Assembly accounting for all
11 receipts and expenditures in any of the affected funds. This report
12 shall be filed within one year of initial board approval and annually
13 thereafter if the approval is extended by the board.

14 SEC. 25. Section 19613.05 of the Business and Professions
15 Code is amended to read:

16 19613.05. (a) Any association, including a fair, that conducts
17 thoroughbred racing shall pay to the owners' organization,
18 contracting with the association with respect to the conduct of
19 thoroughbred racing, an additional $1\frac{3}{4}$ percent of the portion
20 required by Section 19613 for a national marketing program. These
21 funds shall be used exclusively for the promotion of thoroughbred
22 racing in conjunction with a national thoroughbred racing
23 marketing program. Funds that may not be needed for this effort
24 shall be returned to the purse pool at the racing associations where
25 these funds were raised in direct proportion to the amount in which
26 they were initially raised. The owners' organization shall file a
27 report with the board and the respective Committees on
28 Governmental Organization of the Senate and Assembly,
29 accounting for the receipt and expenditure of these funds on an
30 annual basis. The board of directors of the owners' organization
31 shall have the discretion to select the national marketing
32 organization that shall be the recipient of these funds. If the board
33 of directors of the owners' organization decides at any time not to
34 contribute to the national marketing organization, notice shall be
35 given promptly to the respective racing association or associations
36 and the $1\frac{3}{4}$ percent deduction shall cease until the owners'
37 organization decides otherwise.

38 (b) This section shall remain in effect only until January 1, 2014,
39 and as of that date is repealed, unless a later enacted statute, that
40 is enacted before January 1, 2014, deletes or extends that date.

1 SEC. 26. Section 19826 of the Business and Professions Code
2 is amended to read:

3 19826. The department *shall perform all investigatory functions*
4 *required by this chapter, as well as auditing functions under tribal*
5 *gaming compacts, and shall have all of the following*
6 *responsibilities:*

7 (a) *To receive and process applications for any license, permit,*
8 *or other approval, and to collect all related fees. The department*
9 *shall investigate the qualifications of applicants before any license,*
10 *permit, or other approval is issued, and to investigate any request*
11 *to the commission for any approval that may be required pursuant*
12 *to this chapter. The department may recommend the denial or the*
13 *limitation, conditioning, or restriction of any license, permit, or*
14 *other approval.*

15 (b) *To monitor the conduct of all licensees and other persons*
16 *having a material involvement, directly or indirectly, with a*
17 *gambling operation or its holding company, for the purpose of*
18 *ensuring that licenses are not issued or held by, and that there is*
19 *no direct or indirect material involvement with, a gambling*
20 *operation or holding company by ineligible, unqualified,*
21 *disqualified, or unsuitable persons, or persons whose operations*
22 *are conducted in a manner that is inimical to the public health,*
23 *safety, or welfare.*

24 (c) *To investigate suspected violations of this chapter or laws*
25 *of this state relating to gambling, including any activity prohibited*
26 *by Chapter 9 (commencing with Section 319) or Chapter 10*
27 *(commencing with Section 330) of Title 9 of Part 1 of the Penal*
28 *Code.*

29 (d) *To investigate complaints that are lodged against licensees,*
30 *or other persons associated with a gambling operation, by members*
31 *of the public.*

32 (e) *To initiate, where appropriate, disciplinary actions as*
33 *provided in this chapter. In connection with any disciplinary action,*
34 *the department may seek restriction, limitation, suspension, or*
35 *revocation of any license or approval, or the imposition of any fine*
36 *upon any person licensed or approved.*

37 (f) *To adopt regulations reasonably related to its functions and*
38 *duties as specified in this chapter.*

39 (g) *Approve the play of any controlled game, including placing*
40 *restrictions and limitations on how a controlled game may be*

1 played. The department shall make available to the public the rules
2 of play and the collection rates of each gaming activity approved
3 for play at each gambling establishment on the Attorney General's
4 Web site. Actual costs incurred by the department to review and
5 approve game rules shall be reimbursed to the department by the
6 licensee making the request.

7 SEC. 27. Section 19861 of the Business and Professions Code
8 is amended to read:

9 19861. Notwithstanding subdivision (i) of Section 19801, the
10 commission shall not deny a license to a gambling establishment
11 solely because it is not open to the public, provided that all of the
12 following are true: (a) the gambling establishment is situated in a
13 local jurisdiction that has an ordinance allowing only private clubs,
14 and the gambling establishment was in operation as a private club
15 under that ordinance on December 31, 1997, and met all applicable
16 state and local gaming registration requirements; (b) the gambling
17 establishment consists of no more than five gaming tables; (c)
18 video recordings of the entrance to the gambling room or rooms
19 and all tables situated therein are made during all hours of operation
20 by means of closed-circuit television cameras, and these recordings
21 are retained for a period of 30 days and are made available for
22 review by the department or ~~commission~~ upon request; and (d) the
23 gambling establishment is open to members of the private club
24 and their spouses in accordance with membership criteria in effect
25 as of December 31, 1997.

26 A gambling establishment meeting these criteria, in addition to
27 the other requirements of this chapter, may be licensed to operate
28 as a private club gambling establishment until November 30, 2003,
29 or until the ownership or operation of the gambling establishment
30 changes from the ownership or operation as of January 1, 1998,
31 whichever occurs first. Operation of the gambling establishments
32 after this date shall only be permitted if the local jurisdiction
33 approves an ordinance, pursuant to Sections 19961 and 19962,
34 authorizing the operation of gambling establishments that are open
35 to the public. The commission shall adopt regulations implementing
36 this section. Prior to the commission's issuance of a license to a
37 private club, the department shall ensure that the ownership of the
38 gambling establishment has remained constant since January 1,
39 1998, and the operation of the gambling establishment has not
40 been leased to any third party.

1 SEC. 28. Section 19864 of the Business and Professions Code
2 is amended to read:

3 19864. (a) Application for a state license or other commission
4 action shall be ~~made~~ *submitted to the department* on forms
5 furnished by the ~~commission~~ *department*.

6 (b) The application for a gambling license shall include all of
7 the following:

8 (1) The name of the proposed licensee.

9 (2) The name and location of the proposed gambling
10 establishment.

11 (3) The gambling games proposed to be conducted.

12 (4) The names of all persons directly or indirectly interested in
13 the business and the nature of the interest.

14 (5) A description of the proposed gambling establishment and
15 operation.

16 (6) Any other information and details the commission may
17 require in order to discharge its ~~duty~~ *duties* properly.

18 SEC. 29. Section 19872 of the Business and Professions Code
19 is amended to read:

20 19872. (a) No member of the commission may communicate
21 ex parte, directly or indirectly, with any applicant, or any agent,
22 representative, or person acting on behalf of an applicant, upon
23 the merits of an application for a license, permit, registration, or
24 approval while the application is *being investigated by the*
25 *department or* pending disposition before the department or the
26 commission.

27 (b) No applicant, or any agent, representative, or person acting
28 on behalf of an applicant, and no person who has a direct or indirect
29 interest in the outcome of a proceeding to consider an application
30 for a license, permit, registration, or approval may communicate
31 ex parte, directly or indirectly, with any member of the
32 commission, upon the merits of the application while the
33 application is *being investigated by the department or* pending
34 disposition before the department.

35 (c) No employee or agent of the department, applicant, or any
36 agent, representative, or person acting on behalf of an applicant,
37 and no person who has a direct or indirect interest in the outcome
38 of a proceeding to consider an application for a license, permit,
39 registration, or approval may communicate ex parte, directly or
40 indirectly, with any member of the commission, upon the merits

1 of the application, while the application is pending disposition
2 before the commission.

3 (d) The receipt by a member of the commission of an ex parte
4 communication prohibited by this section may provide the basis
5 for disqualification of that member or the denial of the application.
6 The commission shall adopt regulations to implement this
7 subdivision.

8 (e) For the purposes of this subdivision, “ex parte” means a
9 communication without notice and opportunity for all parties to
10 participate in the communication.

11 (f) Nothing in this section precludes a communication made on
12 the record at a public hearing on a properly agendized matter.

13 SEC. 30. Section 19881 of the Business and Professions Code
14 is amended to read:

15 19881. (a) No corporation is eligible to receive a license to
16 own a gambling enterprise unless the conduct of controlled
17 gambling is among the purposes stated in its articles of
18 incorporation and the articles of incorporation have been submitted
19 to and approved by the ~~commission~~ *department*.

20 (b) The Secretary of State shall not accept for filing any articles
21 of incorporation of any corporation that include as a stated purpose
22 the conduct of controlled gambling, or any amendment thereto, or
23 any amendment that adds this purpose to articles of incorporation
24 already filed, unless the articles have, or amendment has, been
25 approved by the ~~commission~~ *department*.

26 SEC. 31. Section 19881.5 of the Business and Professions
27 Code is repealed.

28 ~~19881.5. The commission may delegate to staff the approval
29 of articles of incorporation, statements of limited partnership, and
30 other entity filings that are required to specifically state that
31 gambling is one of the purposes for which the business entity is
32 formed.~~

33 SEC. 32. Section 23050 of the Business and Professions Code
34 is amended to read:

35 23050. There is in the ~~State Government~~ *state government, in*
36 *the Business and Consumer Services Agency* a Department of
37 Alcoholic Beverage Control. The department shall be administered
38 through a civil executive officer who shall be known as the Director
39 of Alcoholic Beverage Control. The director shall be appointed
40 and shall serve as provided in Section 22 of Article XX of the

1 Constitution and shall receive an annual salary as provided for by
2 Chapter 6 of Part 1 of Division 3 of Title 2 of the Government
3 Code.

4 SEC. 33. Section 23075 of the Business and Professions Code
5 is amended to read:

6 23075. There is in the state government, *in the Business and*
7 *Consumer Services Agency*, an Alcoholic Beverage Control
8 Appeals Board the members of which shall be appointed and shall
9 serve as provided in Section 22 of Article XX of the Constitution,
10 and shall receive an annual salary as provided for by Chapter 6
11 (commencing with Section 11550) of Part 1 of Division 3 of Title
12 2 of the Government Code.

13 SEC. 34. Section 14060.6 of the Corporations Code is amended
14 to read:

15 14060.6. (a) *The Small Business Loan Guarantee Program*
16 *exists in the Governor's Office of Business and Economic*
17 *Development.*

18 (a)

19 (b) The Legislature finds and declares that the Small Business
20 Loan Guarantee Program has enabled participating small businesses
21 that do not qualify for conventional business loans or Small
22 Business Administration loans to secure funds to expand their
23 businesses. These small businesses would not have been able to
24 expand their businesses in the absence of the program. The program
25 has also provided valuable technical assistance to small businesses
26 to ensure growth and stability. The study commissioned by Section
27 14069.6, as added by Chapter 919 of the Statutes of 1997,
28 documented the return on investment of the program and the need
29 for its services. The value of the program has also been recognized
30 by the Governor through proposals contained in the May Revision
31 to the Budget Act of 2000 for the 2000–01 fiscal year.

32 (b)

33 (c) Notwithstanding Section 14060.5, the ~~Business,~~
34 ~~Transportation and Housing Agency~~ *Governor's Office of Business*
35 *and Economic Development* shall establish new small business
36 financial development corporations pursuant to the procedures
37 otherwise established by this chapter in the following areas:

38 (1) San Jose.

39 (2) Santa Ana.

40 (3) San Fernando Valley.

1 (4) Ontario.

2 (e)

3 (d) Upon an appropriation in the annual Budget Act for this
4 purpose, the ~~Secretary of Business, Transportation and Housing~~
5 *Governor's Office of Business and Economic Development* shall
6 establish a small business financial development corporation in
7 southeast Los Angeles.

8 (d)

9 (e) Each of the small business financial development
10 corporations, upon the recommendation of the board and at least
11 once each year, shall make a presentation and overview of the
12 corporation's business operations to the board.

13 SEC. 35. Section 25005 of the Corporations Code is amended
14 to read:

15 25005. "Commissioner" means the Commissioner of
16 *Corporations Business Oversight*.

17 SEC. 36. Section 25600 of the Corporations Code is repealed.

18 ~~25600. There is in the state government, in the Business and~~
19 ~~Transportation Agency a Department of Corporations, which shall~~
20 ~~administer the provisions of this division. The chief officer of the~~
21 ~~Department of Corporations is the Commissioner of Corporations.~~
22 ~~The commissioner shall be appointed by the Governor and shall~~
23 ~~hold office at the pleasure of the Governor. He or she shall receive~~
24 ~~an annual salary as fixed in the Government Code. Within 15 days~~
25 ~~from the time of his or her appointment the commissioner shall~~
26 ~~take and subscribe to the constitutional oath of office and file it in~~
27 ~~the office of the Secretary of State.~~

28 Whenever the term "Division of Corporations" is used in the
29 law, it means the Department of Corporations.

30 SEC. 37. Section 25601 of the Corporations Code is repealed.

31 ~~25601. The commissioner shall have his principal office in the~~
32 ~~City of Sacramento, and may establish branch offices in the City~~
33 ~~and County of San Francisco, in the City of Los Angeles and in~~
34 ~~the City of San Diego. The commissioner shall from time to time~~
35 ~~obtain the necessary furniture, stationery, fuel, light, and other~~
36 ~~proper conveniences for the transaction of the business of the~~
37 ~~Department of Corporations.~~

38 SEC. 38. Section 25602 of the Corporations Code is repealed.

39 ~~25602. In accordance with the laws governing the state civil~~
40 ~~service, the commissioner shall employ and, with the approval of~~

1 the Department of Finance, fix the compensation of such personnel
2 as the commissioner needs to discharge properly the duties imposed
3 upon the commissioner by law, including legal counsel to act as
4 the attorney for the commissioner in actions or proceedings brought
5 by or against the commissioner under or pursuant to any provision
6 of any law under the commissioner's jurisdiction, or in which the
7 commissioner joins or intervenes as to a matter within the
8 commissioner's jurisdiction, as a friend of the court or otherwise,
9 and stenographic reporters to take and transcribe the testimony in
10 any formal hearing or investigation before the commissioner or
11 before a person authorized by the commissioner. The personnel
12 of the Department of Corporations shall perform such duties as
13 the commissioner assigns to them. Such employees as the
14 commissioner designates by rule or order shall, within 15 days
15 after their appointments, take and subscribe to the constitutional
16 oath of office and file it in the office of the Secretary of State.

17 SEC. 39. Section 25603 of the Corporations Code is repealed.

18 ~~25603. The commissioner shall adopt a seal bearing the~~
19 ~~inscription: "Commissioner of Corporations, State of California."~~
20 ~~The seal shall be affixed to or imprinted on all orders and~~
21 ~~certificates issued by him and such other instruments as he directs.~~
22 ~~All courts shall take judicial notice of this seal.~~

23 SEC. 40. Section 29503 of the Corporations Code is amended
24 to read:

25 29503. "Commissioner" means the ~~Commissioner~~ of
26 ~~Corporations~~ *Deputy Commissioner of Business Oversight for the*
27 *Division of Corporations.*

28 SEC. 41. Section 31004 of the Corporations Code is amended
29 to read:

30 31004. "Commissioner" means the ~~Commissioner~~ of
31 ~~Corporations~~ *Deputy Commissioner of Business Oversight for the*
32 *Division of Corporations.*

33 SEC. 42. Section 22001 of the Education Code is amended to
34 read:

35 22001. In order to provide a financially sound plan for the
36 retirement, with adequate retirement allowances, of teachers in the
37 public schools of this state, teachers in schools supported by this
38 state, and other persons employed in connection with the schools,
39 the State Teachers' Retirement System is established. The system

1 is a unit of the ~~State and Consumer Services~~ *Government*
2 *Operations Agency*.

3 SEC. 43. Section 125 of the Financial Code is amended to read:

4 125. “Commissioner” means the Commissioner of ~~Financial~~
5 ~~Institutions~~ *Business Oversight* and “department” means the
6 Department of ~~Financial Institutions~~ *Business Oversight*.

7 SEC. 44. The heading of Chapter 3 (commencing with Section
8 300) of Division 1 of the Financial Code is amended to read:

9

10 CHAPTER 3. DEPARTMENT OF ~~FINANCIAL INSTITUTIONS~~
11 *BUSINESS OVERSIGHT*

12

13 SEC. 45. Section 300 of the Financial Code is amended to read:

14 300. (a) In this section:

15 (1) “Business and industrial development corporation” means
16 a corporation licensed under Division 15 (commencing with
17 Section 31000).

18 (2) “Payment instrument” has the same meaning as set forth in
19 Section 33059.

20 (3) “Traveler’s check” has the same meaning as set forth in
21 Section 1803.

22 (b) There is in the state government, in the ~~Business,~~
23 ~~Transportation and Housing~~ *Business and Consumer Services*
24 Agency, a Department of ~~Financial Institutions~~ *Business Oversight*
25 which has charge of the execution of, among other laws, the laws
26 of this state relating to any of the following: (1) banks or trust
27 companies or the banking or trust business; (2) savings associations
28 or the savings association business; (3) credit unions or the credit
29 union business; (4) persons who engage in the business of receiving
30 money for transmission to foreign nations or such business; (5)
31 issuers of traveler’s checks or the traveler’s check business; (6)
32 issuers of payment instruments or the payment instrument business;
33 (7) business and industrial development corporations or the
34 business and industrial development corporation business, or (8)
35 insurance premium finance agencies or the insurance premium
36 finance business.

37 SEC. 46. The heading of Article 2 (commencing with Section
38 320) of Chapter 3 of Division 1 of the Financial Code is amended
39 to read:

1 Article 2. Commissioner of ~~Financial Institutions~~ *Business*
2 *Oversight*
3

4 SEC. 47. Section 320 of the Financial Code is amended to read:

5 320. The chief officer of the Department of ~~Financial~~
6 ~~Institutions Business Oversight~~ is the Commissioner of ~~Financial~~
7 ~~Institutions Business Oversight~~. The Commissioner of ~~Financial~~
8 ~~Institutions Business Oversight~~ is the head of the department *with*
9 *the authority and responsibility over all officers, employees, and*
10 *activities in the department* and, except as otherwise provided in
11 this code, is subject to the provisions of the Government Code
12 relating to department heads, but need not reside in Sacramento.

13 SEC. 48. Section 321 of the Financial Code is repealed.

14 321. ~~As of the operative date of this section:~~

15 (a) ~~In this section, “order” means any approval, consent,~~
16 ~~authorization, exemption, denial, prohibition, requirement, or other~~
17 ~~administrative action, applicable to a specific case.~~

18 (b) ~~The office of the Superintendent of Banks and the State~~
19 ~~Banking Department are abolished. All powers, duties,~~
20 ~~responsibilities, and functions of the Superintendent of Banks and~~
21 ~~the State Banking Department are transferred to the Commissioner~~
22 ~~of Financial Institutions and the Department of Financial~~
23 ~~Institutions, respectively. The Commissioner of Financial~~
24 ~~Institutions and the Department of Financial Institutions succeed~~
25 ~~to all the rights and property of the Superintendent of Banks and~~
26 ~~the State Banking Department, respectively; the Commissioner of~~
27 ~~Financial Institutions and the Department of Financial Institutions~~
28 ~~are subject to all the debts and liabilities of the Superintendent of~~
29 ~~Banks and the State Banking Department, respectively, as if the~~
30 ~~Commissioner of Financial Institutions and the Department of~~
31 ~~Financial Institutions had incurred them. Any action or proceeding~~
32 ~~by or against the Superintendent of Banks or the State Banking~~
33 ~~Department may be prosecuted to judgment, which shall bind the~~
34 ~~Commissioner of Financial Institutions or the Department of~~
35 ~~Financial Institutions, respectively, or the Commissioner of~~
36 ~~Financial Institutions or the Department of Financial Institutions~~
37 ~~may be proceeded against or substituted in place of the~~
38 ~~Superintendent of Banks or the State Banking Department,~~
39 ~~respectively. References in the Constitution of the State of~~
40 ~~California or in any statute or regulation to the Superintendent of~~

1 Banks or to the State Banking Department mean the Commissioner
2 of Financial Institutions or the Department of Financial Institutions,
3 respectively. All agreements entered into with, and orders and
4 regulations issued by, the Superintendent of Banks or the State
5 Banking Department shall continue in effect as if the agreements
6 were entered into with, and the orders and regulations were issued
7 by, the Commissioner of Financial Institutions or the Department
8 of Financial Institutions, respectively.

9 (e) The office of the Savings and Loan Commissioner and the
10 Department of Savings and Loan are abolished. All powers, duties,
11 responsibilities, and functions of the Savings and Loan
12 Commissioner and the Department of Savings and Loan are
13 transferred to the Commissioner of Financial Institutions and the
14 Department of Financial Institutions, respectively. The
15 Commissioner of Financial Institutions and the Department of
16 Financial Institutions succeed to all the rights and property of the
17 Savings and Loan Commissioner and the Department of Savings
18 and Loan, respectively; the Commissioner of Financial Institutions
19 and the Department of Financial Institutions are subject to all the
20 debts and liabilities of the Savings and Loan Commissioner and
21 the Department of Savings and Loan, respectively, as if the
22 Commissioner of Financial Institutions and the Department of
23 Financial Institutions had incurred them. Any action or proceeding
24 by or against the Savings and Loan Commissioner or the
25 Department of Savings and Loan may be prosecuted to judgment,
26 which shall bind the Commissioner of Financial Institutions or the
27 Department of Financial Institutions, respectively, or the
28 Commissioner of Financial Institutions or the Department of
29 Financial Institutions may be proceeded against or substituted in
30 place of the Savings and Loan Commissioner or the Department
31 of Savings and Loan, respectively. References in the Constitution
32 of the State of California or in any statute or regulation to the
33 Savings and Loan Commissioner or to the Department of Savings
34 and Loan mean the Commissioner of Financial Institutions or the
35 Department of Financial Institutions, respectively. All agreements
36 entered into with, and orders and regulations issued by, the Savings
37 and Loan Commissioner or the Department of Savings and Loan
38 shall continue in effect as if the agreements were entered into with,
39 and the orders and regulations were issued by, the Commissioner
40 of Financial Institutions or the Department of Financial Institutions.

1 ~~(d) All powers, duties, responsibilities, and functions of the~~
2 ~~Commissioner of Corporations and the Department of Corporations~~
3 ~~with respect to credit unions, the credit union business, industrial~~
4 ~~loan companies, or the industrial loan business are transferred to~~
5 ~~the Commissioner of Financial Institutions and the Department of~~
6 ~~Financial Institutions, respectively. The Commissioner of Financial~~
7 ~~Institutions and the Department of Financial Institutions succeed~~
8 ~~to all the rights and property of the Commissioner of Corporations~~
9 ~~and the Department of Corporations, respectively, with respect to~~
10 ~~credit unions, the credit union business, industrial loan companies,~~
11 ~~or the industrial loan business; the Commissioner of Financial~~
12 ~~Institutions and the Department of Financial Institutions are subject~~
13 ~~to all the debts and liabilities of the Commissioner of Corporations~~
14 ~~and the Department of Corporations, respectively, with respect to~~
15 ~~credit unions, the credit union business, industrial loan companies,~~
16 ~~or the industrial loan business, as if the Commissioner of Financial~~
17 ~~Institutions and the Department of Financial Institutions had~~
18 ~~incurred them. Any action or proceeding by or against the~~
19 ~~Commissioner of Corporations or the Department of Corporations~~
20 ~~with respect to credit unions, the credit union business, industrial~~
21 ~~loan companies, or the industrial loan business may be prosecuted~~
22 ~~to judgment, which shall bind the Commissioner of Financial~~
23 ~~Institutions or the Department of Financial Institutions,~~
24 ~~respectively, or the Commissioner of Financial Institutions or the~~
25 ~~Department of Financial Institutions may be proceeded against or~~
26 ~~substituted in place of the Commissioner of Corporations or the~~
27 ~~Department of Corporations, respectively. References in the~~
28 ~~Constitution of the State of California or any statute or regulation~~
29 ~~to the Commissioner of Corporations or to the Department of~~
30 ~~Corporations with respect to credit unions, the credit union~~
31 ~~business, industrial loan companies, or the industrial loan business~~
32 ~~mean the Commissioner of Financial Institutions or the Department~~
33 ~~of Financial Institutions, respectively. All agreements entered into~~
34 ~~with, and orders and regulations issued by, the Commissioner of~~
35 ~~Corporations or the Department of Corporations in the exercise of~~
36 ~~authority under any law relating to credit unions, the credit union~~
37 ~~business, industrial loan companies, or the industrial loan business,~~
38 ~~shall continue in effect as if the agreements were entered into with,~~
39 ~~and the orders and regulations were issued by, the Commissioner~~
40 ~~of Financial Institutions or the Department of Financial Institutions.~~

1 SEC. 49. Section 321 is added to the Financial Code, to read:
2 321. (a) In this section, “order” means any approval, consent,
3 authorization, exemption, denial, prohibition, requirement, or other
4 administrative action, applicable to a specific case.

5 (b) The office of the Commissioner of Financial Institutions
6 and the Department of Financial Institutions are abolished. All
7 powers, duties, responsibilities, and functions of the Commissioner
8 of Financial Institutions and the Department of Financial
9 Institutions are transferred to the Commissioner of Business
10 Oversight and the Department of Business Oversight, respectively.
11 The Commissioner of Business Oversight and the Department of
12 Business Oversight succeed to all of the rights and property of the
13 Commissioner of Financial Institutions and Department of
14 Financial Institutions, respectively; the Commissioner of Business
15 Oversight and the Department of Business Oversight are subject
16 to all the debts and liabilities of the Commissioner of Financial
17 Institutions and the Department of Financial Institutions,
18 respectively, as if the Commissioner of Business Oversight and
19 the Department of Business Oversight had incurred them. Any
20 action or proceeding by or against the Commissioner of Financial
21 Institutions or the Department of Financial Institutions may be
22 prosecuted to judgment, which shall bind the Commissioner of
23 Business Oversight or the Department of Business Oversight,
24 respectively, or the Commissioner of Business Oversight or the
25 Department of Business Oversight may be proceeded against or
26 substituted in place of the Commissioner of Financial Institutions
27 or the Department of Financial Institutions, respectively.
28 References in the Constitution of the State of California or in any
29 statute or regulation to the Superintendent of Banks or the
30 Commissioner of Financial Institutions or to the State Banking
31 Department or the Department of Financial Institutions mean the
32 Commissioner of Business Oversight or the Department of
33 Business Oversight, respectively. All agreements entered into with,
34 and orders and regulations issued by, the Commissioner of
35 Financial Institutions or the Department of Financial Institutions
36 shall continue in effect as if the agreements were entered into with,
37 and the orders and regulations were issued by, the Commissioner
38 of Business Oversight or the Department of Business Oversight,
39 respectively.

1 (c) The office of the Commissioner of Corporations and the
2 Department of Corporations are abolished. All powers, duties,
3 responsibilities, and functions of the Commissioner of Corporations
4 and the Department of Corporations are transferred to the
5 Commissioner of Business Oversight and the Department of
6 Business Oversight, respectively. The Commissioner of Business
7 Oversight and the Department of Business Oversight succeed to
8 all of the rights and property of the Commissioner of Corporations
9 and Department of Corporations, respectively; the Commissioner
10 of Business Oversight and the Department of Business Oversight
11 are subject to all the debts and liabilities of the Commissioner of
12 Corporations and the Department of Corporations, respectively,
13 as if the Commissioner of Business Oversight and the Department
14 of Business Oversight had incurred them. Any action or proceeding
15 by or against the Commissioner of Corporations or the Department
16 of Corporations may be prosecuted to judgment, which shall bind
17 the Commissioner of Business Oversight or the Department of
18 Business Oversight, respectively, or the Commissioner of Business
19 Oversight or the Department of Business Oversight may be
20 proceeded against or substituted in place of the Commissioner of
21 Corporations or the Department of Corporations, respectively.
22 References in the Constitution of the State of California or in any
23 statute or regulation to the Commissioner of Corporations or the
24 Department of Corporations mean the Commissioner of Business
25 Oversight or the Department of Business Oversight, respectively.
26 All agreements entered into with, and orders and regulations issued
27 by, the Commissioner of Corporations or the Department of
28 Corporations shall continue in effect as if the agreements were
29 entered into with, and the orders and regulations were issued by,
30 the Commissioner of Business Oversight or the Department of
31 Business Oversight, respectively.

32 SEC. 50. Section 351 of the Financial Code is repealed.

33 ~~351. The Chief Officer of the Division of Credit Unions is the~~
34 ~~Deputy Commissioner of Financial Institutions for the Division~~
35 ~~of Credit Unions. The Deputy Commissioner of Financial~~
36 ~~Institutions for the Division of Credit Unions shall administer the~~
37 ~~laws of this state relating to credit unions or the credit union~~
38 ~~business under the direction of the commissioner. The Deputy~~
39 ~~Commissioner of Financial Institutions for the Division of Credit~~
40 ~~Unions shall be appointed by the Governor and shall hold office~~

1 ~~at the pleasure of the Governor. The Deputy Commissioner of~~
2 ~~Financial Institutions shall receive an annual salary as fixed by the~~
3 ~~Governor.~~

4 SEC. 51. Section 351 is added to the Financial Code, to read:

5 351. (a) The chief officer of the Division of Corporations is
6 the Deputy Commissioner of Business Oversight for the Division
7 of Corporations. The Deputy Commissioner of Business Oversight
8 for the Division of Corporations shall, under the direction of the
9 commissioner, administer the laws of this state that were, prior to
10 July 1, 2013, under the charge of the Department of Corporations.
11 The Deputy Commissioner of Business Oversight for the Division
12 of Corporations shall be appointed by the Governor and shall hold
13 office at the pleasure of the Governor. The Deputy Commissioner
14 of Business Oversight for the Division of Corporations shall receive
15 an annual salary as fixed by the Governor.

16 (b) The chief officer of the Division of Financial Institutions is
17 the Deputy Commissioner of Business Oversight for the Division
18 of Financial Institutions. The Deputy Commissioner of Business
19 Oversight for the Division of Financial Institutions shall, under
20 the direction of the commissioner, administer the laws of this state
21 that were, prior to July 1, 2013, under the charge of the Department
22 of Financial Institutions. The Deputy Commissioner of Business
23 Oversight for the Division of Financial Institutions shall be
24 appointed by the Governor and shall hold office at the pleasure of
25 the Governor. The Deputy Commissioner of Business Oversight
26 for the Division of Financial Institutions shall receive an annual
27 salary as fixed by the Governor.

28 SEC. 52. Section 371 of the Financial Code is repealed.

29 ~~371. There is in the Department of Financial Institutions, the~~
30 ~~Division of Credit Unions. The Division of Credit Unions has~~
31 ~~charge of the execution of the laws of this state relating to credit~~
32 ~~unions and to the credit union business.~~

33 SEC. 53. Section 371 is added to the Financial Code, to read:

34 371. (a) There is in the Department of Business Oversight, the
35 Division of Corporations. The Division of Corporations has charge
36 of the execution of the laws of the state that were, prior to July 1,
37 2013, under the charge of the Department of Corporations.

38 (b) There is in the Department of Business Oversight, the
39 Division of Financial Institutions. The Division of Financial
40 Institutions has charge of the execution of the laws of the state that

1 were, prior to July 1, 2013, under the charge of the Department of
2 Financial Institutions.

3 SEC. 54. Section 4805.055 of the Financial Code is amended
4 to read:

5 4805.055. “Commissioner” means the *Deputy* Commissioner
6 of *Business Oversight for the Division of* Financial Institutions.

7 SEC. 55. Section 5104 of the Financial Code is amended to
8 read:

9 5104. “Commissioner” means the *Deputy* Commissioner of
10 *Business Oversight for the Division of* Financial Institutions.

11 SEC. 56. Section 5106 of the Financial Code is amended to
12 read:

13 5106. “Department” means the ~~Department~~ *Division* of
14 Financial Institutions *in the Department of Business Oversight*.

15 SEC. 57. Section 12003 of the Financial Code is amended to
16 read:

17 12003. “Commissioner” means the *Deputy* Commissioner of
18 ~~Corporations of the State of California~~ *Business Oversight for the*
19 *Division of Corporations*, or any deputy, investigator, auditor, or
20 any other person employed by him *or her*.

21 SEC. 58. Section 14003 of the Financial Code is amended to
22 read:

23 14003. “Commissioner” means the *Deputy* Commissioner of
24 *Business Oversight for the Division of* Financial Institutions ~~of the~~
25 ~~State of California~~.

26 SEC. 59. Section 14200.1 of the Financial Code is amended
27 to read:

28 14200.1. There is in the ~~Department~~ *Division* of Financial
29 Institutions, the ~~Division~~ *Office* of Credit Unions. The ~~Division~~
30 *Office* of Credit Unions has charge of the execution of the laws of
31 this state relating to credit unions or to the credit union business.

32 SEC. 60. Section 14200.2 of the Financial Code is amended
33 to read:

34 14200.2. The ~~Chief Officer~~ *chief officer* of the ~~Division~~ *Office*
35 of Credit Unions is the ~~Deputy Commissioner of Financial~~
36 ~~Institutions for the Division~~ *Chief of the Office* of Credit Unions.
37 The ~~Deputy Commissioner of Financial Institutions for the Division~~
38 *Chief of the Office* of Credit Unions shall, *under the direction and*
39 *on behalf of the Deputy Commissioner of Business Oversight for*
40 *the Division of Financial Institutions*, administer the laws of this

1 state relating to credit unions or the credit union business ~~under~~
2 ~~the direction of and on behalf of the commissioner.~~ The ~~Deputy~~
3 ~~Commissioner of Financial Institutions for the Division~~ *Chief of*
4 *the Office* of Credit Unions shall be appointed by the Governor
5 and shall hold office at the pleasure of the Governor. The ~~Deputy~~
6 ~~Commissioner of Financial Institutions~~ *Chief of the Office of Credit*
7 *Unions* shall receive an annual salary as fixed by the Governor.

8 SEC. 61. Section 17002 of the Financial Code is amended to
9 read:

10 17002. “Commissioner” means the *Deputy* Commissioner of
11 ~~Corporations~~ *Business Oversight for the Division of Corporations.*

12 SEC. 62. Section 18002 of the Financial Code is amended to
13 read:

14 18002. “Commissioner” means the *Deputy* Commissioner of
15 *Business Oversight for the Division of Financial Institutions* ~~of the~~
16 ~~State of California.~~

17 SEC. 63. Section 18002.5 of the Financial Code is amended
18 to read:

19 18002.5. “Department” means the ~~Department~~ *Division* of
20 *Financial Institutions in the Department of Business Oversight.*

21 SEC. 64. Section 22005 of the Financial Code is amended to
22 read:

23 22005. “Commissioner” means the *Deputy* Commissioner of
24 ~~Corporations~~ *Business Oversight for the Division of Corporations.*

25 SEC. 65. Section 30002 of the Financial Code is amended to
26 read:

27 30002. “Commissioner” means the ~~Commissioner~~ ~~of~~
28 ~~Corporations~~ *Deputy Commissioner of Business Oversight for the*
29 *Division of Corporations.*

30 SEC. 66. Section 31055 of the Financial Code is amended to
31 read:

32 31055. “Commissioner” means the ~~Commissioner~~ ~~of~~ *Deputy*
33 *Commissioner of Business Oversight for the Division of Financial*
34 *Institutions* or any person to whom the ~~Commissioner of Financial~~
35 ~~Institutions~~ *deputy commissioner* delegates the authority to act for
36 him or her in the particular matter.

37 SEC. 67. Section 50003 of the Financial Code is amended to
38 read:

39 50003. (a) “Annual audit” means a certified audit of the
40 licensee’s books, records, and systems of internal control performed

1 by an independent certified public accountant in accordance with
2 generally accepted accounting principles and generally accepted
3 auditing standards.

4 (b) “Borrower” means the loan applicant.

5 (c) “Buy” includes exchange, offer to buy, or solicitation to
6 buy.

7 (d) “Commissioner” means the ~~Commissioner~~ *Deputy*
8 *Commissioner of Business Oversight for the Division of*
9 *Corporations*.

10 (e) “Control” means the possession, directly or indirectly, of
11 the power to direct, or cause the direction of, the management and
12 policies of a licensee under this division, whether through voting
13 or through the ownership of voting power of an entity that
14 possesses voting power of the licensee, or otherwise. Control is
15 presumed to exist if a person, directly or indirectly, owns, controls,
16 or holds 10 percent or more of the voting power of a licensee or
17 of an entity that owns, controls, or holds, with power to vote, 10
18 percent or more of the voting power of a licensee. No person shall
19 be deemed to control a licensee solely by reason of his or her status
20 as an officer or director of the licensee.

21 (f) “Depository institution” has the same meaning as in Section
22 3 of the Federal Deposit Insurance Act, and includes any credit
23 union.

24 (g) “Engage in the business” means the dissemination to the
25 public, or any part of the public, by means of written, printed, or
26 electronic communication or any communication by means of
27 recorded telephone messages or spoken on radio, television, or
28 similar communications media, of any information relating to the
29 making of residential mortgage loans, the servicing of residential
30 mortgage loans, or both. “Engage in the business” also means,
31 without limitation, making residential mortgage loans or servicing
32 residential mortgage loans, or both.

33 (h) “Federal banking agencies” means the Board of Governors
34 of the Federal Reserve System, the Comptroller of the Currency,
35 the Director of the Office of Thrift Supervision, the National Credit
36 Union Administration, and the Federal Deposit Insurance
37 Corporation.

38 (i) “In this state” includes any activity of a person relating to
39 making or servicing a residential mortgage loan that originates
40 from this state and is directed to persons outside this state, or that

1 originates from outside this state and is directed to persons inside
2 this state, or that originates inside this state and is directed to
3 persons inside this state, or that leads to the formation of a contract
4 and the offer or acceptance thereof is directed to a person in this
5 state (whether from inside or outside this state and whether the
6 offer was made inside or outside the state).

7 (j) “Institutional investor” means the following:

8 (1) The United States or any state, district, territory, or
9 commonwealth thereof, or any city, county, city and county, public
10 district, public authority, public corporation, public entity, or
11 political subdivision of a state, district, territory, or commonwealth
12 of the United States, or any agency or other instrumentality of any
13 one or more of the foregoing, including, by way of example, the
14 Federal National Mortgage Association and the Federal Home
15 Loan Mortgage Corporation.

16 (2) Any bank, trust company, savings bank or savings and loan
17 association, credit union, industrial bank or industrial loan
18 company, personal property broker, consumer finance lender,
19 commercial finance lender, or insurance company, or subsidiary
20 or affiliate of one of the preceding entities, doing business under
21 the authority of or in accordance with a license, certificate, or
22 charter issued by the United States or any state, district, territory,
23 or commonwealth of the United States.

24 (3) Trustees of pension, profit-sharing, or welfare funds, if the
25 pension, profit-sharing, or welfare fund has a net worth of not less
26 than fifteen million dollars (\$15,000,000), except pension,
27 profit-sharing, or welfare funds of a licensee or its affiliate,
28 self-employed individual retirement plans, or individual retirement
29 accounts.

30 (4) A corporation or other entity with outstanding securities
31 registered under Section 12 of the federal Securities Exchange Act
32 of 1934 or a wholly owned subsidiary of that corporation or entity,
33 provided that the purchaser represents either of the following:

34 (A) That it is purchasing for its own account for investment and
35 not with a view to, or for sale in connection with, any distribution
36 of a promissory note.

37 (B) That it is purchasing for resale pursuant to an exemption
38 under Rule 144A (17 C.F.R. 230.144A) of the Securities and
39 Exchange Commission.

1 (5) An investment company registered under the Investment
2 Company Act of 1940; or a wholly owned and controlled subsidiary
3 of that company, provided that the purchaser makes either of the
4 representations provided in paragraph (4).

5 (6) A residential mortgage lender or servicer licensed to make
6 residential mortgage loans under this law or an affiliate or
7 subsidiary of that person.

8 (7) Any person who is licensed as a securities broker or
9 securities dealer under any law of this state, or of the United States,
10 or any employee, officer or agent of that person, if that person is
11 acting within the scope of authority granted by that license or an
12 affiliate or subsidiary controlled by that broker or dealer, in
13 connection with a transaction involving the offer, sale, purchase,
14 or exchange of one or more promissory notes secured directly or
15 indirectly by liens on real property or a security representing an
16 ownership interest in a pool of promissory notes secured directly
17 or indirectly by liens on real property, and the offer and sale of
18 those securities is qualified under the California Corporate
19 Securities Law of 1968 or registered under federal securities laws,
20 or exempt from qualification or registration.

21 (8) A licensed real estate broker selling the loan to an
22 institutional investor specified in paragraphs (1) to (7), inclusive,
23 or paragraph (9) or (10).

24 (9) A business development company as defined in Section
25 2(a)(48) of the Investment Company Act of 1940 or a Small
26 Business Investment Company licensed by the United States Small
27 Business Administration under Section 301(c) or (d) of the Small
28 Business Investment Act of 1958.

29 (10) A syndication or other combination of any of the foregoing
30 entities that is organized to purchase a promissory note.

31 (11) A trust or other business entity established by an
32 institutional investor for the purpose of issuing or facilitating the
33 issuance of securities representing undivided interests in, or rights
34 to receive payments from or to receive payments primarily from,
35 a pool of financial assets held by the trust or business entity,
36 provided that all of the following apply:

37 (A) The business entity is not a sole proprietorship.

38 (B) The pool of assets consists of one or more of the following:

39 (i) Interest-bearing obligations.

- 1 (ii) Other contractual obligations representing the right to receive
2 payments from the assets.
- 3 (iii) Surety bonds, insurance policies, letters of credit, or other
4 instruments providing credit enhancement for the assets.
- 5 (C) The securities will be either one of the following:
- 6 (i) Rated as “investment grade” by Standard and Poor’s
7 Corporation or Moody’s Investors Service, Inc. “Investment grade”
8 means that the securities will be rated by Standard and Poor’s
9 Corporation as AAA, AA, A, or BBB or by Moody’s Investors
10 Service, Inc. as Aaa, Aa, A, or Baa, including any of those ratings
11 with “+” or “—” designation or other variations that occur within
12 those ratings.
- 13 (ii) Sold to an institutional investor.
- 14 (D) The offer and sale of the securities is qualified under the
15 California Corporate Securities Law of 1968 or registered under
16 federal securities laws, or exempt from qualification or registration.
- 17 (k) “Institutional lender” means the following:
- 18 (1) The United States or any state, district, territory, or
19 commonwealth thereof, or any city, county, city and county, public
20 district, public authority, public corporation, public entity, or
21 political subdivision of a state, district, territory, or commonwealth
22 of the United States, or any agency or other instrumentality of any
23 one or more of the foregoing, including, by way of example, the
24 Federal National Mortgage Association and the Federal Home
25 Loan Mortgage Corporation.
- 26 (2) Any bank, trust company, savings bank or savings and loan
27 association, credit union, industrial loan company, or insurance
28 company, or service or investment company that is wholly owned
29 and controlled by one of the preceding entities, doing business
30 under the authority of and in accordance with a license, certificate,
31 or charter issued by the United States or any state, district, territory,
32 or commonwealth of the United States.
- 33 (3) Any corporation with outstanding securities registered under
34 Section 12 of the Securities Exchange Act of 1934 or any wholly
35 owned subsidiary of that corporation.
- 36 (4) A residential mortgage lender or servicer licensed to make
37 residential mortgage loans under this law.
- 38 (l) “Law” means the California Residential Mortgage Lending
39 Act.

1 (m) “Lender” means a person that (1) is an approved lender for
2 the Federal Housing Administration, Veterans Administration,
3 Farmers Home Administration, Government National Mortgage
4 Association, Federal National Mortgage Association, or Federal
5 Home Loan Mortgage Corporation, (2) directly makes residential
6 mortgage loans, and (3) makes the credit decision in the loan
7 transactions.

8 (n) “Licensee” means, depending on the context, a person
9 licensed under Chapter 2 (commencing with Section 50120),
10 Chapter 3 (commencing with Section 50130), or Chapter 3.5
11 (commencing with Section 50140).

12 (o) “Makes or making residential mortgage loans” or “mortgage
13 lending” means processing, underwriting, or as a lender using or
14 advancing one’s own funds, or making a commitment to advance
15 one’s own funds, to a loan applicant for a residential mortgage
16 loan.

17 (p) “Mortgage loan,” “residential mortgage loan,” or “home
18 mortgage loan” means a federally related mortgage loan as defined
19 in Section 3500.2 of Title 24 of the Code of Federal Regulations,
20 or a loan made to finance construction of a one-to-four family
21 dwelling.

22 (q) “Mortgage servicer” or “residential mortgage loan servicer”
23 means a person that (1) is an approved servicer for the Federal
24 Housing Administration, Veterans Administration, Farmers Home
25 Administration, Government National Mortgage Association,
26 Federal National Mortgage Association, or Federal Home Loan
27 Mortgage Corporation, and (2) directly services or offers to service
28 mortgage loans.

29 (r) “Nationwide Mortgage Licensing System and Registry”
30 means a mortgage licensing system developed and maintained by
31 the Conference of State Bank Supervisors and the American
32 Association of Residential Mortgage Regulators for the licensing
33 and registration of licensed mortgage loan originators.

34 (s) “Net worth” has the meaning set forth in Section 50201.

35 (t) “Own funds” means (1) cash, corporate capital, or warehouse
36 credit lines at commercial banks, savings banks, savings and loan
37 associations, industrial loan companies, or other sources that are
38 liability items on a lender’s financial statements, whether secured
39 or unsecured, or (2) a lender’s affiliate’s cash, corporate capital,
40 or warehouse credit lines at commercial banks or other sources

1 that are liability items on the affiliate’s financial statements,
2 whether secured or unsecured. “Own funds” does not include funds
3 provided by a third party to fund a loan on condition that the third
4 party will subsequently purchase or accept an assignment of that
5 loan.

6 (u) “Person” means a natural person, a sole proprietorship, a
7 corporation, a partnership, a limited liability company, an
8 association, a trust, a joint venture, an unincorporated organization,
9 a joint stock company, a government or a political subdivision of
10 a government, and any other entity.

11 (v) “Residential real property” or “residential real estate” means
12 real property located in this state that is improved by a one-to-four
13 family dwelling.

14 (w) “SAFE Act” means the federal Secure and Fair Enforcement
15 for Mortgage Licensing Act of 2008 (Public Law 110-289).

16 (x) “Service” or “servicing” means receiving more than three
17 installment payments of principal, interest, or other amounts placed
18 in escrow, pursuant to the terms of a mortgage loan and performing
19 services by a licensee relating to that receipt or the enforcement
20 of its receipt, on behalf of the holder of the note evidencing that
21 loan.

22 (y) “Sell” includes exchange, offer to sell, or solicitation to sell.

23 (z) “Unique identifier” means a number or other identifier
24 assigned by protocols established by the Nationwide Mortgage
25 Licensing System and Registry.

26 (aa) For purposes of Sections 50142, 50143, and 50145,
27 “nontraditional mortgage product” means any mortgage product
28 other than a 30-year fixed rate mortgage.

29 SEC. 68. Section 1389 of the Fish and Game Code is amended
30 to read:

31 1389. The preservation and enhancement of riparian habitat
32 shall be a primary concern of the Wildlife Conservation Board and
33 the department, and of all state agencies whose activities impact
34 riparian habitat, including the Department of Conservation, ~~the~~
35 ~~Department of Boating and Waterways~~, the Department of Parks
36 and Recreation, the Department of Water Resources, the
37 Department of Forestry and Fire Protection, the State Coastal
38 Conservancy, the California Conservation Corps, the California
39 Tahoe Conservancy, the Santa Monica Mountains Conservancy,
40 the California Coastal Commission, the San Francisco Bay

1 Conservation and Development Commission, and the State Lands
2 Commission.

3 SEC. 69. Section 2301 of the Fish and Game Code is amended
4 to read:

5 2301. (a) (1) Except as authorized by the department, a person
6 shall not possess, import, ship, or transport in the state, or place,
7 plant, or cause to be placed or planted in any water within the state,
8 dreissenid mussels.

9 (2) The director or his or her designee may do all of the
10 following:

11 (A) Conduct inspections of conveyances, which include vehicles,
12 boats and other watercraft, containers, and trailers, that may carry
13 or contain adult or larval dreissenid mussels. Included as part of
14 this authority to conduct inspections is the authority to temporarily
15 stop conveyances that may carry or contain adult or larval
16 dreissenid mussels on any roadway or waterway in order to conduct
17 inspections.

18 (B) Order that areas in a conveyance that contain water be
19 drained, dried, or decontaminated pursuant to procedures approved
20 by the department.

21 (C) Impound or quarantine conveyances in locations designated
22 by the department for up to five days or the period of time
23 necessary to ensure that dreissenid mussels can no longer live on
24 or in the conveyance.

25 (D) (i) Conduct inspections of waters of the state and facilities
26 located within waters of the state that may contain dreissenid
27 mussels. If dreissenid mussels are detected or may be present, the
28 director or his or her designee may order the affected waters or
29 facilities closed to conveyances or otherwise restrict access to the
30 affected waters or facilities, and shall order that conveyances
31 removed from, or introduced to, the affected waters or facilities
32 be inspected, quarantined, or disinfected in a manner and for a
33 duration necessary to detect and prevent the spread of dreissenid
34 mussels within the state.

35 (ii) For the purpose of implementing clause (i), the director or
36 his or her designee shall order the closure or quarantine of, or
37 restrict access to, these waters, areas, or facilities in a manner and
38 duration necessary to detect and prevent the spread of dreissenid
39 mussels within the state. No closure, quarantine, or restriction shall
40 be authorized by the director or his or her designee without the

1 concurrence of the Secretary of the Natural Resources Agency. If
2 a closure lasts longer than seven days, the department shall update
3 the operator of the affected facility every 10 days on efforts to
4 address the dreissenid infestation. The department shall provide
5 these updates in writing and also post these updates on the
6 department's Internet Web site in an easily accessible manner.

7 (iii) The department shall develop procedures to ensure proper
8 notification of affected local and federal agencies, and, as
9 appropriate, ~~the Department of Boating and Waterways,~~ the
10 Department of Water Resources, the Department of Parks and
11 Recreation, and the State Lands Commission in the event of a
12 decision to close, quarantine, or restrict a facility pursuant to this
13 paragraph. These procedures shall include the reasons for the
14 closure, quarantine, or restriction, and methods for providing
15 updated information to those affected. These procedures shall also
16 include protocols for the posting of the notifications on the
17 department's Internet Web site required by clause (ii).

18 (iv) When deciding the scope, duration, level, and type of
19 restrictions, and specific location of a closure or quarantine, the
20 director shall consult with the agency, entity, owner, or operator
21 with jurisdiction, control, or management responsibility over the
22 marina, boat launch facility, or other facility, in order to focus the
23 closure or quarantine to specific areas and facilities so as to avoid
24 or minimize disruption of economic or recreational activity in the
25 vicinity.

26 (b) (1) Upon a determination by the director that it would further
27 the purposes of this section, other state agencies, including, but
28 not limited to, the Department of Parks and Recreation, the
29 Department of Water Resources, the Department of Food and
30 Agriculture, and the State Lands Commission, may exercise the
31 authority granted to the department in subdivision (a).

32 (2) A determination made pursuant to paragraph (1) shall be in
33 writing and shall remain in effect until withdrawn, in writing, by
34 the director.

35 (c) (1) Except as provided in paragraph (2), Division 13
36 (commencing with Section 21000) of the Public Resources Code
37 does not apply to the implementation of this section.

38 (2) An action undertaken pursuant to subparagraph (B) of
39 paragraph (2) of subdivision (a) involving the use of chemicals
40 other than salt or hot water to decontaminate a conveyance or a

1 facility is subject to Division 13 (commencing with Section 21000)
2 of the Public Resources Code.

3 (d) (1) A public or private agency that operates a water supply
4 system shall cooperate with the department to implement measures
5 to avoid infestation by dreissenid mussels and to control or
6 eradicate any infestation that may occur in a water supply system.
7 If dreissenid mussels are detected, the operator of the water supply
8 system, in cooperation with the department, shall prepare and
9 implement a plan to control or eradicate dreissenid mussels within
10 the system. The approved plan shall contain the following
11 minimum elements:

12 (A) Methods for delineation of infestation, including both adult
13 mussels and veligers.

14 (B) Methods for control or eradication of adult mussels and
15 decontamination of water containing larval mussels.

16 (C) A systematic monitoring program to determine any changes
17 in conditions.

18 (D) The requirement that the operator of the water supply system
19 permit inspections by the department as well as cooperate with the
20 department to update or revise control or eradication measures in
21 the approved plan to address scientific advances in the methods
22 of controlling or eradicating mussels and veligers.

23 (2) If the operator of water delivery and storage facilities for
24 public water supply purposes has prepared, initiated, and is in
25 compliance with all the elements of an approved plan to control
26 or eradicate dreissenid mussels in accordance with paragraph (1),
27 the requirements of subdivision (a) do not apply to the operation
28 of those water delivery and storage facilities, and the operator is
29 not subject to any civil or criminal liability for the introduction of
30 dreissenid mussel species as a result of those operations. The
31 department may require the operator of a facility to update its plan,
32 and if the plan is not updated or revised as described in
33 subparagraph (D) of paragraph (1), subdivision (a) shall apply to
34 the operation of the water delivery and storage facilities covered
35 by the plan until the operator updates or revises the plan and
36 initiates and complies with all of the elements of the updated or
37 revised plan.

38 (e) Any entity that discovers dreissenid mussels within this state
39 shall immediately report the discovery to the department.

1 (f) (1) In addition to any other penalty provided by law, any
2 person who violates this section, *violates* any verbal or written
3 order or regulation adopted pursuant to this section, or who resists,
4 delays, obstructs, or interferes with the implementation of this
5 section, is subject to a penalty, in an amount not to exceed one
6 thousand dollars (\$1,000), that is imposed administratively by the
7 department.

8 (2) A penalty shall not be imposed pursuant to paragraph (1)
9 unless the department has adopted regulations specifying the
10 amount of the penalty and the procedure for imposing and
11 appealing the penalty.

12 (g) The department may adopt regulations to carry out this
13 section.

14 (h) Pursuant to Section 818.4 of the Government Code, the
15 department and any other state agency exercising authority under
16 this section shall not be liable with regard to any determination or
17 authorization made pursuant to this section.

18 (i) This section shall remain in effect only until January 1, 2017,
19 and as of that date is repealed, unless a later enacted statute, that
20 is enacted before January 1, 2017, deletes or extends that date.

21 SEC. 70. Section 3806 of the Food and Agricultural Code is
22 amended to read:

23 3806. For the purposes of Article 1 (commencing with Section
24 4101) of Chapter 6 of this part, “agency” means the ~~State and~~
25 ~~Consumer Services Natural Resources~~ Agency.

26 SEC. 71. Section 4101 of the Food and Agricultural Code is
27 amended to read:

28 4101. The Sixth District Agricultural Association ~~shall~~ *may*
29 *also* be known as ~~the California Science Center Exposition Park,~~
30 *which shall include the California Science Center, the California*
31 *African American Museum, and the Exposition Park Manager.* It
32 is in the ~~State and Consumer Services Natural Resources~~ Agency
33 and is deemed to be a tax-exempt organization as an instrumentality
34 of this state in accordance with Section 23706 of the Revenue and
35 Taxation Code.

36 SEC. 72. Section 4101.3 of the Food and Agricultural Code is
37 amended to read:

38 4101.3. (a) Notwithstanding any other provision of law, the
39 California Science Center is hereby authorized to enter into a site
40 lease with the California Science Center Foundation, a California

1 Nonprofit Corporation, with the approval of the ~~State and~~
2 ~~Consumer Services Natural Resources Agency, the~~ Department
3 of Finance, and the Department of General Services, for the
4 purpose of the foundation developing, constructing, equipping,
5 furnishing, and funding the project known as Phase II of the
6 California Science Center. The overall construction cost and scope
7 shall be consistent with the amount authorized in 2002 Budget
8 Act, provided that nothing in this section shall prevent the
9 foundation from expending additional nonstate funds to complete
10 Phase II provided that the additional expenditures do not result in
11 additional state operation and maintenance costs. Any additional
12 expenditure of nonstate funds by the foundation shall not increase
13 the state's contribution.

14 (b) For the purpose of carrying out subdivision (a), all of the
15 following shall apply:

16 (1) In connection with the development described in subdivision
17 (a), above, the foundation may, in its determination, select the
18 most qualified construction manager/general contractor to oversee
19 and manage the work and prepare the competitive bid packages
20 for all major subcontractors to be engaged in the construction of
21 Phase II Project. Any construction manager/general contractor
22 selected shall be required to have a California general contractor's
23 license.

24 (2) Prior to commencement of construction of the Phase II
25 Project, the California Science Center shall enter into a
26 lease-purchase agreement upon approval by the Department of
27 Finance with the foundation on terms that are compatible with the
28 Phase I Project financing. The term of the lease-purchase agreement
29 shall be a term not to exceed 25 years. Lease payments on behalf
30 of the state shall be commensurate with the twenty-two million
31 nine hundred forty-five thousand two hundred sixty-three dollars
32 (\$22,945,263), (nineteen million one hundred thirty-seven thousand
33 dollars (\$19,137,000) plus 19.9 percent augmentation authority)
34 construction cost allocation of the state. Lease payments may also
35 include any cost of financing that the foundation may incur related
36 to tax exempt financing. The California Science Center shall be
37 authorized to direct the ~~State Controller's Office~~ *Controller* to
38 send the rental payments under the lease-purchase agreement
39 directly to the foundation's bond trustee.

1 (3) The foundation shall ensure that the Phase II Project is
2 inspected during construction by the state in the manner consistent
3 with state infrastructure projects. The foundation shall also
4 indemnify and defend and save harmless the Department of General
5 Services for any and all claims and losses accruing and resulting
6 from or arising out of the foundation's use of the state's plans and
7 specifications. The foundation and the California Science Center,
8 upon consultation with the Director of ~~the Department of General~~
9 Services and the Department of Finance shall agree on a reasonable
10 level of state oversight throughout the construction of the Phase
11 II Project in order to assist the foundation in the completion of the
12 project within the intended scope and cost.

13 (4) At the end of the term of the site lease and the lease-purchase
14 agreement unencumbered title to the land and improvements shall
15 return to the ~~State of California~~ *state* with jurisdiction held by the
16 ~~California Science Center Sixth District Agricultural Association~~.

17 SEC. 73. Section 4101.4 of the Food and Agricultural Code is
18 amended to read:

19 4101.4. (a) The Legislature finds and declares that the
20 operation of the California Science Center may require individual
21 skills not generally available in state civil service to support
22 specialized functions, such as exhibit maintenance, and educational
23 and guest services programs, including animal care and
24 horticulture.

25 (b) Notwithstanding any other provision of law, the California
26 Science Center may enter into a personal services contract or
27 contracts with the California Science Center Foundation without
28 a competitive bidding process. These contracts shall be subject to
29 approval by the ~~State and Consumer Services~~ *Natural Resources*
30 Agency and the Department of General Services and be subject to
31 all state audit requirements.

32 SEC. 74. Section 4102 of the Food and Agricultural Code is
33 amended to read:

34 4102. The ~~California Science Center~~ *Exposition Park*, with the
35 approval of the ~~State and Consumer Services~~ *Natural Resources*
36 Agency, may build, construct, and maintain and operate a stadium
37 or any arena, pavilion, or other building that is to be used for the
38 holding of sports events, athletic contests, contests of skill,
39 exhibitions, spectacles, and other public meetings. It may lease,

1 let, or grant licenses for the use of that stadium, arena, pavilion,
2 or other building, with the approval of the agency.

3 SEC. 75. Section 4104 of the Food and Agricultural Code is
4 amended to read:

5 4104. (a) The Legislature hereby finds and declares that there
6 is a need for a state repository dedicated to the diverse contributions
7 of African-Americans to the history and culture of this state and
8 the nation.

9 (b) The California African-American Museum is a part of, and
10 coexists with, the ~~California Science Center~~ *Exposition Park*.

11 (c) The California African-American Museum is governed by
12 a seven-member board of directors. The Governor shall appoint
13 the seven members, at least four of whom shall reside within the
14 boundaries of the 6th Agricultural District. In addition, the Senator
15 representing the Senate district in which the California
16 African-American Museum is located and the Assembly Member
17 representing the Assembly district in which the museum is located
18 shall be ex officio nonvoting members of the board. The two
19 legislative ex officio nonvoting members of the board shall
20 participate in the activities of the board to the extent that their
21 participation is not incompatible with their respective positions as
22 Members of the Legislature. The appointees of the Governor shall
23 be appointed to four-year terms with the initial terms of
24 appointment expiring as follows: one term expiring January 1,
25 1984, one term expiring January 1, 1985, one term expiring January
26 1, 1986, and one term expiring January 1, 1987. The person
27 appointed to the Advisory Board of the California Museum of
28 African-American History and Culture by the Board of Directors
29 of the California Science Center prior to the amendments made to
30 this section by Chapter 1439 of the Statutes of 1987 shall serve on
31 the Board of Directors of the California African-American Museum
32 until the Governor makes the fifth appointment authorized pursuant
33 to those amendments. The fifth appointment made to the board
34 shall serve a term expiring on January 1, 1990, the sixth
35 appointment shall serve a term expiring on January 1, 1991, and
36 the seventh appointment shall serve a term expiring on January 1,
37 1992.

38 (d) The Board of Directors of the California African-American
39 Museum shall have the sole authority, subject to existing state
40 laws, regulations, and procedures, to determine how funds that

1 have been appropriated and duly allocated by the Legislature and
2 the Governor for support of the museum shall be expended. The
3 board also shall have the sole authority, subject to existing state
4 laws, regulations, and procedures, to contract with any state agency,
5 institution, independent contractor, or private nonprofit
6 organization that the board determines to be appropriate and
7 qualified to assist in the operation of the museum. The board shall
8 further have authority to establish the operations, programs,
9 activities, and exhibitions of the California African-American
10 Museum. The Board of Directors of the California
11 African-American Museum shall be solely responsible for the
12 actions taken and the expenditures made by the staff of the
13 California African-American Museum in the scope and course of
14 their employment.

15 (e) The Board of Directors of the California African-American
16 Museum shall appoint an executive director, who shall be exempt
17 from civil service, and any necessary staff to carry out the
18 provisions of this section, who shall be subject to the State Civil
19 Service Act (Part 2 (commencing with Section 18500) of Division
20 5 of Title 2 of the Government Code). The California
21 African-American Museum shall submit its annual budget request
22 directly to the ~~State and Consumer Services~~ *Natural Resources*
23 Agency. The California African-American Museum may accept
24 grants, contributions, and appropriations from federal, state, local,
25 and private sources for its operation.

26 (f) The California African-American Museum shall preserve,
27 collect, and display samples of African-American contributions
28 to the arts, sciences, religion, education, literature, entertainment,
29 politics, sports, and history of the state and the nation. The
30 enrichment and historical perspective of that collection shall be
31 made available for public use and enjoyment.

32 (g) The California African-American Museum shall use
33 stationery and other supplies of the former museum and shall phase
34 in the name change with existing resources.

35 SEC. 76. Section 4105 of the Food and Agricultural Code is
36 amended to read:

37 4105. Notwithstanding any other provision of law, from
38 December 14 to December 21, inclusive, of any year, the ~~California~~
39 ~~Science Center~~ *Exposition Park* may not charge parking fees for
40 the parking facilities surrounding the Los Angeles Memorial

1 Coliseum when an event is being held at the facilities of the
2 museum by a private nonprofit charitable organization for the
3 purpose of collection and distribution of toys and food.

4 SEC. 77. Section 4106 of the Food and Agricultural Code is
5 amended to read:

6 4106. (a) ~~The California Science Center~~ *Exposition Park* shall
7 work with the Los Angeles Memorial Coliseum Commission, the
8 City of Los Angeles, and the County of Los Angeles to develop
9 additional parking facilities in Exposition Park to the extent
10 necessary to allow for expansion of the park.

11 (b) ~~The California Science Center~~ *Exposition Park* shall manage
12 or operate its parking facilities in a manner that preserves and
13 protects the interests of ~~itself~~ *the California Science Center* and
14 the California African-American Museum and recognizes the
15 cultural and educational character of Exposition Park.

16 (c) The Exposition Park Improvement Fund is hereby created
17 in the State Treasury. All revenues received by ~~the California~~
18 ~~Science Center~~ *Exposition Park* from its parking facilities, from
19 rental of museum facilities, or from other business activities shall
20 be deposited in the Exposition Park Improvement Fund.

21 (d) The moneys in the Exposition Park Improvement Fund may
22 only be used, upon appropriation by the Legislature, for
23 improvements to Exposition Park, including, but not limited to,
24 maintenance of existing parking and museum facilities, replacement
25 of museum equipment, supplies and wages expended to generate
26 revenues from rental of museum facilities, development of new
27 parking facilities, and acquisition of land within or adjacent to
28 Exposition Park.

29 (e) The Legislature hereby finds and declares that there is a need
30 for development of additional park, recreation, museum, and
31 parking facilities in Exposition Park. The Legislature recognizes
32 that the provision of these needed improvements as identified in
33 the California Science Center Exposition Park Master Plan may
34 require the use of funds provided by other governmental agencies
35 or private donors.

36 ~~The California Science Center~~ *Exposition Park* may accept funds
37 from other governmental agencies or private contributions for the
38 purpose of implementation of the California Science Center
39 Exposition Park Master Plan. The private contributions and funds
40 from governmental agencies other than state governmental agencies

1 shall be deposited in the Exposition Park Improvement Fund in
2 the State Treasury and shall be available for expenditure without
3 regard to fiscal years by the California Science Center for
4 implementation of the California Science Center Exposition Park
5 Master Plan. Funds from other state governmental agencies shall
6 be deposited in the Exposition Park Improvement Fund and shall
7 be available for expenditure, upon appropriation, by the ~~California~~
8 ~~Science Center~~ *Exposition Park* for implementation of the
9 California Science Center Exposition Park Master Plan. However,
10 any expenditure is not authorized sooner than 30 days after
11 notification in writing of the necessity therefor to the chairperson
12 of the committee in each house that considers appropriations and
13 the Chairperson of the Joint Legislative Budget Committee, or not
14 sooner than whatever lesser time as the chairperson of the joint
15 committee, or his or her designee, may in each instance determine.
16 Neither the City of Los Angeles nor the County of Los Angeles
17 shall impose any tax upon tickets purchased authorizing the use
18 of parking facilities owned by the ~~California Science Center~~
19 *Exposition Park*.

20 SEC. 78. Section 4108 of the Food and Agricultural Code is
21 amended to read:

22 4108. ~~The California Science Center shall establish the position~~
23 ~~of Exposition Park Manager to~~ *within the Exposition Park is hereby*
24 *established and shall* be filled by a person appointed by the
25 Governor for the purpose of managing, scheduling, and
26 administering all park-related events, including oversight for the
27 police and security services of the park.

28 (a) The Exposition Park Manager may appoint the following
29 persons:

30 (1) The chief and assistant chief of museum security and safety
31 who shall have the powers of peace officers as specified in Section
32 830.3 of the Penal Code.

33 (2) Other safety officers who shall have the powers of arrest as
34 specified in Section 830.7 of the Penal Code.

35 (b) The officers appointed pursuant to subdivision (a) shall
36 provide police and security services to keep order and to preserve
37 the peace and safety of persons and property at the ~~California~~
38 ~~Science Center~~ and at Exposition Park on a year-round basis.

39 SEC. 79. Section 11451.5 of the Food and Agricultural Code
40 is repealed.

1 ~~11451.5.—The Department of Pesticide Regulation shall have~~
2 ~~jurisdiction over the Structural Pest Control Board as established~~
3 ~~under the Structural Pest Control Act (Chapter 14 (commencing~~
4 ~~with Section 8500) of Division 3 of the Business and Professions~~
5 ~~Code).~~

6 SEC. 80. Section 58509 of the Food and Agricultural Code is
7 amended to read:

8 58509. (a) The Secretary of ~~the State and Consumer Services~~
9 ~~Agency~~ *Food and Agriculture* shall consult with four food bank
10 representatives, two from the northern portion of the state, all of
11 whom have been active members of a nationwide network of food
12 banks for a minimum of two years immediately prior to
13 appointment, and two from the southern portion of the state, all of
14 whom have been active members of a nationwide network of food
15 banks for a minimum of two years immediately prior to
16 appointment, and two food industry representatives, one wholesaler
17 and one manufacturer, all of whom shall be selected by the
18 Governor and referred to as the Food Bank Advisory Committee.

19 (b) Members of the committee who are not state employees
20 shall be paid per diem for their actual expenses in attending
21 committee meetings.

22 (c) The committee shall do all of the following:

23 (1) Advise the ~~State and Consumer Services Agency~~ *Department*
24 *of Food and Agriculture* in the establishment of new food banks.

25 (2) Advise in the adequate and efficient distribution of surplus
26 food commodities to all areas of the state.

27 SEC. 81. Section 179.7 of the Government Code is amended
28 to read:

29 179.7. (a) Notwithstanding Article 6 of the Emergency
30 Management Assistance Compact, as set forth in Section 179.5,
31 the state shall indemnify and make whole any officer or employee
32 who is a resident of California, or his or her heirs, if the officer or
33 employee is injured or killed in another state when rendering aid
34 pursuant to the compact, as if the act or acts occurred in California,
35 less any recovery obtained under the provisions of Article 6 of the
36 Emergency Management Assistance Compact.

37 (b) Local government or special district personnel who are
38 officially deployed under the provisions of the Emergency
39 Management Assistance Compact pursuant to an assignment of
40 the ~~California Office of Emergency Management Agency Services~~

1 shall be defended by the Attorney General or other legal counsel
2 provided by the state, and shall be indemnified subject to the same
3 conditions and limitations applicable to state employees.

4 SEC. 82. Section 955.1 of the Government Code is amended
5 to read:

6 955.1. (a) The science of earthquake prediction is developing
7 rapidly and, although still largely in a research stage, ~~such~~ *these*
8 predictions are now being initiated and are certain to continue into
9 the future. Administrative procedures exist within the ~~California~~
10 *Office of Emergency Management Agency Services* to advise the
11 Governor on the validity of earthquake predictions. Numerous
12 important actions can be taken by state and local governments and
13 special districts to protect life and property in response to
14 earthquake predictions and associated warnings. It is the intent of
15 this legislation to ensure that ~~such~~ *those* actions are taken in the
16 public interest by government agencies acting in a responsible
17 manner without fear of consequent financial liabilities.

18 (b) The Governor may, at his or her discretion, issue a warning
19 as to the existence of an earthquake or volcanic prediction
20 determined to have scientific validity. The state and its agencies
21 and employees shall not be liable for any injury resulting from the
22 issuance or nonissuance of a warning pursuant to this subdivision
23 or for any acts or omissions in fact gathering, evaluation, or other
24 activities leading up to the issuance or nonissuance of a warning.

25 (c) Public entities and public employees may, on the basis of a
26 warning issued pursuant to subdivision (b), take, or fail or refuse
27 to take, any action or execute or fail or refuse to execute any
28 earthquake or volcanic prediction response plan with relation to
29 the warning which is otherwise authorized by law. In taking, or
30 failing or refusing to take, such action, neither public entities nor
31 public employees shall be liable for any injuries caused thereby
32 or for any injuries resulting from the preparation of, or failure or
33 refusal to prepare, any earthquake hazard or damage prediction
34 maps, plans for evacuation of endangered areas, and other plan
35 elements.

36 (d) An earthquake or volcanic warning issued by the Governor
37 pursuant to subdivision (b) is a sufficient basis for a declaration
38 of a state of emergency or local emergency as defined by Section
39 8558. Public entities and public employees shall be immune from

1 liability in accordance with all immunity provisions applicable
2 during such state of emergency or local emergency.

3 SEC. 83. Section 3101 of the Government Code is amended
4 to read:

5 3101. For the purpose of this chapter the term “disaster service
6 worker” includes all public employees and all volunteers in any
7 disaster council or emergency organization accredited by the
8 ~~California Office of Emergency Management Agency Services.~~
9 The term “public employees” includes all persons employed by
10 the state or any county, city, city and county, state agency or public
11 district, excluding aliens legally employed.

12 SEC. 84. Section 3102 of the Government Code is amended
13 to read:

14 3102. (a) All disaster service workers shall, before they enter
15 upon the duties of their employment, take and subscribe to the
16 oath or affirmation required by this chapter.

17 (b) In the case of intermittent, temporary, emergency or
18 successive employments, then in the discretion of the employing
19 agency, an oath taken and subscribed as required by this chapter
20 shall be effective for the purposes of this chapter for all successive
21 periods of employment which commence within one calendar year
22 from the date of that subscription.

23 (c) Notwithstanding subdivision (b), the oath taken and
24 subscribed by a person who is a member of an emergency
25 organization sanctioned by a state agency or an accredited disaster
26 council, whose members are duly enrolled or registered with the
27 ~~California Office of Emergency Management Agency Services,~~ or
28 any accredited disaster council of any political subdivision, shall
29 be effective for the period the person remains a member with that
30 organization.

31 SEC. 85. Section 6254 of the Government Code is amended
32 to read:

33 6254. Except as provided in Sections 6254.7 and 6254.13,
34 nothing in this chapter shall be construed to require disclosure of
35 records that are any of the following:

36 (a) Preliminary drafts, notes, or interagency or intra-agency
37 memoranda that are not retained by the public agency in the
38 ordinary course of business, if the public interest in withholding
39 those records clearly outweighs the public interest in disclosure.

1 (b) Records pertaining to pending litigation to which the public
2 agency is a party, or to claims made pursuant to Division 3.6
3 (commencing with Section 810), until the pending litigation or
4 claim has been finally adjudicated or otherwise settled.

5 (c) Personnel, medical, or similar files, the disclosure of which
6 would constitute an unwarranted invasion of personal privacy.

7 (d) Contained in or related to any of the following:

8 (1) Applications filed with any state agency responsible for the
9 regulation or supervision of the issuance of securities or of financial
10 institutions, including, but not limited to, banks, savings and loan
11 associations, industrial loan companies, credit unions, and
12 insurance companies.

13 (2) Examination, operating, or condition reports prepared by,
14 on behalf of, or for the use of, any state agency referred to in
15 paragraph (1).

16 (3) Preliminary drafts, notes, or interagency or intra-agency
17 communications prepared by, on behalf of, or for the use of, any
18 state agency referred to in paragraph (1).

19 (4) Information received in confidence by any state agency
20 referred to in paragraph (1).

21 (e) Geological and geophysical data, plant production data, and
22 similar information relating to utility systems development, or
23 market or crop reports, that are obtained in confidence from any
24 person.

25 (f) Records of complaints to, or investigations conducted by,
26 or records of intelligence information or security procedures of,
27 the office of the Attorney General and the Department of Justice,
28 the ~~California Office of Emergency Management Agency Services~~,
29 and any state or local police agency, or any investigatory or security
30 files compiled by any other state or local police agency, or any
31 investigatory or security files compiled by any other state or local
32 agency for correctional, law enforcement, or licensing purposes.
33 However, state and local law enforcement agencies shall disclose
34 the names and addresses of persons involved in, or witnesses other
35 than confidential informants to, the incident, the description of
36 any property involved, the date, time, and location of the incident,
37 all diagrams, statements of the parties involved in the incident, the
38 statements of all witnesses, other than confidential informants, to
39 the victims of an incident, or an authorized representative thereof,
40 an insurance carrier against which a claim has been or might be

1 made, and any person suffering bodily injury or property damage
2 or loss, as the result of the incident caused by arson, burglary, fire,
3 explosion, larceny, robbery, carjacking, vandalism, vehicle theft,
4 or a crime as defined by subdivision (b) of Section 13951, unless
5 the disclosure would endanger the safety of a witness or other
6 person involved in the investigation, or unless disclosure would
7 endanger the successful completion of the investigation or a related
8 investigation. However, nothing in this division shall require the
9 disclosure of that portion of those investigative files that reflects
10 the analysis or conclusions of the investigating officer.

11 Customer lists provided to a state or local police agency by an
12 alarm or security company at the request of the agency shall be
13 construed to be records subject to this subdivision.

14 Notwithstanding any other provision of this subdivision, state
15 and local law enforcement agencies shall make public the following
16 information, except to the extent that disclosure of a particular
17 item of information would endanger the safety of a person involved
18 in an investigation or would endanger the successful completion
19 of the investigation or a related investigation:

20 (1) The full name and occupation of every individual arrested
21 by the agency, the individual's physical description including date
22 of birth, color of eyes and hair, sex, height and weight, the time
23 and date of arrest, the time and date of booking, the location of
24 the arrest, the factual circumstances surrounding the arrest, the
25 amount of bail set, the time and manner of release or the location
26 where the individual is currently being held, and all charges the
27 individual is being held upon, including any outstanding warrants
28 from other jurisdictions and parole or probation holds.

29 (2) Subject to the restrictions imposed by Section 841.5 of the
30 Penal Code, the time, substance, and location of all complaints or
31 requests for assistance received by the agency and the time and
32 nature of the response thereto, including, to the extent the
33 information regarding crimes alleged or committed or any other
34 incident investigated is recorded, the time, date, and location of
35 occurrence, the time and date of the report, the name and age of
36 the victim, the factual circumstances surrounding the crime or
37 incident, and a general description of any injuries, property, or
38 weapons involved. The name of a victim of any crime defined by
39 Section 220, 236.1, 261, 261.5, 262, 264, 264.1, 265, 266, 266a,
40 266b, 266c, 266e, 266f, 266j, 267, 269, 273a, 273d, 273.5, 285,

1 286, 288, 288a, 288.2, 288.3 (as added by Chapter 337 of the
2 Statutes of 2006), 288.3 (as added by Section 6 of Proposition 83
3 of the November 7, 2006, statewide general election), 288.5, 288.7,
4 289, 422.6, 422.7, 422.75, 646.9, or 647.6 of the Penal Code may
5 be withheld at the victim's request, or at the request of the victim's
6 parent or guardian if the victim is a minor. When a person is the
7 victim of more than one crime, information disclosing that the
8 person is a victim of a crime defined in any of the sections of the
9 Penal Code set forth in this subdivision may be deleted at the
10 request of the victim, or the victim's parent or guardian if the
11 victim is a minor, in making the report of the crime, or of any
12 crime or incident accompanying the crime, available to the public
13 in compliance with the requirements of this paragraph.

14 (3) Subject to the restrictions of Section 841.5 of the Penal Code
15 and this subdivision, the current address of every individual
16 arrested by the agency and the current address of the victim of a
17 crime, where the requester declares under penalty of perjury that
18 the request is made for a scholarly, journalistic, political, or
19 governmental purpose, or that the request is made for investigation
20 purposes by a licensed private investigator as described in Chapter
21 11.3 (commencing with Section 7512) of Division 3 of the Business
22 and Professions Code. However, the address of the victim of any
23 crime defined by Section 220, 236.1, 261, 261.5, 262, 264, 264.1,
24 265, 266, 266a, 266b, 266c, 266e, 266f, 266j, 267, 269, 273a,
25 273d, 273.5, 285, 286, 288, 288a, 288.2, 288.3 (as added by
26 Chapter 337 of the Statutes of 2006), 288.3 (as added by Section
27 6 of Proposition 83 of the November 7, 2006, statewide general
28 election), 288.5, 288.7, 289, 422.6, 422.7, 422.75, 646.9, or 647.6
29 of the Penal Code shall remain confidential. Address information
30 obtained pursuant to this paragraph may not be used directly or
31 indirectly, or furnished to another, to sell a product or service to
32 any individual or group of individuals, and the requester shall
33 execute a declaration to that effect under penalty of perjury.
34 Nothing in this paragraph shall be construed to prohibit or limit a
35 scholarly, journalistic, political, or government use of address
36 information obtained pursuant to this paragraph.

37 (g) Test questions, scoring keys, and other examination data
38 used to administer a licensing examination, examination for
39 employment, or academic examination, except as provided for in

1 Chapter 3 (commencing with Section 99150) of Part 65 of Division
2 14 of Title 3 of the Education Code.

3 (h) The contents of real estate appraisals or engineering or
4 feasibility estimates and evaluations made for or by the state or
5 local agency relative to the acquisition of property, or to
6 prospective public supply and construction contracts, until all of
7 the property has been acquired or all of the contract agreement
8 obtained. However, the law of eminent domain shall not be affected
9 by this provision.

10 (i) Information required from any taxpayer in connection with
11 the collection of local taxes that is received in confidence and the
12 disclosure of the information to other persons would result in unfair
13 competitive disadvantage to the person supplying the information.

14 (j) Library circulation records kept for the purpose of identifying
15 the borrower of items available in libraries, and library and museum
16 materials made or acquired and presented solely for reference or
17 exhibition purposes. The exemption in this subdivision shall not
18 apply to records of fines imposed on the borrowers.

19 (k) Records, the disclosure of which is exempted or prohibited
20 pursuant to federal or state law, including, but not limited to,
21 provisions of the Evidence Code relating to privilege.

22 (l) Correspondence of and to the Governor or employees of the
23 Governor's office or in the custody of or maintained by the
24 Governor's Legal Affairs Secretary. However, public records shall
25 not be transferred to the custody of the Governor's Legal Affairs
26 Secretary to evade the disclosure provisions of this chapter.

27 (m) In the custody of or maintained by the Legislative Counsel,
28 except those records in the public database maintained by the
29 Legislative Counsel that are described in Section 10248.

30 (n) Statements of personal worth or personal financial data
31 required by a licensing agency and filed by an applicant with the
32 licensing agency to establish his or her personal qualification for
33 the license, certificate, or permit applied for.

34 (o) Financial data contained in applications for financing under
35 Division 27 (commencing with Section 44500) of the Health and
36 Safety Code, where an authorized officer of the California Pollution
37 Control Financing Authority determines that disclosure of the
38 financial data would be competitively injurious to the applicant
39 and the data is required in order to obtain guarantees from the
40 United States Small Business Administration. The California

1 Pollution Control Financing Authority shall adopt rules for review
2 of individual requests for confidentiality under this section and for
3 making available to the public those portions of an application that
4 are subject to disclosure under this chapter.

5 (p) Records of state agencies related to activities governed by
6 Chapter 10.3 (commencing with Section 3512), Chapter 10.5
7 (commencing with Section 3525), and Chapter 12 (commencing
8 with Section 3560) of Division 4, that reveal a state agency's
9 deliberative processes, impressions, evaluations, opinions,
10 recommendations, meeting minutes, research, work products,
11 theories, or strategy, or that provide instruction, advice, or training
12 to employees who do not have full collective bargaining and
13 representation rights under these chapters. Nothing in this
14 subdivision shall be construed to limit the disclosure duties of a
15 state agency with respect to any other records relating to the
16 activities governed by the employee relations acts referred to in
17 this subdivision.

18 (q) (1) Records of state agencies related to activities governed
19 by Article 2.6 (commencing with Section 14081), Article 2.8
20 (commencing with Section 14087.5), and Article 2.91
21 (commencing with Section 14089) of Chapter 7 of Part 3 of
22 Division 9 of the Welfare and Institutions Code, that reveal the
23 special negotiator's deliberative processes, discussions,
24 communications, or any other portion of the negotiations with
25 providers of health care services, impressions, opinions,
26 recommendations, meeting minutes, research, work product,
27 theories, or strategy, or that provide instruction, advice, or training
28 to employees.

29 (2) Except for the portion of a contract containing the rates of
30 payment, contracts for inpatient services entered into pursuant to
31 these articles, on or after April 1, 1984, shall be open to inspection
32 one year after they are fully executed. If a contract for inpatient
33 services that is entered into prior to April 1, 1984, is amended on
34 or after April 1, 1984, the amendment, except for any portion
35 containing the rates of payment, shall be open to inspection one
36 year after it is fully executed. If the California Medical Assistance
37 Commission enters into contracts with health care providers for
38 other than inpatient hospital services, those contracts shall be open
39 to inspection one year after they are fully executed.

1 (3) Three years after a contract or amendment is open to
2 inspection under this subdivision, the portion of the contract or
3 amendment containing the rates of payment shall be open to
4 inspection.

5 (4) Notwithstanding any other ~~provision~~ of law, the entire
6 contract or amendment shall be open to inspection by the Joint
7 Legislative Audit Committee and the Legislative Analyst's Office.
8 The committee and that office shall maintain the confidentiality
9 of the contracts and amendments until the time a contract or
10 amendment is fully open to inspection by the public.

11 (r) Records of Native American graves, cemeteries, and sacred
12 places and records of Native American places, features, and objects
13 described in Sections 5097.9 and 5097.993 of the Public Resources
14 Code maintained by, or in the possession of, the Native American
15 Heritage Commission, another state agency, or a local agency.

16 (s) A final accreditation report of the Joint Commission on
17 Accreditation of Hospitals that has been transmitted to the State
18 Department of Health Care Services pursuant to subdivision (b)
19 of Section 1282 of the Health and Safety Code.

20 (t) Records of a local hospital district, formed pursuant to
21 Division 23 (commencing with Section 32000) of the Health and
22 Safety Code, or the records of a municipal hospital, formed
23 pursuant to Article 7 (commencing with Section 37600) or Article
24 8 (commencing with Section 37650) of Chapter 5 of Part 2 of
25 Division 3 of Title 4 of this code, that relate to any contract with
26 an insurer or nonprofit hospital service plan for inpatient or
27 outpatient services for alternative rates pursuant to Section 10133
28 of the Insurance Code. However, the record shall be open to
29 inspection within one year after the contract is fully executed.

30 (u) (1) Information contained in applications for licenses to
31 carry firearms issued pursuant to Section 26150, 26155, 26170,
32 or 26215 of the Penal Code by the sheriff of a county or the chief
33 or other head of a municipal police department that indicates when
34 or where the applicant is vulnerable to attack or that concerns the
35 applicant's medical or psychological history or that of members
36 of his or her family.

37 (2) The home address and telephone number of peace officers,
38 judges, court commissioners, and magistrates that are set forth in
39 applications for licenses to carry firearms issued pursuant to
40 Section 26150, 26155, 26170, or 26215 of the Penal Code by the

1 sheriff of a county or the chief or other head of a municipal police
2 department.

3 (3) The home address and telephone number of peace officers,
4 judges, court commissioners, and magistrates that are set forth in
5 licenses to carry firearms issued pursuant to Section 26150, 26155,
6 26170, or 26215 of the Penal Code by the sheriff of a county or
7 the chief or other head of a municipal police department.

8 (v) (1) Records of the Managed Risk Medical Insurance Board
9 related to activities governed by Part 6.3 (commencing with Section
10 12695), Part 6.5 (commencing with Section 12700), Part 6.6
11 (commencing with Section 12739.5), and Part 6.7 (commencing
12 with Section 12739.70) of Division 2 of the Insurance Code, and
13 that reveal any of the following:

14 (A) The deliberative processes, discussions, communications,
15 or any other portion of the negotiations with entities contracting
16 or seeking to contract with the board, entities with which the board
17 is considering a contract, or entities with which the board is
18 considering or enters into any other arrangement under which the
19 board provides, receives, or arranges services or reimbursement.

20 (B) The impressions, opinions, recommendations, meeting
21 minutes, research, work product, theories, or strategy of the board
22 or its staff, or records that provide instructions, advice, or training
23 to employees.

24 (2) (A) Except for the portion of a contract that contains the
25 rates of payment, contracts entered into pursuant to Part 6.3
26 (commencing with Section 12695), Part 6.5 (commencing with
27 Section 12700), Part 6.6 (commencing with Section 12739.5), or
28 Part 6.7 (commencing with Section 12739.70) of Division 2 of the
29 Insurance Code, on or after July 1, 1991, shall be open to inspection
30 one year after their effective dates.

31 (B) If a contract that is entered into prior to July 1, 1991, is
32 amended on or after July 1, 1991, the amendment, except for any
33 portion containing the rates of payment, shall be open to inspection
34 one year after the effective date of the amendment.

35 (3) Three years after a contract or amendment is open to
36 inspection pursuant to this subdivision, the portion of the contract
37 or amendment containing the rates of payment shall be open to
38 inspection.

39 (4) Notwithstanding any other ~~provision~~ of law, the entire
40 contract or amendments to a contract shall be open to inspection

1 by the Joint Legislative Audit Committee. The committee shall
2 maintain the confidentiality of the contracts and amendments
3 thereto, until the contracts or amendments to the contracts are open
4 to inspection pursuant to paragraph (3).

5 (w) (1) Records of the Managed Risk Medical Insurance Board
6 related to activities governed by Chapter 8 (commencing with
7 Section 10700) of Part 2 of Division 2 of the Insurance Code, and
8 that reveal the deliberative processes, discussions, communications,
9 or any other portion of the negotiations with health plans, or the
10 impressions, opinions, recommendations, meeting minutes,
11 research, work product, theories, or strategy of the board or its
12 staff, or records that provide instructions, advice, or training to
13 employees.

14 (2) Except for the portion of a contract that contains the rates
15 of payment, contracts for health coverage entered into pursuant to
16 Chapter 8 (commencing with Section 10700) of Part 2 of Division
17 2 of the Insurance Code, on or after January 1, 1993, shall be open
18 to inspection one year after they have been fully executed.

19 (3) Notwithstanding any other provision of law, the entire
20 contract or amendments to a contract shall be open to inspection
21 by the Joint Legislative Audit Committee. The committee shall
22 maintain the confidentiality of the contracts and amendments
23 thereto, until the contracts or amendments to the contracts are open
24 to inspection pursuant to paragraph (2).

25 (x) Financial data contained in applications for registration, or
26 registration renewal, as a service contractor filed with the Director
27 of Consumer Affairs pursuant to Chapter 20 (commencing with
28 Section 9800) of Division 3 of the Business and Professions Code,
29 for the purpose of establishing the service contractor's net worth,
30 or financial data regarding the funded accounts held in escrow for
31 service contracts held in force in this state by a service contractor.

32 (y) (1) Records of the Managed Risk Medical Insurance Board
33 related to activities governed by Part 6.2 (commencing with Section
34 12693) or Part 6.4 (commencing with Section 12699.50) of
35 Division 2 of the Insurance Code, and that reveal any of the
36 following:

37 (A) The deliberative processes, discussions, communications,
38 or any other portion of the negotiations with entities contracting
39 or seeking to contract with the board, entities with which the board
40 is considering a contract, or entities with which the board is

1 considering or enters into any other arrangement under which the
2 board provides, receives, or arranges services or reimbursement.

3 (B) The impressions, opinions, recommendations, meeting
4 minutes, research, work product, theories, or strategy of the board
5 or its staff, or records that provide instructions, advice, or training
6 to employees.

7 (2) (A) Except for the portion of a contract that contains the
8 rates of payment, contracts entered into pursuant to Part 6.2
9 (commencing with Section 12693) or Part 6.4 (commencing with
10 Section 12699.50) of Division 2 of the Insurance Code, on or after
11 January 1, 1998, shall be open to inspection one year after their
12 effective dates.

13 (B) If a contract entered into pursuant to Part 6.2 (commencing
14 with Section 12693) or Part 6.4 (commencing with Section
15 12699.50) of Division 2 of the Insurance Code is amended, the
16 amendment shall be open to inspection one year after the effective
17 date of the amendment.

18 (3) Three years after a contract or amendment is open to
19 inspection pursuant to this subdivision, the portion of the contract
20 or amendment containing the rates of payment shall be open to
21 inspection.

22 (4) Notwithstanding any other provision of law, the entire
23 contract or amendments to a contract shall be open to inspection
24 by the Joint Legislative Audit Committee. The committee shall
25 maintain the confidentiality of the contracts and amendments
26 thereto until the contract or amendments to a contract are open to
27 inspection pursuant to paragraph (2) or (3).

28 (5) The exemption from disclosure provided pursuant to this
29 subdivision for the contracts, deliberative processes, discussions,
30 communications, negotiations, impressions, opinions,
31 recommendations, meeting minutes, research, work product,
32 theories, or strategy of the board or its staff shall also apply to the
33 contracts, deliberative processes, discussions, communications,
34 negotiations, impressions, opinions, recommendations, meeting
35 minutes, research, work product, theories, or strategy of applicants
36 pursuant to Part 6.4 (commencing with Section 12699.50) of
37 Division 2 of the Insurance Code.

38 (z) Records obtained pursuant to paragraph (2) of subdivision
39 (f) of Section 2891.1 of the Public Utilities Code.

1 (aa) A document prepared by or for a state or local agency that
2 assesses its vulnerability to terrorist attack or other criminal acts
3 intended to disrupt the public agency’s operations and that is for
4 distribution or consideration in a closed session.

5 (ab) Critical infrastructure information, as defined in Section
6 131(3) of Title 6 of the United States Code, that is voluntarily
7 submitted to the ~~California Office of Emergency Management~~
8 ~~Agency Services~~ for use by that office, including the identity of
9 the person who or entity that voluntarily submitted the information.
10 As used in this subdivision, “voluntarily submitted” means
11 submitted in the absence of the office exercising any legal authority
12 to compel access to or submission of critical infrastructure
13 information. This subdivision shall not affect the status of
14 information in the possession of any other state or local
15 governmental agency.

16 (ac) All information provided to the Secretary of State by a
17 person for the purpose of registration in the Advance Health Care
18 Directive Registry, except that those records shall be released at
19 the request of a health care provider, a public guardian, or the
20 registrant’s legal representative.

21 (ad) The following records of the State Compensation Insurance
22 Fund:

23 (1) Records related to claims pursuant to Chapter 1
24 (commencing with Section 3200) of Division 4 of the Labor Code,
25 to the extent that confidential medical information or other
26 individually identifiable information would be disclosed.

27 (2) Records related to the discussions, communications, or any
28 other portion of the negotiations with entities contracting or seeking
29 to contract with the fund, and any related deliberations.

30 (3) Records related to the impressions, opinions,
31 recommendations, meeting minutes of meetings or sessions that
32 are lawfully closed to the public, research, work product, theories,
33 or strategy of the fund or its staff, on the development of rates,
34 contracting strategy, underwriting, or competitive strategy pursuant
35 to the powers granted to the fund in Chapter 4 (commencing with
36 Section 11770) of Part 3 of Division 2 of the Insurance Code.

37 (4) Records obtained to provide workers’ compensation
38 insurance under Chapter 4 (commencing with Section 11770) of
39 Part 3 of Division 2 of the Insurance Code, including, but not
40 limited to, any medical claims information, policyholder

1 information provided that nothing in this paragraph shall be
2 interpreted to prevent an insurance agent or broker from obtaining
3 proprietary information or other information authorized by law to
4 be obtained by the agent or broker, and information on rates,
5 pricing, and claims handling received from brokers.

6 (5) (A) Records that are trade secrets pursuant to Section
7 6276.44, or Article 11 (commencing with Section 1060) of Chapter
8 4 of Division 8 of the Evidence Code, including without limitation,
9 instructions, advice, or training provided by the State Compensation
10 Insurance Fund to its board members, officers, and employees
11 regarding the fund's special investigation unit, internal audit unit,
12 and informational security, marketing, rating, pricing, underwriting,
13 claims handling, audits, and collections.

14 (B) Notwithstanding subparagraph (A), the portions of records
15 containing trade secrets shall be available for review by the Joint
16 Legislative Audit Committee, the Bureau of State Audits, Division
17 of Workers' Compensation, and the Department of Insurance to
18 ensure compliance with applicable law.

19 (6) (A) Internal audits containing proprietary information and
20 the following records that are related to an internal audit:

21 (i) Personal papers and correspondence of any person providing
22 assistance to the fund when that person has requested in writing
23 that his or her papers and correspondence be kept private and
24 confidential. Those papers and correspondence shall become public
25 records if the written request is withdrawn, or upon order of the
26 fund.

27 (ii) Papers, correspondence, memoranda, or any substantive
28 information pertaining to any audit not completed or an internal
29 audit that contains proprietary information.

30 (B) Notwithstanding subparagraph (A), the portions of records
31 containing proprietary information, or any information specified
32 in subparagraph (A) shall be available for review by the Joint
33 Legislative Audit Committee, the Bureau of State Audits, Division
34 of Workers' Compensation, and the Department of Insurance to
35 ensure compliance with applicable law.

36 (7) (A) Except as provided in subparagraph (C), contracts
37 entered into pursuant to Chapter 4 (commencing with Section
38 11770) of Part 3 of Division 2 of the Insurance Code shall be open
39 to inspection one year after the contract has been fully executed.

1 (B) If a contract entered into pursuant to Chapter 4 (commencing
2 with Section 11770) of Part 3 of Division 2 of the Insurance Code
3 is amended, the amendment shall be open to inspection one year
4 after the amendment has been fully executed.

5 (C) Three years after a contract or amendment is open to
6 inspection pursuant to this subdivision, the portion of the contract
7 or amendment containing the rates of payment shall be open to
8 inspection.

9 (D) Notwithstanding any other provision of law, the entire
10 contract or amendments to a contract shall be open to inspection
11 by the Joint Legislative Audit Committee. The committee shall
12 maintain the confidentiality of the contracts and amendments
13 thereto until the contract or amendments to a contract are open to
14 inspection pursuant to this paragraph.

15 (E) Nothing in this paragraph is intended to apply to documents
16 related to contracts with public entities that are not otherwise
17 expressly confidential as to that public entity.

18 (F) For purposes of this paragraph, “fully executed” means the
19 point in time when all of the necessary parties to the contract have
20 signed the contract.

21 Nothing in this section prevents any agency from opening its
22 records concerning the administration of the agency to public
23 inspection, unless disclosure is otherwise prohibited by law.

24 Nothing in this section prevents any health facility from
25 disclosing to a certified bargaining agent relevant financing
26 information pursuant to Section 8 of the National Labor Relations
27 Act (29 U.S.C. Sec. 158).

28 SEC. 86. Section 6254.23 of the Government Code is amended
29 to read:

30 6254.23. Nothing in this chapter or any other provision of law
31 shall require the disclosure of a risk assessment or railroad
32 infrastructure protection program filed with the Public Utilities
33 Commission, the Director of Homeland Security, and the ~~California~~
34 ~~Office of Emergency Management Agency Services~~ pursuant to
35 Article 7.3 (commencing with Section 7665) of Chapter 1 of
36 Division 4 of the Public Utilities Code.

37 SEC. 87. Section 6276.26 of the Government Code is amended
38 to read:

- 1 6276.26. Improper governmental activities reporting,
2 confidentiality of identity of person providing information, Section
3 8547.5.
- 4 Improper governmental activities reporting, disclosure of
5 information, Section 8547.6.
- 6 Industrial loan companies, confidentiality of financial
7 information, Section 18496, Financial Code.
- 8 Industrial loan companies, confidentiality of investigation and
9 examination reports, Section 18394, Financial Code.
- 10 Influenza vaccine, trade secret information and information
11 relating to recipient of vaccine, Section 120155, Health and Safety
12 Code.
- 13 In forma pauperis litigant, rules governing confidentiality of
14 financial information, Section 68511.3.
- 15 Infrastructure information, exemption from disclosure for
16 information voluntarily submitted to the ~~California Office of~~
17 ~~Emergency Management Agency Services~~, subdivision (ab),
18 Section 6254.
- 19 In-Home Supportive Services Program, exemption from
20 disclosure for information regarding persons paid by the state to
21 provide in-home supportive services, Section 6253.2.
- 22 Initiative, referendum, recall, and other petitions, confidentiality
23 of names of signers, Section 6253.5.
- 24 Insurance claims analysis, confidentiality of information, Section
25 1875.16, Insurance Code.
- 26 Insurance Commissioner, confidential information, Sections
27 735.5, 1067.11, 1077.3, and 12919, Insurance Code.
- 28 Insurance Commissioner, informal conciliation of complaints,
29 confidential communications, Section 1858.02, Insurance Code.
- 30 Insurance Commissioner, information from examination or
31 investigation, confidentiality of, Sections 1215.7, 1433, and 1759.3,
32 Insurance Code.
- 33 Insurance Commissioner, writings filed with nondisclosure,
34 Section 855, Insurance Code.
- 35 Insurance fraud reporting, information acquired not part of public
36 record, Section 1873.1, Insurance Code.
- 37 Insurance licensee, confidential information, Section 1666.5,
38 Insurance Code.
- 39 Insurer application information, confidentiality of, Section 925.3,
40 Insurance Code.

1 Insurer financial analysis ratios and examination synopses,
2 confidentiality of, Section 933, Insurance Code.
3 ~~Integrated Waste Management Board~~ *Department of Resources*
4 *Recycling and Recovery* information, prohibition against disclosure,
5 Section 45982, Revenue and Taxation Code.
6 International wills, confidentiality of registration information
7 filed with the Secretary of State, Section 6389, Probate Code.
8 Intervention in regulatory and ratemaking proceedings, audit of
9 customer seeking and award, Section 1804, Public Utilities Code.
10 Investigation and security records, exemption from disclosure
11 for records of the Attorney General, the Department of Justice, the
12 ~~California Office of Emergency Management Agency Services~~,
13 and state and local police agencies, subdivision (f), Section 6254.
14 Investigative consumer reporting agency, limitations on
15 furnishing an investigative consumer report, Section 1786.12, Civil
16 Code.
17 SEC. 88. Section 6276.38 of the Government Code is amended
18 to read:
19 6276.38. Radioactive materials, dissemination of information
20 about transportation of, Section 33002, Vehicle Code.
21 Railroad infrastructure protection program, disclosure not
22 required for risk assessments filed with the Public Utilities
23 Commission, the ~~Secretary Director of California~~ Emergency
24 ~~Management Services~~, or the ~~California Office of Emergency~~
25 ~~Management Agency Services~~, Section 6254.23.
26 Real estate broker, annual report to ~~Department Bureau~~ of Real
27 Estate of financial information, confidentiality of, Section 10232.2,
28 Business and Professions Code.
29 Real property, acquisition by state or local government,
30 information relating to feasibility, subdivision (h), Section 6254.
31 Real property, change in ownership statement, confidentiality
32 of, Section 27280.
33 Records of contract purchasers, inspection by public prohibited,
34 Section 85, Military and Veterans Code.
35 Registered public obligations, inspection of records of security
36 interests in, Section 5060.
37 Registration of exempt vehicles, nondisclosure of name of person
38 involved in alleged violation, Section 5003, Vehicle Code.
39 Rehabilitation, Department of, confidential information, Section
40 19016, Welfare and Institutions Code.

- 1 Reinsurance intermediary-broker license information,
2 confidentiality of, Section 1781.3, Insurance Code.
- 3 Relocation assistance, confidential records submitted to a public
4 entity by a business or farm operation, Section 7262.
- 5 Rent control ordinance, confidentiality of information concerning
6 accommodations sought to be withdrawn from, Section 7060.4.
- 7 Report of probation officer, inspection, copies, Section 1203.05,
8 Penal Code.
- 9 Repossession agency licensee application, confidentiality of
10 information, Sections 7503, 7504, and 7506.5, Business and
11 Professions Code.
- 12 Reproductive health facilities, disclosure not required for
13 personal information regarding employees, volunteers, board
14 members, owners, partners, officers, and contractors of a
15 reproductive health services facility who have provided requisite
16 notification, Section 6254.18.
- 17 Residence address in any record of Department of Housing and
18 Community Development, confidentiality of, Section 6254.1.
- 19 Residence address in any record of Department of Motor
20 Vehicles, confidentiality of, Section 6254.1, Government Code,
21 and Section 1808.21, Vehicle Code.
- 22 Residence and mailing addresses in records of Department of
23 Motor Vehicles, confidentiality of, Section 1810.7, Vehicle Code.
- 24 Residential care facilities, confidentiality of resident information,
25 Section 1568.08, Health and Safety Code.
- 26 Residential care facilities for the elderly, confidentiality of client
27 information, Section 1569.315, Health and Safety Code.
- 28 Respiratory care practitioner, professional competency
29 examination reports, confidentiality of, Section 3756, Business
30 and Professions Code.
- 31 Restraint of trade, civil action by district attorney, confidential
32 memorandum, Section 16750, Business and Professions Code.
- 33 Reward by governor for information leading to arrest and
34 conviction, confidentiality of person supplying information, Section
35 1547, Penal Code.
- 36 Safe surrender site, confidentiality of information pertaining to
37 a parent or individual surrendering a child, Section 1255.7, Health
38 and Safety Code.
- 39 SEC. 89. Chapter 3.1 (commencing with Section 8240) of
40 Division 1 of Title 2 of the Government Code is repealed.

1 SEC. 90. Section 8550 of the Government Code is amended
2 to read:

3 8550. The state has long recognized its responsibility to
4 mitigate the effects of natural, manmade, or war-caused
5 emergencies ~~which~~ *that* result in conditions of disaster or in
6 extreme peril to life, property, and the resources of the state, and
7 generally to protect the health and safety and preserve the lives
8 and property of the people of the state. To ensure that preparations
9 within the state will be adequate to deal with such emergencies, it
10 is hereby found and declared to be necessary:

11 (a) To confer upon the Governor and upon the chief executives
12 and governing bodies of political subdivisions of this state the
13 emergency powers provided herein; and to provide for state
14 assistance in the organization and maintenance of the emergency
15 programs of such political subdivisions.

16 (b) To provide for a state ~~agency office~~ to be known and referred
17 to as the ~~California Office of Emergency Management Agency~~
18 ~~(Cal-EMA) Services~~, within the office of the Governor, and to
19 prescribe the powers and duties of the ~~secretary~~ *director* of that
20 ~~agency office~~.

21 (c) To provide for the assignment of functions to state ~~agencies~~
22 ~~entities~~ to be performed during an emergency and for the
23 coordination and direction of the emergency actions of ~~such~~
24 ~~agencies~~ *those entities*.

25 (d) To provide for the rendering of mutual aid by the state
26 government and all its departments and agencies and by the
27 political subdivisions of this state in carrying out the purposes of
28 this chapter.

29 (e) To authorize the establishment of such organizations and
30 the taking of such actions as are necessary and proper to carry out
31 the provisions of this chapter.

32 It is further declared to be the purpose of this chapter and the
33 policy of this state that all emergency services functions of this
34 state be coordinated as far as possible with the comparable
35 functions of its political subdivisions, of the federal government
36 including its various departments and agencies, of other states,
37 and of private agencies of every type, to the end that the most
38 effective use may be made of all manpower, resources, and
39 facilities for dealing with any emergency that may occur.

1 SEC. 91. Section 8570.5 of the Government Code is amended
2 to read:

3 8570.5. ~~The California Office of Emergency Management~~
4 ~~Agency Services~~ shall develop a guidance document to the state
5 emergency plan to specify the response of the state and its political
6 subdivisions to agriculture-related disasters. This document shall
7 be completed by January 2002, and updated by January 2009, and
8 shall include, but not be limited to, all of the following:

9 (a) The roles and responsibilities of the county agricultural
10 commissioners.

11 (b) The roles and responsibilities of the Department of
12 Agriculture and other relevant state agencies that are involved in
13 the response to agriculture-related disasters.

14 (c) Coordination of initial and ongoing crop damage
15 assessments.

16 (d) Disaster assistance between the time of the request for a
17 federal disaster declaration and issuance of a federal declaration.

18 (e) State assistance available if a requested federal declaration
19 is not issued.

20 (f) State assistance under a United States Department of
21 Agriculture designation rather than a federal declaration.

22 (g) State assistance for long-term unemployment in areas with
23 high unemployment rates prior to an emergency.

24 (h) Provision for the removal and elimination of extraordinary
25 numbers of dead livestock for purposes of protecting public health
26 and safety.

27 (i) Strategies to assist in the development of an integrated and
28 coordinated response by community-based organizations to the
29 victims of agriculture-related disasters.

30 (j) Procedures for the decontamination of individuals who have
31 been or may have been exposed to hazardous materials, which
32 may vary depending on the hazards posed by a particular hazardous
33 material. The report shall specify that individuals shall be assisted
34 in a humanitarian manner.

35 (k) Integration of various local and state emergency response
36 plans, including, but not limited to, plans that relate to hazardous
37 materials, oil spills, public health emergencies, and general
38 disasters.

39 SEC. 92. Section 8574.17 of the Government Code is amended
40 to read:

1 8574.17. (a) (1) A state toxic disaster contingency plan
2 established pursuant to this article shall provide for an integrated
3 and effective state procedure to respond to the occurrence of toxic
4 disasters within the state. The plan shall provide for the designation
5 of a lead agency to direct strategy to ameliorate the effects of a
6 toxic disaster, for specified state agencies to implement the plan,
7 for interagency coordination of the training conducted by state
8 agencies pursuant to the plan, and for on-scene coordination of
9 response actions.

10 (2) Notwithstanding any provision of the plan, the authority for
11 the management of the scene of an on-highway toxic spill or
12 disaster shall be vested in the appropriate law enforcement agency
13 having primary traffic investigative authority on the highway where
14 the incident occurs or in a local fire protection agency as provided
15 by Section 2454 of the Vehicle Code. During the preparation of
16 the toxic disaster contingency plan, the ~~California Office of~~
17 ~~Emergency Management Agency Services~~ shall adopt the
18 recommendations of the Department of the California Highway
19 Patrol in developing response and on-scene procedures for toxic
20 disasters which occur upon the highways, based upon previous
21 studies for such procedures, insofar as the procedures are not
22 inconsistent with the overall plan for initial notification of toxic
23 disasters by public agencies and for after-incident evaluation and
24 reporting.

25 (b) The ~~California Office of Emergency Management Agency~~
26 ~~Services~~ shall establish a central notification and reporting system
27 to facilitate operation of the state toxic disaster response procedures
28 designated by the toxic disaster contingency plan.

29 SEC. 93. Section 8574.20 of the Government Code is amended
30 to read:

31 8574.20. The ~~California Office of Emergency Management~~
32 ~~Agency Services~~ shall manage the California Hazardous Substances
33 Incident Response Training and Education Program to provide
34 approved classes in hazardous substance response, taught by trained
35 instructors, and to certify students who have completed these
36 classes. To carry out this program, the ~~California Office of~~
37 ~~Emergency Management Agency Services~~ shall do all of the
38 following:

39 (a) Adopt regulations necessary to implement the program.

1 (b) Establish a training and education program by developing
2 the curriculum to be used in the program in colleges, academies,
3 the California Specialized Training Institute, and other educational
4 institutions, as specified in Section 8574.21.

5 (c) Establish recommended minimum standards for training
6 emergency response personnel and instructors, including, but not
7 limited to, fire, police, and environmental health personnel.

8 (d) Make available a training and education program in the use
9 of hazardous substances emergency rescue, safety, and monitoring
10 equipment, on a voluntary basis, at the California Specialized
11 Training Institute.

12 (e) Train and certify instructors at the California Specialized
13 Training Institute according to standards and procedures developed
14 by the curriculum development advisory committee, as specified
15 in Section 8588.10.

16 (f) Approve classes, as meeting the requirements of the program,
17 if the classes meet the curriculum developed by the ~~California~~
18 ~~Office of Emergency Management Agency Services~~ pursuant to
19 Section 8574.21 and the instructor received training and
20 certification at the California Specialized Training Institute, as
21 specified in subdivision (e).

22 (g) Certify students who have successfully completed a class
23 approved as meeting the requirements of the program.

24 (h) Review and revise, as necessary, the program.

25 (i) Establish and collect admission fees and other fees that may
26 be necessary to be charged for advanced or specialized training
27 given at the California Specialized Training Institute. These fees
28 shall be used to offset costs incurred pursuant to this article.

29 SEC. 94. Section 8574.21 of the Government Code is amended
30 to read:

31 8574.21. (a) ~~The California Office of Emergency Management~~
32 ~~Agency Services~~ shall develop the curriculum to be used in classes
33 that meet the program requirements and shall adopt standards and
34 procedures for training instructors at the California Specialized
35 Training Institute.

36 (b) The curriculum for the training and education program
37 established pursuant to this article shall include all of the following
38 aspects of hazardous substance incident response actions:

- 39 (1) First responder training.
40 (2) On-scene manager training.

1 (3) Hazardous substance incident response training for
2 management personnel.

3 (4) Hazardous materials specialist training that equals or exceeds
4 the standards of the National Fire Protection Association.

5 (5) Environmental monitoring.

6 (6) Hazardous substance release investigations.

7 (7) Hazardous substance incident response activities at ports.

8 (c) The curriculum development advisory committee described
9 in Section 8588.10 shall advise the ~~California Office of Emergency~~
10 ~~Management Agency Services~~ on the development of course
11 curricula and the standards and procedures specified in subdivision
12 (a). In advising the ~~California Office of Emergency Management~~
13 ~~Agency Services~~, the committee shall do the following:

14 (1) Assist, and cooperate with, representatives of the Board of
15 Governors of the California Community Colleges in developing
16 the course curricula.

17 (2) Ensure that the curriculum developed pursuant to this section
18 is accredited by the State Board of Fire Services.

19 (3) Define equivalent training and experience considered as
20 meeting the initial training requirements as specified in subdivision
21 (a) that existing employees might have already received from actual
22 experience or formal education undertaken, and which would
23 qualify as meeting the requirements established pursuant to this
24 article.

25 (d) This article does not affect the authority of the State Fire
26 Marshal granted pursuant to Section 13142.4 or 13159 of the
27 Health and Safety Code.

28 (e) Upon completion of instructor training and certification
29 pursuant to subdivision (e) of Section 8574.20 by any employee
30 of the Department of the California Highway Patrol, the
31 Commissioner of the California Highway Patrol may deem any
32 training programs taught by that employee to be equivalent to any
33 training program meeting the requirements established pursuant
34 to this article.

35 SEC. 95. Section 8574.22 of the Government Code is amended
36 to read:

37 8574.22. The ~~California Office of Emergency Management~~
38 ~~Agency Services~~ may hire professional and clerical staff pursuant
39 to the State Civil Service Act (Part 2 (commencing with Section
40 18500) of Division 5 of Title 2). However, any person employed

1 pursuant to this section shall be employed only at the California
2 Specialized Training Institute.

3 SEC. 96. Section 8575 of the Government Code is amended
4 to read:

5 8575. For the purposes of the California Disaster and Civil
6 Defense Master Mutual Aid Agreement, the ~~California Office of~~
7 ~~Emergency Management Agency Services~~ will serve as the State
8 Disaster Council.

9 SEC. 97. Section 8584.1 of the Government Code is amended
10 to read:

11 8584.1. (a) It is the intent of the Legislature that the state have
12 an urban heavy rescue capability in the event of a major earthquake.
13 It is also the intent of the Legislature that the ~~California Office of~~
14 ~~Emergency Management Agency Services~~ and the State Fire
15 Marshal's Office pursue the necessary funding to carry out this
16 article through the normal budget process.

17 (b) The Fire and Rescue Division of the ~~California Office of~~
18 ~~Emergency Management Agency Services~~ shall acquire and
19 maintain urban heavy rescue units and transportable caches of
20 search and rescue gear, including hand tools and protective gear.
21 The division shall position the units and caches to ensure a rapid
22 response of personnel and equipment anywhere in the state, and
23 ensure that a unit will be available on the scene within one hour
24 of a major earthquake.

25 (c) The State Fire Marshal's Office shall coordinate the training
26 of personnel in the use of the units and equipment in cooperation
27 with the ~~California Office of Emergency Management Agency~~
28 ~~Services~~.

29 SEC. 98. Section 8585 of the Government Code is amended
30 to read:

31 8585. (a) (1) There is in state government, *within the office*
32 *of the Governor*, the ~~California Office of Emergency Management~~
33 ~~Agency Services~~. The ~~California Office of Emergency Management~~
34 ~~Agency Services~~ shall be under the supervision of the ~~Secretary~~
35 ~~Director of the Emergency Management Agency Services~~, who
36 shall have all rights and powers of a head of an ~~agency office~~ as
37 provided by this code, and shall be referred to as the ~~Secretary~~
38 ~~Director of Emergency Management Services~~.

39 (2) Unless the context clearly requires otherwise, whenever the
40 term "~~Office of~~ *California Emergency Services*" Management

1 Agency” appears in any statute, regulation, or contract, *or in any*
2 *other code*, it shall be construed to refer to the ~~California Office~~
3 ~~of Emergency Management Agency Services~~, and whenever the
4 term ~~“Director “Secretary of Emergency Services” Management”~~
5 or the ~~“Director “Secretary of the Office of Emergency Services”~~
6 ~~Management Agency”~~ appears in statute, regulation, or contract,
7 *or in any other code*, it shall be construed to refer to the ~~Secretary~~
8 ~~Director of Emergency Management Services~~.

9 (3) Unless the context clearly requires otherwise, whenever the
10 term “Director of Homeland Security” or “Office of Homeland
11 Security” appears in any statute, regulation, or contract, *or in any*
12 *other code*, it shall be construed to refer to the ~~California Office~~
13 ~~of Emergency Management Agency Services~~, and whenever the
14 term “Director of Homeland Security” or “Director of the Office
15 of Homeland Security” appears in any statute, regulation, or
16 contract, *or in any other code*, it shall be construed to refer to the
17 ~~Secretary Director of Emergency Management Services~~.

18 (b) (1) The ~~California Office of Emergency Management~~
19 ~~Agency Services~~ and the ~~Secretary Director of Emergency~~
20 ~~Management Services~~ shall succeed to and are vested with all the
21 duties, powers, purposes, responsibilities, and jurisdiction vested
22 in the ~~Office of California Emergency Services Management~~
23 ~~Agency~~ and the ~~Director Secretary of the Office of Emergency~~
24 ~~Services Management~~, respectively.

25 (2) The ~~California Office of Emergency Management Agency~~
26 ~~Services~~ and the ~~Secretary Director of Emergency Management~~
27 ~~Services~~ shall succeed to and are vested with all the duties, powers,
28 purposes, responsibilities, and jurisdiction vested in the Office of
29 Homeland Security and the Director of Homeland Security,
30 respectively.

31 (c) The ~~California Office of Emergency Management Agency~~
32 ~~Services~~ shall be considered a law enforcement organization as
33 required for receipt of criminal intelligence information pursuant
34 to subdivision (f) of Section 6254 ~~of the Government Code~~ by
35 persons employed within the ~~agency office~~ whose duties and
36 responsibilities require the authority to access criminal intelligence
37 information.

38 (d) Persons employed by the ~~California Office of Emergency~~
39 ~~Management Agency Services~~ whose duties and responsibilities
40 require the authority to access criminal intelligence information

1 shall be furnished state summary criminal history information as
 2 described in Section 11105 of the Penal Code, if needed in the
 3 course of their duties.

4 (e) ~~The California Office of Emergency Management Agency~~
 5 ~~Services~~ shall be responsible for the state's emergency and disaster
 6 response services for natural, technological, or manmade disasters
 7 and emergencies, including responsibility for activities necessary
 8 to prevent, respond to, recover from, and mitigate the effects of
 9 emergencies and disasters to people and property.

10 (f) Notwithstanding any other ~~provision of law~~, nothing in this
 11 section shall authorize an employee of the ~~California Office of~~
 12 ~~Emergency Management Agency Services~~ to access criminal
 13 intelligence information under subdivision (c) or (d) for the purpose
 14 of determining eligibility for, or providing access to,
 15 disaster-related assistance and services.

16 SEC. 99. Section 8585.05 of the Government Code is amended
 17 to read:

18 8585.05. Unless the context otherwise requires, for purpose of
 19 this article, the following definitions apply:

20 (a) "Agency" or "office" means the ~~California Office of~~
 21 ~~Emergency Management Agency Services~~.

22 (b) ~~"Secretary" means "California Emergency Management~~
 23 ~~Agency" means the Office of Emergency Services.~~

24 (c) "Director" or "secretary" means the ~~Secretary~~ Director of
 25 ~~Emergency Management Services~~.

26 SEC. 100. Section 8585.1 of the Government Code is amended
 27 to read:

28 8585.1. (a) The ~~secretary~~ director shall be appointed by, and
 29 hold office at the pleasure of, the Governor. The appointment of
 30 the ~~secretary~~ director is subject to confirmation by the Senate. The
 31 ~~secretary~~ director shall coordinate all state disaster response,
 32 emergency planning, emergency preparedness, disaster recovery,
 33 disaster mitigation, and homeland security activities.

34 (b) The ~~secretary~~ director shall receive an annual salary as set
 35 forth in Section ~~11550~~ 11552.

36 (c) The Governor may appoint ~~an undersecretary~~ a deputy
 37 director of the ~~agency office~~. The ~~undersecretary~~ deputy director
 38 shall hold office at the pleasure of the Governor.

39 (d) All positions exempt from civil service that existed in the
 40 predecessor agencies shall be transferred to the ~~agency office~~.

1 (e) Neither state nor federal funds may be expended to pay the
2 salary or benefits of any deputy or employee who may be appointed
3 by the ~~secretary~~ *director* or ~~undersecretary~~ *deputy director* pursuant
4 to Section 4 of Article VII of the California Constitution.

5 SEC. 101. Section 8585.2 of the Government Code is amended
6 to read:

7 8585.2. (a) All employees serving in state civil service, other
8 than temporary employees, who are engaged in the performance
9 of functions transferred to the ~~agency~~ *office* or engaged in the
10 administration of law, the administration of which ~~is transferred~~
11 ~~to~~ *was vested in the* ~~agency~~ *former California Emergency*
12 *Management Agency*, are transferred to the ~~agency~~ *office*. The
13 status, positions, and rights of those persons shall not be affected
14 by their transfer and shall continue to be retained by them pursuant
15 to the State Civil Service Act (Part 2 (commencing with Section
16 18500) of Division 5), except as to positions the duties of which
17 are vested in a position exempt from civil service. The personnel
18 records of all transferred employees shall be transferred to the
19 ~~agency~~ *office*.

20 (b) The property of any agency or department related to
21 functions *formerly* transferred to, *or vested in* the California
22 Emergency Management Agency, is transferred to the ~~agency~~
23 *office*. If any doubt arises as to where that property is transferred,
24 the Department of General Services shall determine where the
25 property is transferred.

26 (c) All unexpended balances of appropriations and other funds
27 available for use in connection with any function or the
28 administration of any law *formerly* transferred to the ~~agency~~
29 *California Emergency Management Agency* shall be transferred
30 to the ~~agency~~ *office* for use for the purpose for which the
31 appropriation was originally made or the funds were originally
32 available. If there is any doubt as to where those balances and
33 funds are transferred, the Department of Finance shall determine
34 where the balances and funds are transferred.

35 SEC. 102. Section 8585.7 of the Government Code is amended
36 to read:

37 8585.7. The ~~agency~~ *office* may certify the accredited status of
38 local disaster councils, subject to the requirements of Section 8612.

39 SEC. 103. Section 8586 of the Government Code is amended
40 to read:

1 8586. The Governor shall assign all or part of his or her powers
2 and duties under this chapter to the ~~California Office of Emergency~~
3 ~~Management Agency Services~~.

4 SEC. 104. Section 8587.7 of the Government Code is amended
5 to read:

6 8587.7. (a) The ~~California Office of Emergency Management~~
7 ~~Agency Services~~, in cooperation with the State Department of
8 Education, the Department of General Services, and the Seismic
9 Safety Commission, shall develop an educational pamphlet for
10 use by grades Kindergarten to 14 personnel to identify and mitigate
11 the risks posed by nonstructural earthquake hazards.

12 (b) The ~~agency office~~ shall print and distribute the pamphlet to
13 the governing board of each school district and community college
14 district in the state, along with a copy of the current edition of the
15 ~~agency's office's~~ school emergency response publication. The
16 ~~agency office~~ shall also make the pamphlet or the current edition
17 of the ~~agency's office's~~ school emergency response publication
18 available to a private elementary or secondary school upon request.

19 (c) The ~~agency office~~, as soon as feasible, shall make the
20 pamphlet and the current edition of the ~~agency's office's~~ school
21 emergency response publication available by electronic means,
22 including, but not limited to, the Internet.

23 SEC. 105. Section 8588 of the Government Code is amended
24 to read:

25 8588. Whenever conditions exist within any region or regions
26 of the state ~~which~~ *that* warrant the proclamation by the Governor
27 of a state of emergency and the Governor has not acted under the
28 provisions of Section 8625, by reason of the fact that the Governor
29 has been inaccessible, the ~~secretary~~ *director* may proclaim the
30 existence of a state of emergency in the name of the Governor as
31 to any region or regions of the state. Whenever the ~~secretary~~
32 *director* has so proclaimed a state of emergency, that action shall
33 be ratified by the Governor as soon as the Governor becomes
34 accessible, and in the event the Governor does not ratify the action,
35 the Governor shall immediately terminate the state of emergency
36 as proclaimed by the ~~secretary~~ *director*.

37 SEC. 106. Section 8588.1 of the Government Code is amended
38 to read:

1 8588.1. (a) The Legislature finds and declares that this state
2 can only truly be prepared for the next disaster if the public and
3 private sector collaborate.

4 (b) The ~~agency~~ *office* may, as appropriate, include private
5 businesses and nonprofit organizations within its responsibilities
6 to prepare the state for disasters under this chapter. All participation
7 by businesses and nonprofit associations in this program shall be
8 voluntary.

9 (c) The ~~agency~~ *office* may do any of the following:

10 (1) Provide guidance to business and nonprofit organizations
11 representing business interests on how to integrate private sector
12 emergency preparedness measures into governmental disaster
13 planning programs.

14 (2) Conduct outreach programs to encourage business to work
15 with governments and community associations to better prepare
16 the community and their employees to survive and recover from
17 disasters.

18 (3) Develop systems so that government, businesses, and
19 employees can exchange information during disasters to protect
20 themselves and their families.

21 (4) Develop programs so that businesses and government can
22 work cooperatively to advance technology that will protect the
23 public during disasters.

24 (d) The ~~agency~~ *office* may share facilities and systems for the
25 purposes of subdivision (b) with the private sector to the extent
26 the costs for their use are reimbursed by the private sector.

27 (e) Proprietary information or information protected by state or
28 federal privacy laws shall not be disclosed under this program.

29 (f) Notwithstanding Section 11005, donations and private grants
30 may be accepted by the ~~agency~~ *office* and shall not be subject to
31 Section 11005.

32 (g) The Disaster Resistant Communities Fund is hereby created
33 in the State Treasury. Upon appropriation by the Legislature, the
34 ~~secretary~~ *office* may expend the money in the account for the costs
35 associated within this section.

36 (h) This section shall be implemented only to the extent that
37 in-kind contributions or donations are received from the private
38 sector, or grant funds are received from the federal government,
39 for these purposes.

1 SEC. 107. Section 8588.3 of the Government Code is amended
2 to read:

3 8588.3. (a) The Legislature finds and declares that it is the
4 responsibility of the State of California to protect and preserve the
5 right of its citizens to a safe and peaceful existence. To accomplish
6 this goal and to minimize the destructive impact of disasters and
7 other massive emergencies, the actions of numerous public
8 agencies must be coordinated to effectively manage all four phases
9 of emergency activity: preparedness, mitigation, response, and
10 recovery. In order to ensure that the state's response to disasters
11 or massive emergencies is effective, specialized training is
12 necessary.

13 (b) The California Specialized Training Institute of the office
14 of the Adjutant General is hereby transferred to the ~~agency~~ *Office*
15 *of Emergency Services*. The institute shall assist the Governor in
16 providing, pursuant to subdivision (f) of Section 8570, training to
17 state agencies, cities, and counties in their planning and preparation
18 for disasters.

19 (c) The ~~secretary~~ *director* may solicit, receive, and administer
20 funds or property from federal, state, or other public agency sources
21 for the support and operation of the institute.

22 (d) The ~~secretary~~ *director* may solicit and receive firearms, other
23 weaponry, explosive materials, chemical agents, and other items
24 confiscated by or otherwise in the possession of law enforcement
25 officers as donations to the institute if he or she deems them to be
26 appropriate for the institute's training purposes.

27 (e) Any moneys received by the ~~secretary~~ *director* from charges
28 or fees imposed in connection with the operation of the institute
29 shall be deposited in the General Fund.

30 SEC. 108. Section 8588.7 of the Government Code is amended
31 to read:

32 8588.7. (a) The ~~California Office of Emergency Management~~
33 ~~Agency Services~~ shall procure mobile communication translators
34 to enable mutual-aid emergency response agencies to communicate
35 effectively while operating on incompatible frequencies.

36 (b) Translators shall be located in the San Francisco Bay Area
37 and the Los Angeles metropolitan area, made ready for use by
38 local public safety officials by the ~~California Office of Emergency~~
39 ~~Management Agency Services~~, and provided to the appropriate
40 state-established mutual-aid region pursuant to Section 8600.

1 (c) The ~~California Office of Emergency Management Agency~~
2 ~~Services~~ shall implement this section only to the extent that funds
3 are appropriated to the ~~agency office~~ for this purpose in the Budget
4 Act or in other legislation.

5 SEC. 109. Section 8588.10 of the Government Code is amended
6 to read:

7 8588.10. (a) The ~~secretary~~ *director* shall establish a Curriculum
8 Development Advisory Committee to advise the ~~agency office~~ on
9 the development of course curricula, as specified by the ~~secretary~~
10 *director*.

11 (b) The committee shall be chaired by the ~~secretary~~ *director*,
12 who will appoint members as appropriate. In appointing members
13 to the committee, the ~~secretary~~ *director* shall include
14 representatives from the following:

15 (1) State public safety, health, first responder, and emergency
16 services departments or agencies, as deemed appropriate by the
17 ~~secretary~~ *director*.

18 (2) Local first responder agencies.

19 (3) Local public safety agencies.

20 (4) Nonprofit organizations, as deemed appropriate by the
21 ~~secretary~~ *director*.

22 (5) Any other state, local, tribal, or nongovernmental
23 organization determined by the ~~secretary~~ *director* to be appropriate.

24 SEC. 110. Section 8588.11 of the Government Code is amended
25 to read:

26 8588.11. (a) The ~~agency office~~ shall contract with the
27 California Fire Fighter Joint Apprenticeship Program to develop
28 a fire service specific course of instruction on the responsibilities
29 of first responders to terrorism incidents. The course shall include
30 the criteria for the curriculum content recommended by the
31 Curriculum Development Advisory Committee established
32 pursuant to Section 8588.10 to address the training needs of both
33 of the following:

34 (1) Firefighters in conformance with the standards established
35 by the State Fire Marshal.

36 (2) Paramedics and other emergency medical services fire
37 personnel in conformance with the standards established by the
38 State Emergency Medical Services Authority.

39 (b) The course of instruction shall be developed in consultation
40 with individuals knowledgeable about consequence management

1 that addresses the topics of containing and mitigating the impact
2 of a terrorist incident, including, but not limited to, a terrorist act
3 using hazardous materials, as well as weapons of mass destruction,
4 including any chemical warfare agent, weaponized biological
5 agent, or nuclear or radiological agent, as those terms are defined
6 in Section 11417 of the Penal Code, by techniques including, but
7 not limited to, rescue, firefighting, casualty treatment, and
8 hazardous materials response and recovery.

9 (c) The contract shall provide for the delivery of training by the
10 California Fire Fighter Joint Apprenticeship Program through
11 reimbursement contracts with the state, local, and regional fire
12 agencies who may, in turn, contract with educational institutions.

13 (d) To maximize the availability and delivery of training, the
14 California Fire Fighter Joint Apprenticeship Program shall develop
15 a course of instruction to train the trainers in the presentation of
16 the first responder training of consequence management for fire
17 service personnel.

18 SEC. 111. Section 8589 of the Government Code is amended
19 to read:

20 8589. The ~~California Office of Emergency Management Agency~~
21 *Services* shall be permitted ~~such~~ the use of all state and local fair
22 properties as conditions require.

23 SEC. 112. Section 8589.1 of the Government Code is amended
24 to read:

25 8589.1. (a) The ~~California Office of Emergency Management~~
26 ~~Agency Services~~ shall plan to establish the State Computer
27 Emergency Data Exchange Program (SCEDEP), which shall be
28 responsible for collection and dissemination of essential data for
29 emergency management.

30 (b) Participating agencies in SCEDEP shall include the
31 Department of Water Resources, Department of Forestry and Fire
32 Protection, Department of the California Highway Patrol,
33 Department of Transportation, Emergency Medical Services
34 Authority, the State Fire Marshal, State Department of Public
35 Health, and any other state agency that collects critical data and
36 information that affects emergency response.

37 (c) It is the intent of the Legislature that the State Computer
38 Emergency Data Exchange Program facilitate communication
39 between state agencies and that emergency information be readily
40 accessible to city and county emergency services offices. The

1 ~~California Office of Emergency Management Agency Services~~
2 shall develop policies and procedures governing the collection and
3 dissemination of emergency information and shall recommend or
4 design the appropriate software and programs necessary for
5 emergency communications with city and county emergency
6 services offices.

7 SEC. 113. Section 8589.2 of the Government Code is amended
8 to read:

9 8589.2. (a) ~~The California Office of Emergency Management~~
10 ~~Agency Services~~, in consultation with the California Highway
11 Patrol and other state and local agencies, shall establish a statewide
12 plan for the delivery of hazardous material mutual aid.

13 (b) Within 180 days of the adoption of a plan by the ~~California~~
14 ~~Office of Emergency Management Agency Services~~, an entity shall
15 only be considered a candidate for training or equipment funds
16 provided by the state for hazardous material emergency response
17 when that entity is a signatory to the plan established under this
18 section.

19 (1) For the purpose of this chapter “hazardous material
20 emergency response” includes, but is not limited to, assessment,
21 isolation, stabilization, containment, removal, evacuation,
22 neutralization, transportation, rescue procedures, or other activities
23 necessary to ensure the public safety during a hazardous materials
24 emergency.

25 (2) For the purpose of this chapter, “hazardous material” is
26 defined as in Section 25501 of the Health and Safety Code.

27 (c) Entities providing hazardous material emergency response
28 services under this chapter shall be exempt from the fee restriction
29 of Section 6103.

30 SEC. 114. Section 8589.5 of the Government Code is amended
31 to read:

32 8589.5. (a) Inundation maps showing the areas of potential
33 flooding in the event of sudden or total failure of any dam, the
34 partial or total failure of which the ~~California Office of Emergency~~
35 ~~Management Agency Services~~ determines, after consultation with
36 the Department of Water Resources, would result in death or
37 personal injury, shall be prepared and submitted as provided in
38 this subdivision within six months after the effective date of this
39 section, unless previously submitted or unless the time for
40 submission of those maps is extended for reasonable cause by the

1 ~~California Office of Emergency Management Agency Services.~~
2 The local governmental organization, utility, or other public or
3 private owner of any dam so designated shall submit to the
4 ~~California Office of Emergency Management Agency Services~~ one
5 map that shall delineate potential flood zones that could result in
6 the event of dam failure when the reservoir is at full capacity, or
7 if the local governmental organization, utility, or other public or
8 private owner of any dam shall determine it to be desirable, he or
9 she shall submit three maps that shall delineate potential flood
10 zones that could result in the event of dam failure when the
11 reservoir is at full capacity, at median-storage level, and at normally
12 low-storage level. After submission of copies of the map or maps,
13 ~~the California Office of Emergency Management Agency Services~~
14 shall review the map or maps, and shall return any map or maps
15 that do not meet the requirements of this subdivision, together with
16 recommendations relative to conforming to the requirements. Maps
17 rejected by the ~~California Office of Emergency Management~~
18 ~~Agency Services~~ shall be revised to conform to those
19 recommendations and resubmitted. The ~~California Office of~~
20 ~~Emergency Management Agency Services~~ shall keep on file those
21 maps that conform to the provisions of this subdivision. Maps
22 approved pursuant to this subdivision shall also be kept on file
23 with the Department of Water Resources. The owner of a dam
24 shall submit final copies of those maps to the ~~California Office of~~
25 ~~Emergency Management Agency Services~~ that shall immediately
26 submit identical copies to the appropriate public safety agency of
27 any city, county, or city and county likely to be affected.

28 (b) (1) Based upon a review of inundation maps submitted
29 pursuant to subdivision (a) or based upon information gained by
30 an onsite inspection and consultation with the affected local
31 jurisdiction when the requirement for an inundation map is waived
32 pursuant to subdivision (d), the ~~California Office of Emergency~~
33 ~~Management Agency Services~~ shall designate areas within which
34 death or personal injury would, in its determination, result from
35 the partial or total failure of a dam. The appropriate public safety
36 agencies of any city, county, or city and county, the territory of
37 which includes any of those areas, may adopt emergency
38 procedures for the evacuation and control of populated areas below
39 those dams. The ~~California Office of Emergency Management~~
40 ~~Agency Services~~ shall review the procedures to determine whether

1 adequate public safety measures exist for the evacuation and control
2 of populated areas below the dams, and shall make
3 recommendations with regard to the adequacy of those procedures
4 to the concerned public safety agency. In conducting the review,
5 the ~~California Office of Emergency Management Agency Services~~
6 shall consult with appropriate state and local agencies.

7 (2) Emergency procedures specified in this subdivision shall
8 conform to local needs, and may be required to include any of the
9 following elements or any other appropriate element, in the
10 discretion of the ~~California Office of Emergency Management~~
11 ~~Agency Services~~:

12 (A) Delineation of the area to be evacuated.

13 (B) Routes to be used.

14 (C) Traffic control measures.

15 (D) Shelters to be activated for the care of the evacuees.

16 (E) Methods for the movement of people without their own
17 transportation.

18 (F) Identification of particular areas or facilities in the flood
19 zones that will not require evacuation because of their location on
20 high ground or similar circumstances.

21 (G) Identification and development of special procedures for
22 the evacuation and care of people from unique institutions.

23 (H) Procedures for the perimeter and interior security of the
24 area, including such things as passes, identification requirements,
25 and antilooting patrols.

26 (I) Procedures for the lifting of the evacuation and reentry of
27 the area.

28 (J) Details as to which organizations are responsible for the
29 functions described in this paragraph and the material and
30 personnel resources required.

31 (3) It is the intent of the Legislature to encourage each agency
32 that prepares emergency procedures to establish a procedure for
33 their review every two years.

34 (c) "Dam," as used in this section, has the same meaning as
35 specified in Sections 6002, 6003, and 6004 of the Water Code.

36 (d) Where both of the following conditions exist, the ~~California~~
37 ~~Office of Emergency Management Agency Services~~ may waive
38 the requirement for an inundation map:

39 (1) Where the effects of potential inundation in terms of death
40 or personal injury, as determined through onsite inspection by the

1 ~~California Office of Emergency Management Agency Services~~ in
2 consultation with the affected local jurisdictions, can be ascertained
3 without an inundation map.

4 (2) Where adequate evacuation procedures can be developed
5 without benefit of an inundation map.

6 (e) If development should occur in any exempted area after a
7 waiver has been granted, the local jurisdiction shall notify the
8 ~~California Office of Emergency Management Agency Services~~ of
9 that development. All waivers shall be reevaluated every two years
10 by the ~~California Office of Emergency Management Agency~~
11 ~~Services~~.

12 (f) A notice may be posted at the offices of the county recorder,
13 county assessor, and county planning agency that identifies the
14 location of the map, and of any information received by the county
15 subsequent to the receipt of the map regarding changes to
16 inundation areas within the county.

17 SEC. 115. Section 8589.6 of the Government Code is amended
18 to read:

19 8589.6. (a) ~~The California Office of Emergency Management~~
20 ~~Agency Services~~ shall develop model guidelines for local
21 government agencies and community-based organizations planning
22 to develop a disaster registry program. Adoption of the model
23 guidelines shall be voluntary. Local governmental agencies or
24 community-based organizations wishing to establish a disaster
25 registry program may consult with the ~~California Office of~~
26 ~~Emergency Management Agency Services~~ for further guidance.

27 (b) The guidelines required by subdivision (a) shall address, at
28 a minimum, all of the following issues:

29 (1) A purpose statement specifying that the intent of the registry
30 is not to provide immediate assistance during a local, state, or
31 national disaster, to those who are registered, but to encourage that
32 those registered will receive a telephone call or visit from
33 neighborhood disaster volunteers or other organizations specified
34 in the final local plan as soon as possible after the disaster in order
35 to check on their well-being and ask if they need assistance. This
36 statement shall also specify that persons registered should be
37 prepared to be self-sufficient for at least 72 hours.

38 (2) A list of persons eligible for the registry. This list shall
39 include, but not be limited to, disabled persons, including those
40 with developmental disabilities, the elderly, those for whom

1 English is not a first language, persons who are unskilled or
2 deficient in the English language, long-term health care facilities,
3 residential community care facilities, and residential care facilities
4 for the elderly.

5 (3) A statement specifying that the party responsible for
6 responding to those registered will not be held liable for not
7 responding.

8 (4) A plan for ensuring that hard data is available if computers
9 shut down.

10 (5) A recommendation for those persons or organizations that
11 would be appropriate to respond to persons on the disaster registry,
12 and a plan for training the responsible party.

13 (6) A plan for community outreach to encourage those eligible
14 to participate.

15 (7) A plan for distribution of preparedness materials to those
16 eligible to participate in the disaster registry.

17 (8) Recommendations and assistance for obtaining federal and
18 state moneys to establish a disaster registry.

19 (9) A recommendation that organizations currently providing
20 services to persons who are eligible for the disaster registry
21 program be encouraged to alter their information form to include
22 a space on the form where the person has the option of registering
23 for the program. By checking the box and giving approval to be
24 registered for the program the person waives confidentiality rights.
25 Despite this waiver of confidentiality rights, local government
26 agencies and community-based organizations planning to develop
27 a disaster registry are encouraged to do everything possible to
28 maintain the confidentiality of their registries. Organizations that
29 currently have lists of people who would be eligible to register for
30 the program should be encouraged to share this information with
31 persons establishing a disaster registry.

32 SEC. 116. Section 8589.7 of the Government Code is amended
33 to read:

34 8589.7. (a) In carrying out its responsibilities pursuant to
35 subdivision (b) of Section 8574.17, the ~~California Office of~~
36 ~~Emergency Management Agency Services~~ shall serve as the central
37 point in state government for the emergency reporting of spills,
38 unauthorized releases, or other accidental releases of hazardous
39 materials and shall coordinate the notification of the appropriate
40 state and local administering agencies that may be required to

1 respond to those spills, unauthorized releases, or other accidental
2 releases. The ~~California Office of Emergency Management Agency~~
3 ~~Services~~ is the only state ~~agency entity~~ required to make the
4 notification required by subdivision (b).

5 (b) Upon receipt of a report concerning a spill, unauthorized
6 release, or other accidental release involving hazardous materials,
7 as defined in Section 25501 of the Health and Safety Code, or
8 concerning a rupture of, or an explosion or fire involving, a pipeline
9 reportable pursuant to Section 51018, the ~~California Office of~~
10 ~~Emergency Management Agency Services~~ shall immediately
11 inform the following agencies of the incident:

12 (1) For an oil spill reportable pursuant to Section 8670.25.5, the
13 ~~California Office of Emergency Management Agency Services~~
14 shall inform the administrator for oil spill response, the State Lands
15 Commission, the California Coastal Commission, and the
16 California regional water quality control board having jurisdiction
17 over the location of the discharged oil.

18 (2) For a rupture, explosion, or fire involving a pipeline
19 reportable pursuant to Section 51018, the ~~California Office of~~
20 ~~Emergency Management Agency Services~~ shall inform the State
21 Fire Marshal.

22 (3) For a discharge in or on any waters of the state of a
23 hazardous substance or sewage reportable pursuant to Section
24 13271 of the Water Code, the ~~California Office of Emergency~~
25 ~~Management Agency Services~~ shall inform the appropriate
26 California regional water quality control board.

27 (4) For a spill or other release of petroleum reportable pursuant
28 to Section 25270.8 of the Health and Safety Code, the ~~California~~
29 ~~Office of Emergency Management Agency Services~~ shall inform
30 the local administering agency that has jurisdiction over the spill
31 or release.

32 (5) For a crude oil spill reportable pursuant to Section 3233 of
33 the Public Resources Code, the ~~California Office of Emergency~~
34 ~~Management Agency Services~~ shall inform the Division of Oil,
35 Gas, and Geothermal Resources and the appropriate California
36 regional water quality control board.

37 (c) This section does not relieve a person who is responsible
38 for an incident specified in subdivision (b) from the duty to make
39 an emergency notification to a local agency, or the 911 emergency
40 system, under any other law.

1 (d) A person who is subject to Section 25507 of the Health and
2 Safety Code shall immediately report all releases or threatened
3 releases pursuant to that section to the appropriate local
4 administering agency and each local administering agency shall
5 notify the ~~California Office of Emergency Management Agency~~
6 *Services* and businesses in their jurisdiction of the appropriate
7 emergency telephone number that can be used for emergency
8 notification to the administering agency on a 24-hour basis. The
9 administering agency shall notify other local agencies of releases
10 or threatened releases within their jurisdiction, as appropriate.

11 (e) No facility, owner, operator, or other person required to
12 report an incident specified in subdivision (b) to the ~~California~~
13 ~~Office of Emergency Management Agency Services~~ shall be liable
14 for any failure of the ~~California Office of Emergency Management~~
15 ~~Agency Services~~ to make a notification required by this section or
16 to accurately transmit the information reported.

17 SEC. 117. Section 8589.9 of the Government Code is amended
18 to read:

19 8589.9. (a) The Legislature finds and declares that there is a
20 growing need to find new ways to acquire firefighting apparatus
21 and equipment for use by local agencies. Local agencies,
22 particularly those that serve rural areas, have had, and are likely
23 to continue to have, difficulty acquiring firefighting apparatus and
24 equipment. The Legislature further finds and declares that this
25 situation presents a statewide problem for the protection of the
26 public safety.

27 (b) In enacting this article, the Legislature intends to create new
28 ways for the ~~California Office of Emergency Management Agency~~
29 *Services* to help local agencies acquire firefighting apparatus and
30 equipment. Through the identification of available apparatus and
31 equipment, the acquisition of new and used apparatus and
32 equipment, the refurbishing and resale of used apparatus and
33 equipment, and assisting the financing of resales, the ~~California~~
34 ~~Office of Emergency Management Agency Services~~ will help local
35 agencies meet public safety needs.

36 SEC. 118. Section 8589.10 of the Government Code is amended
37 to read:

38 8589.10. As used in this article:

39 (a) "Acquire" means acquisition by purchase, grant, gift, or any
40 other lawful means.

1 (b) ~~“Agency”~~—*“Office”* means the ~~California Office of~~
2 ~~Emergency Management Agency Services.~~

3 (c) “Firefighting apparatus and equipment” means any vehicle
4 and its associated equipment ~~which~~ *that* is designed and intended
5 for use primarily for firefighting. “Firefighting apparatus and
6 equipment” does not include vehicles that are designed and
7 intended for use primarily for emergency medical services, rescue
8 services, communications and command operations, or hazardous
9 materials operations.

10 (d) “Indirect expenses” means those items that are identified as
11 indirect costs in the federal Office of Management and Budget,
12 Circular A-87 on January 1, 1985.

13 (e) “Local agency” means any city, county, special district, or
14 any joint powers agency composed exclusively of those agencies,
15 that provides fire suppression services. “Local agency” also
16 includes a fire company organized pursuant to Part 4 (commencing
17 with Section 14825) of Division 12 of the Health and Safety Code.

18 (f) “Rural area” means territory that is outside of any urbanized
19 area designated by the United States Census Bureau from the 1980
20 federal census.

21 (g) ~~“Secretary”~~—*“Director”* means the ~~Secretary~~ *Director* of
22 ~~Emergency Management Services.~~

23 SEC. 119. Section 8589.19 of the Government Code is amended
24 to read:

25 8589.19. (a) After consultation with the California Emergency
26 Management Agency Fire Advisory Committee, *hereafter to be*
27 *referred as the Office of Emergency Services Fire Advisory*
28 *Committee*, the ~~secretary~~ *director* shall adopt rules and regulations
29 governing the operation of the programs created by this article
30 pursuant to the Administrative Procedure Act, Chapter 3.5
31 (commencing with Section 11340) of Part 1 of Division 3.

32 (b) The rules and regulations adopted pursuant to subdivision
33 (a) shall include, but not be limited to, all of the following:

34 (1) The specific types of firefighting apparatus and equipment
35 which may be acquired, rehabilitated, and resold.

36 (2) The amount and terms of resale contracts.

37 (3) The time, format, and manner in which local agencies may
38 apply for resale contracts.

39 (4) Priorities for assisting local agencies, which shall give
40 preference to local agencies which meet all of the following:

1 (A) Demonstrated need for primary response firefighting
2 apparatus and equipment.

3 (B) Will be adequately able to operate and maintain the
4 firefighting apparatus and equipment.

5 (C) Have already used other means of financing the firefighting
6 apparatus and equipment.

7 SEC. 120. Section 8590.1 of the Government Code is amended
8 to read:

9 8590.1. As used in this article, the following terms have the
10 following meanings:

11 (a) “Agency” *or* “office” means the ~~California Office of~~
12 ~~Emergency Management Agency Services.~~

13 (b) “Local agency” means any city, county, city and county,
14 fire district, special district, or joint powers agency that provides
15 fire suppression services. “Local agency” also includes a fire
16 company organized pursuant to Part 4 (commencing with Section
17 14825) of Division 12 of the Health and Safety Code.

18 (c) “Secretary” *or* “director” means the ~~Secretary~~ *Director* of
19 ~~Emergency Management Services.~~

20 (d) “State agency” means any state agency providing residential
21 or institutional fire protection, including, but not limited to, the
22 Department of Forestry and Fire Protection.

23 SEC. 121. Section 8590.3 of the Government Code is amended
24 to read:

25 8590.3. In administering the purchasing program, the ~~secretary~~
26 ~~director~~ shall do all of the following:

27 (a) No later than 45 days after the effective date of this article,
28 establish an advisory committee, which shall be comprised of
29 representatives of organizations including, but not limited to, the
30 California Fire Chiefs Association, the Fire Districts Association
31 of California, the California Professional Firefighters, the CDF
32 Firefighters, and the California State Firefighters Association, Inc.
33 The committee shall meet no later than 30 days after all members
34 are appointed.

35 (b) Consult with the advisory committee regarding equipment
36 specifications and other matters relating to the acquisition of
37 thermal imaging equipment, and require the advisory committee
38 to formulate specifications no later than 120 days after its initial
39 meeting.

1 (c) Notify all local and state agencies about the purchasing
2 program, including the opportunity to purchase additional units at
3 the contract price, and determine whether those agencies are
4 interested in obtaining thermal imaging equipment.

5 (d) Purchase thermal imaging equipment at the lowest possible
6 price from a reliable vendor that meets specified requirements. It
7 is the intent of the Legislature that the director enter into a
8 multiyear contract for this purpose no later than 180 days after the
9 committee formulates specifications pursuant to subdivision (b).

10 (e) Include a provision in the vendor contract allowing any local
11 or state agency to purchase additional units directly from the vendor
12 at the contract price.

13 (f) Any local agency that elects to participate in the thermal
14 imaging equipment purchasing program shall pay one-half of the
15 contract price for each piece of equipment purchased on its behalf
16 by the state.

17 SEC. 122. Section 8590.4 of the Government Code is amended
18 to read:

19 8590.4. (a) ~~The secretary~~ *director* shall seek funding for the
20 program from the private sector, grant programs, and other
21 appropriate sources.

22 (b) ~~The secretary,~~ *director*, after consultation with the advisory
23 commission, shall distribute equipment purchased under the
24 program in order to maximize its utilization by firefighters based
25 on consideration of the following factors:

- 26 (1) Ability to share or move the equipment to fire locations.
- 27 (2) Availability of existing thermal imaging equipment.
- 28 (3) Geography.
- 29 (4) Need based on frequency of fires.

30 SEC. 123. Section 8591 of the Government Code is amended
31 to read:

32 8591. Nothing in this chapter shall operate to prevent the
33 Governor or *the Office of Emergency Management Services* from
34 formally recognizing committees or boards established by or with
35 segments of the private sector, public agencies, or both the private
36 sector and public agencies, that control facilities, resources, or the
37 provision of services essential to the mitigation of the effects of
38 an emergency or recovery therefrom, or from assigning
39 administrative authority or responsibility to those committees or
40 boards or to members thereof with respect to the provision and

1 effective utilization of those resources to meet needs resulting from
2 an emergency.

3 SEC. 124. Section 8592.1 of the Government Code is amended
4 to read:

5 8592.1. For purposes of this article, the following terms have
6 the following meanings:

7 (a) “Backward compatibility” means that the equipment is able
8 to function with older, existing equipment.

9 (b) “Committee” means the Public Safety Radio Strategic
10 Planning Committee, that was established in December 1994 in
11 recognition of the need to improve existing public radio systems
12 and to develop interoperability among public safety departments
13 and between state public safety departments and local or federal
14 entities, and that consists of representatives of the following state
15 entities:

16 (1) ~~The California Office of Emergency Management Agency~~
17 ~~Services, who~~ whose director or his or her representative shall
18 serve as chairperson.

19 (2) The Department of the California Highway Patrol.

20 (3) The Department of Transportation.

21 (4) The Department of Corrections and Rehabilitation.

22 (5) The Department of Parks and Recreation.

23 (6) The Department of Fish and Game.

24 (7) The Department of Forestry and Fire Protection.

25 (8) The Department of Justice.

26 (9) The Department of Water Resources.

27 (10) The State Department of Public Health.

28 (11) The Emergency Medical Services Authority.

29 (12) ~~The California Department of Technology Agency.~~

30 (13) The Military Department.

31 (14) The Department of Finance.

32 (c) “First response agencies” means public agencies that, in the
33 early stages of an incident, are responsible for, among other things,
34 the protection and preservation of life, property, evidence, and the
35 environment, including, but not limited to, state fire agencies, state
36 and local emergency medical services agencies, local sheriffs’
37 departments, municipal police departments, county and city fire
38 departments, and police and fire protection districts.

1 (d) “Nonproprietary equipment or systems” means equipment
2 or systems that are able to function with another manufacturer’s
3 equipment or system regardless of type or design.

4 (e) “Open architecture” means a system that can accommodate
5 equipment from various vendors because it is not a proprietary
6 system.

7 (f) “Public safety radio subscriber” means the ultimate end user.
8 Subscribers include individuals or organizations, including, for
9 example, local police departments, fire departments, and other
10 operators of a public safety radio system. Typical subscriber
11 equipment includes end instruments, including mobile radios,
12 hand-held radios, mobile repeaters, fixed repeaters, transmitters,
13 or receivers that are interconnected to utilize assigned public safety
14 communications frequencies.

15 (g) “Public safety spectrum” means the spectrum allocated by
16 the Federal Communications Commission for operation of
17 interoperable and general use radio communication systems for
18 public safety purposes within the state.

19 SEC. 125. Section 8592.5 of the Government Code is amended
20 to read:

21 8592.5. (a) Except as provided in subdivision (c), a state
22 department that purchases public safety radio communication
23 equipment shall ensure that the equipment purchased complies
24 with applicable provisions of the following:

25 (1) The common system standards for digital public safety radio
26 communications commonly referred to as the “Project 25
27 Standard,” as that standard may be amended, revised, or added to
28 in the future jointly by the Association of Public-Safety
29 Communications Officials, Inc., National Association of State
30 Telecommunications Directors, and agencies of the federal
31 government, commonly referred to as “APCO/NASTD/FED.”

32 (2) The operational and functional requirements delineated in
33 the Statement of Requirements for Public Safety Wireless
34 Communications and Interoperability developed by the SAFECOM
35 Program under the United States Department of Homeland
36 Security.

37 (b) Except as provided in subdivision (c), a local first response
38 agency that purchases public safety radio communication
39 equipment, in whole or in part, with state funds or federal funds

1 administered by the state, shall ensure that the equipment purchased
2 complies with paragraphs (1) and (2) of subdivision (a).

3 (c) Subdivision (a) or (b) shall not apply to either of the
4 following:

5 (1) Purchases of equipment to operate with existing state or
6 local communications systems where the latest applicable standard
7 will not be compatible, as verified by the ~~California Department~~
8 ~~of Technology Agency~~.

9 (2) Purchases of equipment for existing statewide low-band
10 public safety communications systems.

11 (d) This section may not be construed to require an affected
12 state or local governmental agency to compromise its immediate
13 mission or ability to function and carry out its existing
14 responsibilities.

15 SEC. 126. Section 8592.7 of the Government Code is amended
16 to read:

17 8592.7. (a) A budget proposal submitted by a state agency for
18 support of a new or modified radio system shall be accompanied
19 by a technical project plan that includes all of the following:

- 20 (1) The scope of the project.
- 21 (2) Alternatives considered.
- 22 (3) Justification for the proposed solution.
- 23 (4) A project implementation plan.
- 24 (5) A proposed timeline.
- 25 (6) Estimated costs by fiscal year.

26 (b) The committee shall review the plans submitted pursuant to
27 subdivision (a) for consistency with the statewide integrated public
28 safety communication strategic plan included in the annual report
29 required pursuant to Section 8592.6.

30 (c) ~~The California Department of Technology Agency~~ shall
31 review the plans submitted pursuant to subdivision (a) for
32 consistency with the technical requirements of the statewide
33 integrated public safety communication strategic plan included in
34 the annual report required pursuant to Section 8592.6.

35 SEC. 127. Section 8593 of the Government Code is amended
36 to read:

37 8593. ~~The California Office of Emergency Management Agency~~
38 ~~Services~~ shall work with advocacy groups representing the deaf
39 and hearing impaired, including, but not limited to, the California
40 Association of the Deaf and the Coalition of Deaf Access

1 Providers, California television broadcasters, city and county
2 emergency services coordinators, and, as appropriate, the Federal
3 Emergency Management Agency and the Federal Communications
4 Commission, to improve communication with deaf and
5 hearing-impaired persons during emergencies, including the use
6 of open captioning by California television broadcasters when
7 transmitting emergency information.

8 SEC. 128. Section 8593.1 of the Government Code is amended
9 to read:

10 8593.1. ~~The California Office of Emergency Management~~
11 ~~Agency Services~~ shall investigate the feasibility of, and the funding
12 requirements for, establishing a “Digital Emergency Broadcast
13 System” network, to be used by local and state government
14 agencies for the provision of warnings and instructions in digital
15 or printed form to California broadcast outlets for relay to the
16 public both orally and visually, through television, and orally,
17 through radio, during emergencies.

18 SEC. 129. Section 8593.2 of the Government Code is amended
19 to read:

20 8593.2. ~~The California Office of Emergency Management~~
21 ~~Agency Services~~ shall investigate the feasibility of establishing a
22 toll-free 800 telephone hotline, including TDD
23 (telecommunications device for the deaf) accessibility, which
24 would be accessible to the public, including deaf, hearing-impaired,
25 and non-English speaking persons, for use during nonemergency
26 and emergency periods to respond to inquiries about emergency
27 preparedness and disaster status.

28 SEC. 130. Section 8593.6 of the Government Code is amended
29 to read:

30 8593.6. (a) No later than six months after securing funding
31 for the purposes of this section, the ~~Secretary~~ *Director* of
32 ~~Emergency Management Services~~ shall convene a working group
33 for the purpose of assessing existing and future technologies
34 available in the public and private sectors for the expansion of
35 transmission of emergency alerts to the public through a
36 public-private partnership. The working group shall advise the
37 secretary and assist in the development of policies, procedures,
38 and protocols that will lay the framework for an improved warning
39 system for the public.

1 (b) (1) The working group shall consist of the following
2 membership, to be appointed by the ~~secretary~~ *director*:

3 (A) A representative of the ~~California Office of Emergency~~
4 ~~Management Agency Services~~.

5 (B) A representative of the Attorney General's office.

6 (C) A representative of the State Department of Public Health.

7 (D) A representative of the State Emergency Communications
8 Committee.

9 (E) A representative of the Los Angeles County Office of
10 Emergency Management, at the option of that agency.

11 (F) A representative or representatives of local government, at
12 the option of the local government or governments.

13 (G) Representatives of the private sector who possess
14 technology, experience, or insight that will aid in the development
15 of a public-private partnership to expand an alert system to the
16 public, including, but not limited to, representatives of providers
17 of mass communication systems, first responders, and broadcasters.

18 (H) Additional representatives of any public or private entity
19 as deemed appropriate by the ~~Secretary of Emergency Management~~
20 *director*.

21 (2) In performing its duties, the working group shall consult
22 with the Federal Communications Commission, and with respect
23 to grants and fiscal matters, the ~~California Office of Emergency~~
24 ~~Management Agency Services~~.

25 (c) The working group shall consider and make
26 recommendations with respect to all of the following:

27 (1) Private and public programs, including pilot projects that
28 attempt to integrate a public-private partnership to expand an alert
29 system.

30 (2) Protocols, including formats, source or originator
31 identification, threat severity, hazard description, and response
32 requirements or recommendations, for alerts to be transmitted via
33 an alert system that ensures that alerts are capable of being utilized
34 across the broadest variety of communication technologies, at state
35 and local levels.

36 (3) Protocols and guidelines to prioritize assurance of the
37 greatest level of interoperability for first responders and families
38 of first responders.

39 (4) Procedures for verifying, initiating, modifying, and canceling
40 alerts transmitted via an alert system.

1 (5) Guidelines for the technical capabilities of an alert system.

2 (6) Guidelines for technical capability that provides for the
3 priority transmission of alerts.

4 (7) Guidelines for other capabilities of an alert system.

5 (8) Standards for equipment and technologies used by an alert
6 system.

7 (9) Cost estimates.

8 (10) Standards and protocols in accordance with, or in
9 anticipation of, Federal Communications Commission requirements
10 and federal statutes or regulations.

11 (11) Liability issues.

12 (d) The ~~secretary~~ *director* may accept private monetary or
13 in-kind donations for the purposes of this section.

14 SEC. 131. Section 8596 of the Government Code is amended
15 to read:

16 8596. (a) Each department, division, bureau, board,
17 commission, officer, and employee of this state shall render all
18 possible assistance to the Governor and to the ~~Secretary~~ *Director*
19 of Emergency Management in carrying out ~~the provisions of this~~
20 chapter.

21 (b) In providing that assistance, state agencies shall cooperate
22 to the fullest possible extent with each other and with political
23 subdivisions, relief agencies, and the American National Red Cross,
24 but nothing contained in this chapter shall be construed to limit or
25 in any way affect the responsibilities of the American National
26 Red Cross under the federal act approved January 5, 1905 (33 Stat.
27 599), as amended.

28 (c) Entities providing disaster-related services and assistance
29 shall strive to ensure that all victims receive the assistance that
30 they need and for which they are eligible. Public employees shall
31 assist evacuees and other individuals in securing disaster-related
32 assistance and services without eliciting any information or
33 document that is not strictly necessary to determine eligibility
34 under state and federal laws. Nothing in this subdivision shall
35 prevent public employees from taking reasonable steps to protect
36 the health or safety of evacuees and other individuals during an
37 emergency.

38 (d) State personnel, equipment, and facilities may be used to
39 clear and dispose of debris on private property only after the
40 Governor finds: (1) that the use is for a state purpose; (2) that the

1 use is in the public interest, serving the general welfare of the state;
2 and (3) that the personnel, equipment, and facilities are already in
3 the emergency area.

4 SEC. 132. Section 8599 of the Government Code is amended
5 to read:

6 8599. The ~~California Office of Emergency Management Agency~~
7 *Services* shall develop a plan for state and local governmental
8 agencies to utilize volunteer resources during a state of emergency
9 proclaimed by the Governor. The ~~agency office~~ shall consult with
10 appropriate state and local governmental agencies and volunteer
11 organizations in the development of this plan.

12 SEC. 133. Section 8600 of the Government Code is amended
13 to read:

14 8600. The Governor with the advice of the ~~California Office~~
15 ~~of Emergency Management Agency Services~~ is hereby authorized
16 and empowered to divide the state into mutual aid regions for the
17 more effective application, administration, and coordination of
18 mutual aid and other emergency-related activities.

19 SEC. 134. Section 8607 of the Government Code is amended
20 to read:

21 8607. (a) The ~~California Office of Emergency Management~~
22 ~~Agency Services~~, in coordination with all interested state agencies
23 with designated response roles in the state emergency plan and
24 interested local emergency management agencies shall jointly
25 establish by regulation a standardized emergency management
26 system for use by all emergency response agencies. The public
27 water systems identified in Section 8607.2 may review and
28 comment on these regulations prior to adoption. This system shall
29 be applicable, but not limited to, those emergencies or disasters
30 referenced in the state emergency plan. The standardized
31 emergency management system shall include all of the following
32 systems as a framework for responding to and managing
33 emergencies and disasters involving multiple jurisdictions or
34 multiple agency responses:

35 (1) The Incident Command Systems adapted from the systems
36 originally developed by the FIRESCOPE Program, including those
37 currently in use by state agencies.

38 (2) The multiagency coordination system as developed by the
39 FIRESCOPE Program.

1 (3) The mutual aid agreement, as defined in Section 8561, and
2 related mutual aid systems such as those used in law enforcement,
3 fire service, and coroners operations.

4 (4) The operational area concept, as defined in Section 8559.

5 (b) Individual agencies' roles and responsibilities agreed upon
6 and contained in existing laws or the state emergency plan are not
7 superseded by this article.

8 (c) ~~The California Office of Emergency Management Agency~~
9 *Services*, in coordination with the State Fire Marshal's office, the
10 Department of the California Highway Patrol, the Commission on
11 Peace Officer Standards and Training, the Emergency Medical
12 Services Authority, and all other interested state agencies with
13 designated response roles in the state emergency plan, shall jointly
14 develop an approved course of instruction for use in training all
15 emergency response personnel, consisting of the concepts and
16 procedures associated with the standardized emergency
17 management system described in subdivision (a).

18 (d) All state agencies shall use the standardized emergency
19 management system as adopted pursuant to subdivision (a), to
20 coordinate multiple jurisdiction or multiple agency emergency and
21 disaster operations.

22 (e) (1) Each local agency, in order to be eligible for any funding
23 of response-related costs under disaster assistance programs, shall
24 use the standardized emergency management system as adopted
25 pursuant to subdivision (a) to coordinate multiple jurisdiction or
26 multiple agency operations.

27 (2) Notwithstanding paragraph (1), local agencies shall be
28 eligible for repair, renovation, or any other nonpersonnel costs
29 resulting from an emergency.

30 (f) ~~The California Office of Emergency Management Agency~~
31 *Services* shall, in cooperation with involved state and local
32 agencies, complete an after-action report within 120 days after
33 each declared disaster. This report shall review public safety
34 response and disaster recovery activities and shall be made
35 available to all interested public safety and emergency management
36 organizations.

37 SEC. 135. Section 8607.2 of the Government Code is amended
38 to read:

39 8607.2. (a) All public water systems, as defined in subdivision
40 (f) of Section 116275 of the Health and Safety Code, with 10,000

1 or more service connections shall review and revise their disaster
2 preparedness plans in conjunction with related agencies, including,
3 but not limited to, local fire departments and the ~~California Office~~
4 ~~of Emergency Management Agency Services~~ to ensure that the
5 plans are sufficient to address possible disaster scenarios. These
6 plans should examine and review pumping station and distribution
7 facility operations during an emergency, water pressure at both
8 pumping stations and hydrants, and whether there is sufficient
9 water reserve levels and alternative emergency power, including,
10 but not limited to, onsite backup generators and portable generators.

11 (b) All public water systems, as defined in subdivision (f) of
12 Section 116275 of the Health and Safety Code, with 10,000 or
13 more service connections following a declared state of emergency
14 shall furnish an assessment of their emergency response and
15 recommendations to the Legislature within six months after each
16 disaster, as well as implementing the recommendations in a timely
17 manner.

18 (c) ~~The California Office of Emergency Management Agency~~
19 ~~Services~~ shall establish appropriate and insofar as practical,
20 emergency response and recovery plans, including mutual aid
21 plans, in coordination with public water systems, as defined in
22 subdivision (f) of Section 116275 of the Health and Safety Code,
23 with 10,000 or more service connections.

24 SEC. 136. Section 8608 of the Government Code is amended
25 to read:

26 8608. ~~The California Office of Emergency Management Agency~~
27 ~~Services~~ shall approve and adopt, and incorporate the California
28 Animal Response Emergency System (CARES) program developed
29 under the oversight of the Department of Food and Agriculture
30 into the standardized emergency management system established
31 pursuant to subdivision (a) of Section 8607.

32 SEC. 137. Section 8610 of the Government Code is amended
33 to read:

34 8610. Counties, cities and counties, and cities may create
35 disaster councils by ordinance. A disaster council shall develop
36 plans for meeting any condition constituting a local emergency or
37 state of emergency, including, but not limited to, earthquakes,
38 natural or manmade disasters specific to that jurisdiction, or state
39 of war emergency; those plans shall provide for the effective
40 mobilization of all of the resources within the political subdivision,

1 both public and private. The disaster council shall supply a copy
2 of any plans developed pursuant to this section to the ~~California~~
3 ~~Office of Emergency Management Agency Services~~. The governing
4 body of a county, city and county, or city may, in the ordinance
5 or by resolution adopted pursuant to the ordinance, provide for the
6 organization, powers and duties, divisions, services, and staff of
7 the emergency organization. The governing body of a county, city
8 and county, or city may, by ordinance or resolution, authorize
9 public officers, employees, and registered volunteers to command
10 the aid of citizens when necessary in the execution of their duties
11 during a state of war emergency, a state of emergency, or a local
12 emergency.

13 Counties, cities and counties, and cities may enact ordinances
14 and resolutions and either establish rules and regulations or
15 authorize disaster councils to recommend to the director of the
16 local emergency organization rules and regulations for dealing
17 with local emergencies that can be adequately dealt with locally;
18 and further may act to carry out mutual aid on a voluntary basis
19 and, to this end, may enter into agreements.

20 SEC. 138. Section 8610.5 of the Government Code is amended
21 to read:

22 8610.5. (a) For purposes of this section, the following
23 definitions shall apply:

24 (1) “Agency” or “office” means the ~~California~~ *Office of*
25 *Emergency Management Agency Services*.

26 (2) “Previous fiscal year” means the fiscal year immediately
27 prior to the current fiscal year.

28 (3) “Utility” means an “electrical corporation” as defined in
29 Section 218 of the Public Utilities Code, and “utilities” means
30 more than one electrical corporation.

31 (b) (1) State and local costs to carry out activities pursuant to
32 this section and Chapter 4 (commencing with Section 114650) of
33 Part 9 of Division 104 of the Health and Safety Code that are not
34 reimbursed by federal funds shall be borne by utilities operating
35 nuclear powerplants with a generating capacity of 50 megawatts
36 or more.

37 (2) The Public Utilities Commission shall develop and transmit
38 to the ~~agency office~~ an equitable method of assessing the utilities
39 operating the powerplants for their reasonable pro rata share of
40 state agency costs specified in paragraph (1).

1 (3) Each local government involved shall submit a statement
2 of its costs specified in paragraph (1), as required, to the ~~agency~~
3 *office*.

4 (4) Upon each utility's notification by the ~~agency office~~, from
5 time to time, of the amount of its share of the actual or anticipated
6 state and local agency costs, the utility shall pay this amount to
7 the Controller for deposit in the Nuclear Planning Assessment
8 Special Account, which is continued in existence, for allocation
9 by the Controller, upon appropriation by the Legislature, to carry
10 out activities pursuant to this section and Chapter 4 (commencing
11 with Section 114650) of Part 9 of Division 104 of the Health and
12 Safety Code. The Controller shall pay from this account the state
13 and local costs relative to carrying out this section and Chapter 4
14 (commencing with Section 114650) of Part 9 of Division 104 of
15 the Health and Safety Code, upon certification thereof by the
16 ~~agency office~~.

17 (5) Upon appropriation by the Legislature, the Controller may
18 disburse up to 80 percent of a fiscal year allocation from the
19 Nuclear Planning Assessment Special Account, in advance, for
20 anticipated local expenses, as certified by the agency pursuant to
21 paragraph (4). The ~~agency office~~ shall review program expenditures
22 related to the balance of funds in the account and the Controller
23 shall pay the portion, or the entire balance, of the account, based
24 upon those approved expenditures.

25 (c) (1) The total annual disbursement of state costs from the
26 utilities operating the nuclear powerplants within the state for
27 activities pursuant to this section and Chapter 4 (commencing with
28 Section 114650) of Part 9 of Division 104 of the Health and Safety
29 Code, shall not exceed the lesser of the actual costs or the
30 maximum funding levels established in this section, subject to
31 subdivisions (e) and (f), to be shared equally among the utilities.

32 (2) Of the annual amount of two million forty-seven thousand
33 dollars (\$2,047,000) for the 2009–10 fiscal year, the sum of one
34 million ninety-four thousand dollars (\$1,094,000) shall be for
35 support of the ~~agency office~~ for activities pursuant to this section
36 and Chapter 4 (commencing with Section 114650) of Part 9 of
37 Division 104 of the Health and Safety Code, and the sum of nine
38 hundred fifty-three thousand dollars (\$953,000) shall be for support
39 of the State Department of Public Health for activities pursuant to

1 this section and Chapter 4 (commencing with Section 114650) of
2 Part 9 of Division 104 of the Health and Safety Code.

3 (d) (1) The total annual disbursement for each fiscal year,
4 commencing July 1, 2009, of local costs from the utilities shall
5 not exceed the lesser of the actual costs or the maximum funding
6 levels established in this section, in support of activities pursuant
7 to this section and Chapter 4 (commencing with Section 114650)
8 of Part 9 of Division 104 of the Health and Safety Code. The
9 maximum annual amount available for disbursement for local
10 costs, subject to subdivisions (e) and (f), shall, for the fiscal year
11 beginning July 1, 2009, be one million seven hundred thirty-two
12 thousand dollars (\$1,732,000) for the Diablo Canyon site and one
13 million six hundred thousand dollars (\$1,600,000) for the San
14 Onofre site.

15 (2) The amounts paid by the utilities under this section shall be
16 allowed for ratemaking purposes by the Public Utilities
17 Commission.

18 (e) (1) Except as provided in paragraph (2), the amounts
19 available for disbursement for state and local costs as specified in
20 this section shall be adjusted and compounded each fiscal year by
21 the percentage increase in the California Consumer Price Index of
22 the previous fiscal year.

23 (2) For the Diablo Canyon site, the amounts available for
24 disbursement for state and local costs as specified in this section
25 shall be adjusted and compounded each fiscal year by the larger
26 of the percentage change in the prevailing wage for San Luis
27 Obispo County employees, not to exceed 5 percent, or the
28 percentage increase in the California Consumer Price Index from
29 the previous fiscal year.

30 (f) Through the inoperative date specified in subdivision (g),
31 the amounts available for disbursement for state and local costs
32 as specified in this section shall be cumulative biennially. Any
33 unexpended funds from a year shall be carried over for one year.
34 The funds carried over from the previous year may be expended
35 when the current year's funding cap is exceeded.

36 (g) This section shall become inoperative on July 1, 2019, and,
37 as of January 1, 2020, is repealed, unless a later enacted statute,
38 which becomes effective on or before July 1, 2019, deletes or
39 extends the dates on which it becomes inoperative and is repealed.

1 (h) Upon inoperation of this section, any amounts remaining in
2 the special account shall be refunded pro rata to the utilities
3 contributing thereto, to be credited to the utility's ratepayers.

4 SEC. 139. Section 8612 of the Government Code is amended
5 to read:

6 8612. Any disaster council that both agrees to follow the rules
7 and regulations established by the ~~California Office of Emergency~~
8 ~~Management Agency Services~~ pursuant to Section 8585.5 and
9 substantially complies with those rules and regulations shall be
10 certified by the ~~agency office~~. Upon that certification, and not
11 before, the disaster council becomes an accredited disaster council.

12 SEC. 140. Section 8613 of the Government Code is amended
13 to read:

14 8613. Should an accredited disaster council fail to comply with
15 the rules and regulations of the ~~California Office of Emergency~~
16 ~~Management Agency Services~~ in any material degree, the ~~agency~~
17 ~~office~~ may revoke its certification and, upon the act of revocation,
18 the disaster council shall lose its accredited status. It may again
19 become an accredited disaster council in the same manner as is
20 provided for a disaster council that has not previously been
21 accredited.

22 SEC. 141. Section 8614 of the Government Code is amended
23 to read:

24 8614. (a) Each department, division, bureau, board,
25 commission, officer, and employee of each political subdivision
26 of the state shall render all possible assistance to the Governor and
27 to the ~~Secretary Director~~ of ~~Emergency Management Services~~ in
28 carrying out the provisions of this chapter.

29 (b) The emergency power that may be vested in a local public
30 official during a state of war emergency or a state of emergency
31 shall be subject or subordinate to the powers vested in the Governor
32 under this chapter when exercised by the Governor.

33 (c) Ordinances, orders, and regulations of a political subdivision
34 shall continue in effect during a state of war emergency or a state
35 of emergency, except as to any provision suspended or superseded
36 by an order or regulation issued by the Governor.

37 SEC. 142. Section 8649 of the Government Code is amended
38 to read:

39 8649. Subject to the approval of the Department of Finance,
40 any state agency may use its personnel, property, equipment, and

1 appropriations for carrying out the purposes of this chapter, and
2 in that connection may loan personnel to the ~~California Office of~~
3 ~~Emergency Management Agency Services~~. The Department of
4 Finance shall determine whether reimbursement shall be made to
5 any state agency for expenditures heretofore or hereafter made or
6 incurred for those purposes from any appropriation available for
7 the ~~California Office of Emergency Management Agency Services~~,
8 except that as to any expenditure made or incurred by any state
9 agency the funds of which are subject to constitutional restriction
10 that would prohibit their use for those purposes, that reimbursement
11 shall be provided and the original expenditure shall be considered
12 a temporary loan to the General Fund.

13 SEC. 143. Section 8651 of the Government Code is amended
14 to read:

15 8651. The ~~Secretary Director~~ of ~~Emergency Management~~
16 ~~Services~~ may procure from the federal government or any of its
17 agencies such surplus equipment, apparatus, supplies, and storage
18 facilities therefor as may be necessary to accomplish the purposes
19 of this chapter.

20 SEC. 144. Section 8657 of the Government Code is amended
21 to read:

22 8657. (a) Volunteers duly enrolled or registered with the
23 ~~California Office of Emergency Management Agency Services~~ or
24 any disaster council of any political subdivision, or unregistered
25 persons duly impressed into service during a state of war
26 emergency, a state of emergency, or a local emergency, in carrying
27 out, complying with, or attempting to comply with, any order or
28 regulation issued or promulgated pursuant to the provisions of this
29 chapter or any local ordinance, or performing any of their
30 authorized functions or duties or training for the performance of
31 their authorized functions or duties, shall have the same degree of
32 responsibility for their actions and enjoy the same immunities as
33 officers and employees of the state and its political subdivisions
34 performing similar work for their respective entities.

35 (b) No political subdivision or other public agency under any
36 circumstances, nor the officers, employees, agents, or duly enrolled
37 or registered volunteers thereof, or unregistered persons duly
38 impressed into service during a state of war emergency, a state of
39 emergency, or a local emergency, acting within the scope of their
40 official duties under this chapter or any local ordinance shall be

1 liable for personal injury or property damage sustained by any
2 duly enrolled or registered volunteer engaged in or training for
3 emergency preparedness or relief activity, or by any unregistered
4 person duly impressed into service during a state of war emergency,
5 a state of emergency, or a local emergency and engaged in such
6 service. The foregoing shall not affect the right of any such person
7 to receive benefits or compensation which may be specifically
8 provided by the provisions of any federal or state statute nor shall
9 it affect the right of any person to recover under the terms of any
10 policy of insurance.

11 (c) The California Earthquake Prediction Evaluation Council,
12 an advisory committee established pursuant to Section 8590 of
13 this chapter, may advise the Governor of the existence of an
14 earthquake or volcanic prediction having scientific validity. In its
15 review, hearings, deliberations, or other validation procedures,
16 members of the council, jointly and severally, shall have the same
17 degree of responsibility for their actions and enjoy the same
18 immunities as officers and employees of the state and its political
19 subdivisions engaged in similar work in their respective entities.
20 Any person making a presentation to the council as part of the
21 council's validation process, including presentation of a prediction
22 for validation, shall be deemed a member of the council until the
23 council has found the prediction to have or not have scientific
24 validity.

25 SEC. 145. Section 8657.5 of the Government Code is amended
26 to read:

27 8657.5. (a) (1) A private business included on the statewide
28 registry pursuant to Section 8588.2 that voluntarily and without
29 expectation and receipt of compensation donates services, goods,
30 labor, equipment, resources, or dispensaries or other facilities, in
31 compliance with Section 8588.2, during a declared state of war,
32 state of emergency, or state of local emergency shall not be civilly
33 liable for a death, injury, illness, or other damage to a person or
34 property caused by the private business's donation of services,
35 goods, labor, equipment, resources, or dispensaries or other
36 facilities.

37 (2) A private business included on the statewide registry that
38 voluntarily and without expectation and receipt of compensation
39 donates services, goods, labor, equipment, resources, or
40 dispensaries or other facilities, in compliance with Section 8588.2,

1 during an emergency medical services training program conducted
2 by the ~~California Office of Emergency Management Agency~~
3 *Services* and a city, a county, or a city and county shall not be
4 civilly liable for damages alleged to have resulted from those
5 training programs, as described in Section 1799.100 of the Health
6 and Safety Code.

7 (b) (1) A nonprofit organization included on the statewide
8 registry pursuant to Section 8588.2 that voluntarily and without
9 expectation and receipt of compensation from victims of
10 emergencies and disasters donates services, goods, labor,
11 equipment, resources, or dispensaries or other facilities, in
12 compliance with Section 8588.2, during a declared state of war,
13 state of emergency, or state of local emergency shall not be civilly
14 liable for a death, injury, illness, or other damage to a person or
15 property caused by the nonprofit organization's donation of
16 services, goods, labor, equipment, resources, or dispensaries or
17 other facilities.

18 (2) A nonprofit organization included on the statewide registry
19 that voluntarily and without expectation and receipt of
20 compensation donates services, goods, labor, equipment, resources,
21 or dispensaries or other facilities, in compliance with Section
22 8588.2, during an emergency medical services training program
23 conducted by the ~~California Office of Emergency Management~~
24 *Agency Services* and a city, a county, or a city and county, shall
25 not be civilly liable for damages alleged to have resulted from
26 those training programs, as described in Section 1799.100 of the
27 Health and Safety Code.

28 (c) A private business or nonprofit organization that
29 discriminates against a victim of an emergency or disaster based
30 on a protected classification under federal or state law shall not be
31 entitled to the protections in subdivision (a) or (b).

32 (d) This section shall not relieve a private business or nonprofit
33 organization from liability caused by its grossly negligent act or
34 omission, or willful or wanton misconduct.

35 SEC. 146. Section 8670.20 of the Government Code is amended
36 to read:

37 8670.20. (a) For the purposes of this section, "vessel" means
38 a vessel, as defined in Section 21 of the Harbors and Navigation
39 Code, of 300 gross registered tons or more.

1 (b) Any party responsible for a vessel shall notify the Coast
2 Guard within one hour of a disability if the disabled vessel is within
3 12 miles of the shore of this state. The administrator and the
4 ~~California Office of Emergency Management Agency Services~~
5 shall request the Coast Guard to notify the ~~California Office of~~
6 ~~Emergency Management Agency Services~~ as soon as possible after
7 the Coast Guard receives notice of a disabled vessel within 12
8 miles of the shore of this state. The administrator shall attempt to
9 negotiate an agreement with the Coast Guard governing procedures
10 for Coast Guard notification to the state regarding disabled vessels.

11 (c) Whenever the ~~California Office of Emergency Management~~
12 ~~Agency Services~~ receives notice of a disabled vessel, the office
13 shall immediately notify the administrator. If the administrator
14 receives notice from any other source regarding the presence of a
15 disabled vessel within 12 miles of the shore of this state, the
16 administrator shall immediately notify the ~~California Office of~~
17 ~~Emergency Management Agency Services~~.

18 (d) For the purposes of this section, a vessel shall be considered
19 disabled if any of the following occurs:

20 (1) Any accidental or intentional grounding that creates a hazard
21 to the environment or the safety of the vessel.

22 (2) Loss of main propulsion or primary steering or any
23 component or control system that causes a reduction in the
24 maneuvering capabilities of the vessel. For the purposes of this
25 paragraph, “loss” means that any system, component, part,
26 subsystem, or control system does not perform the specified or
27 required function.

28 (3) An occurrence materially and adversely affecting the vessel’s
29 seaworthiness or fitness for service, including, but not limited to,
30 fire, flooding, or collision with another vessel.

31 (4) Any occurrence not meeting the above criteria, but that
32 creates the serious possibility of an oil spill or an occurrence that
33 may result in an oil spill.

34 (e) For the purposes of this section, a tank barge shall be
35 considered disabled if any of the following occur:

36 (1) The towing mechanism becomes disabled.

37 (2) The tugboat towing the tank barge becomes disabled through
38 occurrences specified in subdivision (d).

39 SEC. 147. Section 8670.25.5 of the Government Code is
40 amended to read:

1 8670.25.5. (a) (1) Without regard to intent or negligence, any
2 party responsible for the discharge or threatened discharge of oil
3 in marine waters shall report the discharge immediately to the
4 ~~California Office of Emergency Management Agency Services~~
5 pursuant to Section 25507 of the Health and Safety Code.

6 (2) If the information initially reported pursuant to paragraph
7 (1) was inaccurate or incomplete, or if the quantity of oil discharged
8 has changed, any party responsible for the discharge or threatened
9 discharge of oil in marine waters shall report the updated
10 information immediately to the ~~California Office of Emergency~~
11 ~~Management Agency Services~~ pursuant to paragraph (1). The
12 report shall contain the accurate or complete information, or the
13 revised quantity of oil discharged.

14 (b) Immediately upon receiving notification pursuant to
15 subdivision (a), the ~~California Office of Emergency Management~~
16 ~~Agency Services~~ shall notify the administrator, the State Lands
17 Commission, the California Coastal Commission, the California
18 regional water quality control board having jurisdiction over the
19 location of the discharged oil, and the appropriate local
20 governmental agencies in the area surrounding the discharged oil,
21 and take the actions required by subdivision (d) of Section 8589.7.
22 If the spill has occurred within the jurisdiction of the San Francisco
23 Bay Conservation and Development Commission, the ~~California~~
24 ~~Office of Emergency Management Agency Services~~ shall notify
25 that commission. Each public agency specified in this subdivision
26 shall adopt an internal protocol over communications regarding
27 the discharge of oil and file the internal protocol with the ~~California~~
28 ~~Office of Emergency Management Agency Services~~.

29 (c) The 24-hour emergency telephone number of the ~~California~~
30 ~~Office of Emergency Management Agency Services~~ shall be posted
31 at every terminal, at the area of control of every marine facility,
32 and on the bridge of every tankship in marine waters.

33 (d) This section does not apply to discharges, or potential
34 discharges, of less than one barrel (42 gallons) of oil unless a more
35 restrictive reporting standard is adopted in the California oil spill
36 contingency plan prepared pursuant to Section 8574.1.

37 (e) Except as otherwise provided in this section and Section
38 8589.7, a notification made pursuant to this section shall satisfy
39 any immediate notification requirement contained in any permit
40 issued by a permitting agency.

1 SEC. 148. Section 8670.26 of the Government Code is amended
2 to read:

3 8670.26. Any local or state agency responding to a spill of oil
4 shall notify the ~~California Office of Emergency Management~~
5 ~~Agency Services~~, if notification as required under Section
6 8670.25.5, Section 13272 of the Water Code, or any other
7 notification procedure adopted in the California oil spill
8 contingency plan has not occurred.

9 SEC. 149. Section 8670.64 of the Government Code is amended
10 to read:

11 8670.64. (a) A person who commits any of the following acts,
12 shall, upon conviction, be punished by imprisonment in a county
13 jail for not more than one year or by imprisonment pursuant to
14 subdivision (h) of Section 1170 of the Penal Code:

15 (1) Except as provided in Section 8670.27, knowingly fails to
16 follow the direction or orders of the administrator in connection
17 with an oil spill.

18 (2) Knowingly fails to notify the Coast Guard that a vessel is
19 disabled within one hour of the disability and the vessel, while
20 disabled, causes a discharge of oil which enters marine waters.
21 For the purposes of this paragraph, “vessel” means a vessel, as
22 defined in Section 21 of the Harbors and Navigation Code, of 300
23 gross registered tons or more.

24 (3) Knowingly engages in or causes the discharge or spill of oil
25 into marine waters, or a person who reasonably should have known
26 that he or she was engaging in or causing the discharge or spill of
27 oil into marine waters, unless the discharge is authorized by the
28 United States, the state, or another agency with appropriate
29 jurisdiction.

30 (4) Knowingly fails to begin cleanup, abatement, or removal of
31 spilled oil as required in Section 8670.25.

32 (b) The court shall also impose upon a person convicted of
33 violating subdivision (a), a fine of not less than five thousand
34 dollars (\$5,000) or more than five hundred thousand dollars
35 (\$500,000) for each violation. For purposes of this subdivision,
36 each day or partial day that a violation occurs is a separate
37 violation.

38 (c) (1) A person who knowingly does any of the acts specified
39 in paragraph (2) shall, upon conviction, be punished by a fine of
40 not less than two thousand five hundred dollars (\$2,500) or more

1 than two hundred fifty thousand dollars (\$250,000), or by
2 imprisonment in a county jail for not more than one year, or by
3 both the fine and imprisonment. Each day or partial day that a
4 violation occurs is a separate violation. If the conviction is for a
5 second or subsequent violation of this subdivision, the person shall
6 be punished by imprisonment pursuant to subdivision (h) of Section
7 1170 of the Penal Code, or in a county jail for not more than one
8 year, or by a fine of not less than five thousand dollars (\$5,000)
9 or more than five hundred thousand dollars (\$500,000), or by both
10 that fine and imprisonment:

11 (2) The acts subject to this subdivision are all of the following:

12 (A) Failing to notify the ~~California Office of Emergency~~
13 ~~Management Agency Services~~ in violation of Section 8670.25.5.

14 (B) Knowingly making a false or misleading marine oil spill
15 report to the ~~California Office of Emergency Management Agency~~
16 ~~Services~~.

17 (C) Continuing operations for which an oil spill contingency
18 plan is required without an oil spill contingency plan approved
19 pursuant to Article 5 (commencing with Section 8670.28).

20 (D) Except as provided in Section 8670.27, knowingly failing
21 to follow the material provisions of an applicable oil spill
22 contingency plan.

23 SEC. 150. Section 8682 of the Government Code is amended
24 to read:

25 8682. The ~~secretary~~ *director* shall administer this chapter. The
26 ~~secretary~~ *director* may delegate any power or duty vested in him
27 or her under this chapter to a state agency or to any other officer
28 or employee of the ~~California Office of Emergency Management~~
29 ~~Agency Services~~.

30 SEC. 151. Section 8682.9 of the Government Code is amended
31 to read:

32 8682.9. The ~~secretary~~ *director* shall adopt regulations, as
33 necessary, to govern the administration of the disaster assistance
34 program authorized by this chapter in accordance with the
35 Administrative Procedure Act (Chapter 3.5 (commencing with
36 Section 11340) of Part 1 of Division 3). These regulations shall
37 include specific project eligibility requirements, a procedure for
38 local governments to request the implementation of programs
39 under this chapter, and a method for evaluating these requests by
40 the ~~California Office of Emergency Management Agency Services~~.

1 SEC. 152. Section 8685 of the Government Code is amended
2 to read:

3 8685. From any moneys appropriated for that purpose, and
4 subject to the conditions specified in this article, the ~~secretary~~
5 *director* shall allocate funds to meet the cost of any one or more
6 projects as defined in Section 8680.4. Applications by school
7 districts shall be submitted to the Superintendent of Public
8 Instruction for review and approval, in accordance with instructions
9 or regulations developed by the ~~California Office of Emergency~~
10 ~~Management Agency Services~~, prior to the allocation of funds by
11 the ~~secretary~~ *director*.

12 Moneys appropriated for the purposes of this chapter may be
13 used to provide financial assistance for the following local agency
14 and state costs:

15 (a) Local agency personnel costs, equipment costs, and the cost
16 of supplies and materials used during disaster response activities,
17 incurred as a result of a state of emergency proclaimed by the
18 Governor, excluding the normal hourly wage costs of employees
19 engaged in emergency work activities.

20 (b) To repair, restore, reconstruct, or replace facilities belonging
21 to local agencies damaged as a result of disasters as defined in
22 Section 8680.3. Mitigation measures performed pursuant to
23 subdivision (b) of Section 8686.4 shall qualify for funding pursuant
24 to this chapter.

25 (c) Matching fund assistance for cost sharing required under
26 federal disaster assistance programs, as otherwise eligible under
27 this act.

28 (d) Indirect administrative costs and any other assistance deemed
29 necessary by the director.

30 (e) Necessary and required site preparation costs for
31 mobilehomes, travel trailers, and other manufactured housing units
32 provided and operated by the Federal Emergency Management
33 Agency.

34 SEC. 153. Section 8687.7 of the Government Code is amended
35 to read:

36 8687.7. (a) As used in this section, the following terms have
37 the following meanings:

38 (1) “Agency” or “office” means the ~~California Office of~~
39 ~~Emergency Management Agency Services~~.

1 (2) “Community” means a geographic area impacted by an
2 emergency proclaimed by the Governor that includes the
3 jurisdiction of one or more local agencies.

4 (3) “Community recovery partners” means local, state, and
5 federal agencies, private nonprofit organizations, nongovernmental
6 agencies, faith-based organizations, and other private entities.

7 (b) The ~~agency~~ *office* may establish a model process that would
8 be made available to assist a community in recovering from an
9 emergency proclaimed by the Governor. The model process may
10 include the following:

11 (1) The role of the ~~agency~~ *office* in the community recovery
12 process.

13 (2) Procedures for the ~~agency~~ *office* to have representation onsite
14 as soon as practicable after the Governor proclaims a state of
15 emergency.

16 (3) The role of the ~~agency~~ *office* to facilitate the use of temporary
17 services, including, but not limited to, direct assistance to
18 individuals, families, and businesses, crisis counseling, disaster
19 unemployment assistance, food and clothing vouchers,
20 communications systems, replacement of personal identification
21 documents, provision of potable water, housing, farm service
22 assistance, tax relief, insurance, and legal services.

23 (4) The role of the ~~agency~~ *office* to facilitate the establishment
24 of temporary structures, including local assistance centers, showers
25 and bathroom facilities, and temporary administrative offices.

26 (5) Measures to encourage the participation of nongovernmental
27 organizations in the community recovery process to supplement
28 recovery activities undertaken by federal or local agencies.

29 (6) The ~~agency~~ *office* may refer the model process to the
30 standardized Emergency Management System (SEMS) Advisory
31 Board, or any other advisory board it deems appropriate, for review
32 and modifications.

33 (7) It is the intent of the Legislature that the model process
34 assists and complements local procedures. The model process
35 should allow the ~~agency~~ *office* to offer additional assistance when
36 that assistance is needed but not available through local agencies.

37 SEC. 154. Section 8692 of the Government Code is amended
38 to read:

39 8692. (a) If a state of emergency is proclaimed, an eligible
40 private nonprofit organization may receive state assistance for

1 distribution of supplies and other disaster or emergency assistance
2 activities resulting in extraordinary cost.

3 (b) A private nonprofit organization is eligible for assistance
4 under this section if it is eligible for disaster assistance under the
5 *federal* Robert T. Stafford Disaster Relief and Emergency
6 Assistance Act (42 U.S.C. Sec. 5121).

7 (c) An organization is not eligible for assistance under this
8 section if it employs religious content in the provision of
9 emergency assistance.

10 (d) Any grant of assistance under this section shall comply with
11 Section 4 of Article I and Section 5 of Article XVI of the California
12 Constitution, state and federal civil rights laws, and the First
13 Amendment to the United States Constitution in regard to the
14 funding of religious organizations and activities. These legal
15 constraints include prohibitions on the discrimination against
16 beneficiaries and staff based on protected categories, on the use
17 of public funds for proselytizing of religious doctrine, religious
18 instruction, or worship, and on the use of other religious means to
19 accomplish programmatic goals.

20 (e) ~~The California Office of Emergency Management Agency~~
21 ~~Services~~ shall adopt regulations to implement this section.

22 SEC. 155. Section 8840 of the Government Code is amended
23 to read:

24 8840. For purposes of this article, “eligible radio station” means
25 a radio station that, at the time of applying for a grant under this
26 article, meets both of the following requirements:

27 (a) It has met all of the following requirements for a period of
28 two years unless another time is specified:

29 (1) It is licensed by the Federal Communications Commission
30 as a noncommercial educational station, or is operating under
31 program test authority pending the grant of a license.

32 (2) It has its community of license and principal administrative
33 offices in this state and is not owned, controlled, managed, or
34 primarily financed by any corporation or entity outside of this
35 state.

36 (3) It provides a program service that meets the requirements
37 for a Community Service Grant from the Corporation for Public
38 Broadcasting.

39 (4) It provides significant locally originated programming in its
40 community of license.

1 (5) It broadcasts not less than 15 hours per day, 365 days per
2 year.

3 (6) It participates in statewide public broadcasting projects.

4 (7) It has provided, prior to its application for a grant under this
5 article, an audited financial statement for the years on which the
6 grant is based.

7 (8) It does either of the following:

8 (A) Meets the criteria for receipt of a Community Service Grant
9 from the Corporation for Public Broadcasting that were in effect
10 on June 30, 1995.

11 (B) Two months prior to applying for a grant, the station has a
12 full-time staff of at least one professional paid not less than the
13 California minimum wage, and is certified by the council as
14 providing a needed service to its community of license.

15 (b) It enters into a permanent agreement with the ~~California~~
16 *Office of Emergency Management Agency Services* to dedicate,
17 as necessary, a broadcast channel for the provision of emergency
18 information, to broadcast that information, and to ensure that it is
19 presented in a format that makes it accessible to the deaf,
20 hearing-impaired, and non-English-speaking populations
21 throughout its broadcast area, including rural and isolated
22 populations.

23 SEC. 156. Section 8841 of the Government Code is amended
24 to read:

25 8841. For purposes of this article, “eligible television station”
26 means a television station that, at the time of applying for a grant
27 under this article, unless another time is specified, meets all of the
28 following requirements:

29 (a) It has met all of the following requirements for a period of
30 two years:

31 (1) It is licensed by the Federal Communications Commission
32 as a noncommercial educational television station, or is operating
33 under program test authority pending the grant of a license.

34 (2) It has its community of license and principal administrative
35 offices in this state, and is not owned, controlled, managed, or
36 primarily financed by any corporation or entity outside of this
37 state.

38 (3) It provides a program service that meets the requirements
39 for a Community Service Grant from the Corporation for Public
40 Broadcasting.

1 (4) It provides substantial and significant locally originated
2 programming in its community of license.

3 (5) It broadcasts not less than 2,500 hours per year.

4 (6) It participates in statewide public broadcasting projects.

5 (7) It meets the criteria for receipt of a Community Service
6 Grant or base grant from the Corporation for Public Broadcasting
7 that were in effect on June 30, 1994.

8 (8) It has provided, prior to its application for a grant under this
9 article, an audited financial statement for the years on which the
10 grant is based.

11 (b) It enters into a permanent agreement with the ~~California~~
12 ~~Office of Emergency Management Agency Services~~ to dedicate,
13 as necessary, a broadcast channel for the provision of emergency
14 information, to broadcast that information, and to ensure that it is
15 presented in a format that makes it accessible to the deaf,
16 hearing-impaired, and non-English-speaking populations
17 throughout its broadcast area, including rural and isolated
18 populations.

19 (c) At the time of disbursement of the funds, it certifies in
20 writing by the station manager or an officer of the licensee that it
21 has in its public file a plan to address the needs of significant
22 linguistic minorities in its service area.

23 SEC. 157. Section 8844 of the Government Code is amended
24 to read:

25 8844. (a) Recognizing the necessity of converting California
26 stations to the technologies of digital broadcasting, the Legislature
27 intends that funds may be appropriated to the ~~California Office of~~
28 ~~Emergency Management Agency Services~~ for the purchase of
29 equipment by eligible stations, the installation of that equipment,
30 or purchase of other materials related to that equipment, pursuant
31 to this article.

32 (b) The ~~agency office~~ shall solicit applications for grant funds
33 from eligible stations throughout the state, and shall allocate funds
34 appropriated pursuant to subdivision (a) as follows:

35 (1) Seventy-five percent of any equipment purchase funds
36 appropriated pursuant to subdivision (a) shall be placed in an
37 equipment grant pool for eligible television stations, and 25 percent
38 shall be placed in an equipment grant pool for eligible radio
39 stations.

1 (2) Fifty percent of the funds in each grant pool shall be divided
2 equally among the stations in that grant pool.

3 (3) The remaining 50 percent of the funds in each grant pool
4 shall be divided among stations in that grant pool in proportion to
5 their nonfederal financial support.

6 (c) (1) Funds provided under this section shall be granted on a
7 matching basis, with each station required to raise from other
8 sources an amount equal to the funds provided to it under this
9 section.

10 (2) If any funds remain in either grant pool because of the
11 limitations set forth in paragraph (1), the remaining funds shall be
12 returned to the same pool for distribution to other stations that
13 have raised the required matching funds, in amounts proportionate
14 to the nonfederal financial support of those stations.

15 SEC. 158. Section 8870.1 of the Government Code is amended
16 to read:

17 8870.1. (a) (1) There is created in the state government the
18 Alfred E. Alquist Seismic Safety Commission as an independent
19 unit within the State *Business* and Consumer Services Agency.

20 (2) Any reference in statute or regulation to the Seismic Safety
21 Commission shall be deemed to refer to the Alfred E. Alquist
22 Seismic Safety Commission.

23 (b) The commission shall report annually to the Governor and
24 to the Legislature on its findings, progress, and recommendations
25 relating to earthquake hazard reduction, and any other seismic
26 safety issues, as requested by the Governor or the Legislature.

27 SEC. 159. Section 8870.2 of the Government Code is amended
28 to read:

29 8870.2. (a) The Alfred E. Alquist Seismic Safety Commission
30 shall consist of 15 members appointed by the Governor and
31 confirmed by the Senate, one member representing the ~~California~~
32 ~~Office of Emergency Management Agency Services~~, one member
33 representing the Division of the State Architect in the Department
34 of General Services, one member representing the California State
35 Building Standards Commission, one member appointed by the
36 Senate ~~Committee on Rules Committee~~, and one member appointed
37 by the Speaker of the Assembly. The commission shall elect
38 annually from its membership its own chairperson and vice
39 chairperson and may replace them with other commissioners by

1 majority vote. Commission members shall be residents of
2 California.

3 (b) A quorum shall consist of 11 members if there are no
4 vacancies, or else a majority of the members of the commission
5 at the time.

6 (c) The Legislature declares that the individuals appointed to
7 the commission are intended to represent the professions of
8 architecture, planning, fire protection, public utilities, structural
9 engineering, geotechnical engineering, geology, seismology, local
10 government, insurance, social services, emergency services, and
11 the Legislature and that such representation serves the public
12 interest. Accordingly, the Legislature finds that for purposes of
13 persons who hold this office the specified professions are
14 tantamount to and constitute the public generally within the
15 meaning of Section 87103.

16 (d) The commission exists as a separate unit within the ~~State~~
17 *Business* and Consumer Services Agency, and has the functions
18 of prescribing policy, holding meetings and setting dates of the
19 meetings, conducting investigations, and holding hearings insofar
20 as those powers are given by statute to the commission.

21 (e) The decisions and actions of the commission, with respect
22 to exercising its authority and carrying out its duties under this
23 chapter, or any other applicable law, are not subject to review by
24 the Secretary of the ~~State~~ *Business* and Consumer Services Agency,
25 but are final within the limits provided by this chapter.

26 (f) The Legislature further declares that the highest level of
27 service that the individuals appointed to the commission can
28 provide to the residents of California is to offer professional,
29 unbiased, scientifically based advice to the Governor and the
30 Legislature. To maintain this quality of service, it is imperative
31 that the commission retain its functional autonomy and access to
32 the Governor and the Legislature. As such, the commission shall
33 retain its existing authority to issue reports, publications, and
34 literature, as well as to sponsor legislation, and to take official
35 positions on proposed state and federal legislation.

36 SEC. 160. Section 8870.4 of the Government Code is amended
37 to read:

38 8870.4. (a) Except as provided in subdivision (d), the members
39 of the Alfred E. Alquist Seismic Safety Commission shall serve
40 without compensation, but shall be paid per diem expenses of one

1 hundred dollars (\$100) for each day's attendance at a meeting of
2 the commission, plus actual necessary travel expenses as
3 determined by Department of ~~Personnel Administration~~ *Human*
4 *Resources* rules.

5 (b) The members of the commission who represent the
6 ~~California Office of Emergency Management Agency Services~~,
7 the California Building Standards Commission, and the Division
8 of the State Architect shall be employees in good standing of those
9 respective entities. Any per diem and travel expenses of those
10 members of the commission shall be paid by the agencies that they
11 represent on the commission, in compliance with applicable
12 conditions or regulations set by the Department of ~~Personnel~~
13 ~~Administration~~ *Human Resources*.

14 SEC. 161. Section 8870.7 of the Government Code is amended
15 to read:

16 8870.7. The commission is responsible for all of the following
17 in connection with earthquake hazard mitigation:

18 (a) Setting goals and priorities in the public and private sectors.

19 (b) Requesting appropriate state agencies to devise criteria to
20 promote earthquake and disaster safety.

21 (c) Scheduling a report on disaster mitigation issues from the
22 ~~California Office of Emergency Management Agency Services~~, on
23 the commission agenda as required. For the purposes of this
24 subdivision, the term disaster refers to all natural hazards which
25 could have an impact on public safety.

26 (d) Recommending program changes to state agencies, local
27 agencies, and the private sector where such changes would improve
28 earthquake hazards and reduction.

29 (e) Reviewing the recovery and reconstruction efforts after
30 damaging earthquakes.

31 (f) Gathering, analyzing, and disseminating information.

32 (g) Encouraging research.

33 (h) Sponsoring training to help improve the competence of
34 specialized enforcement and other technical personnel.

35 (i) Helping to coordinate the earthquake safety activities of
36 government at all levels.

37 (j) Establishing and maintaining necessary working relationships
38 with any boards, commissions, departments, and agencies, or other
39 public or private organizations.

1 SEC. 162. Section 8870.71 of the Government Code is amended
2 to read:

3 8870.71. To implement the foregoing responsibilities, the
4 commission may do any of the following:

5 (a) Review state budgets and review grant proposals, other than
6 those grant proposals submitted by institutions of postsecondary
7 education to the federal government, for earthquake-related
8 activities and to advise the Governor and Legislature thereon.

9 (b) Review legislative proposals related to earthquake safety to
10 advise the Governor and the Legislature concerning the proposals
11 and to propose needed legislation.

12 (c) Recommend the addition, deletion, or changing of state
13 agency standards when, in the commission's view, the existing
14 situation creates undue hazards or when new developments would
15 promote earthquake hazard mitigation, and conduct public hearings
16 as deemed necessary on the subjects.

17 (d) In the conduct of any hearing, investigation, inquiry, or study
18 that is ordered or undertaken in any part of the state, administer
19 oaths and issue subpoenas for the attendance of witnesses and the
20 production of papers, records, reports, books, maps, accounts,
21 documents, and testimony.

22 (e) In addition, the commission may perform any of the
23 functions contained in subdivisions (a) to (d), inclusive, in relation
24 to disasters, as defined in subdivision (c) of Section 8870.7, in
25 connection with issues or items reported or discussed with the
26 *California Office of Emergency Management Agency Services* at
27 any commission meeting.

28 SEC. 163. Section 8871.3 of the Government Code is amended
29 to read:

30 8871.3. (a) ~~The California Emergency Management Agency~~
31 *office* shall establish an interim state operations center in southern
32 California to coordinate response to a major earthquake. The
33 ~~agency office~~ shall also develop an operational communications
34 plan for the center based upon an inventory of current
35 communications capabilities and an assessment of structural
36 vulnerabilities.

37 (b) ~~The California Emergency Management Agency office~~ shall
38 undertake a design analysis regarding construction of a permanent
39 state operations center in southern California, including an

1 evaluation of telecommunications and information technology
2 systems for emergency management functions.

3 (c) All appropriations for the purposes of subdivision (a) or (b)
4 shall be reviewed by the Department of Finance prior to obligation
5 of funds.

6 SEC. 164. Section 8871.4 of the Government Code is amended
7 to read:

8 8871.4. The commission shall prepare the California
9 Earthquake Hazard Reduction Program, in consultation with the
10 ~~California Office of Emergency Management Agency Services,~~
11 the Division of Mines and Geology in the Department of
12 Conservation, the Office of the State Architect, the Emergency
13 Medical Services Authority, the University of California and other
14 appropriate institutions of higher learning, the California National
15 Guard, the Department of Finance, other appropriate state and
16 local agencies, the private sector, volunteer groups, and the
17 Legislature.

18 The commission may hold public hearings or joint hearings with
19 other groups and conduct other activities as necessary for the
20 development of the program.

21 SEC. 165. Section 8876.7 of the Government Code is amended
22 to read:

23 8876.7. In carrying out its responsibilities under this chapter,
24 the Seismic Safety Commission, in close consultation with the
25 ~~Business, Transportation and Housing Agency, the California~~
26 ~~Office of Emergency Management Agency Services,~~ and the ~~State~~
27 ~~Business and Consumers Consumer Services Agency,~~ may do the
28 following:

29 (a) Monitor the work of the center on behalf of the state.

30 (b) Produce and deliver for each year that the center is in
31 operation, an independent evaluation of the work conducted at the
32 center as it pertains to the objectives of the center and reducing
33 earthquake losses and earthquake risk in the state recognizing that
34 as a national center it will undertake basic research of national and
35 international consequence as well. The report shall include the
36 following tasks:

37 (1) Interpret the results of research to indicate how the research
38 may affect state law and policy.

39 (2) Recommend ways to promote the application of research.

1 (3) Recommend priorities that would contribute to achieving
2 the center’s objectives, provide direct benefits to California
3 residents and businesses, and lead to the completion of specific
4 recommendations in the state’s earthquake risk reduction program.

5 SEC. 166. Section 8878.52 of the Government Code is amended
6 to read:

7 8878.52. As used in this chapter, the following terms have the
8 following meanings:

9 (a) “Agency” or “office” means the ~~California~~ *Office of*
10 *Emergency Management Agency Services*.

11 (b) “Committee” means the Earthquake Safety and Public
12 Buildings Rehabilitation Finance Committee created pursuant to
13 subdivision (a) of Section 8878.111.

14 (c) “Commission” means the Seismic Safety Commission.

15 (d) “Fund” means the Earthquake Safety and Public Buildings
16 Rehabilitation Fund of 1990 created pursuant to Section 8878.55.

17 (e) “Local government” means any city, county, city and county,
18 or special district.

19 (f) “Project” means a program of work to retrofit, reconstruct,
20 repair, replace, or relocate, for local government-owned facilities
21 only, a building, facility, or both, which is owned by any city,
22 county, city and county, or special district and which is included
23 in an application for a grant of funds.

24 (g) “State Architect” means the Office of the State Architect.

25 (h) “State building or facility” means any building or structure
26 owned by a state agency, which is identified pursuant to Section
27 8878.60, except for vehicular bridges, roadways, highways, or any
28 facilities or buildings owned by the University of California or the
29 California State University.

30 (i) “Local government building or facility” means an existing
31 essential services building, as defined in Section 16007 of the
32 Health and Safety Code, or an emergency or public safety local
33 building as identified in Section 8878.99, which is owned by a
34 city, county, city and county, or special district.

35 (j) State or local government buildings shall not include those
36 owned by private for-profit or private nonprofit corporations, or
37 those owned by any combination, consortium, or joint powers
38 agreement that includes a private nonprofit corporation.

39 (k) “Retrofit” means to either strengthen the structure of a
40 building or facility, or to provide the means necessary to reduce

1 the seismic force level experienced by a building or facility during
2 an earthquake, so as to significantly reduce hazards to life and
3 safety while concomitantly providing for the substantially safe
4 egress of occupants during and immediately after such an
5 earthquake.

6 SEC. 167. Section 8879.23 of the Government Code is amended
7 to read:

8 8879.23. The Highway Safety, Traffic Reduction, Air Quality,
9 and Port Security Fund of 2006 is hereby created in the State
10 Treasury. The Legislature intends that the proceeds of bonds
11 deposited in the fund shall be used to fund the mobility, safety,
12 and air quality improvements described in this article over the
13 course of the next decade. The proceeds of bonds issued and sold
14 pursuant to this chapter for the purposes specified in this chapter
15 shall be allocated in the following manner:

16 (a) (1) Four billion five hundred million dollars
17 (\$4,500,000,000) shall be deposited in the Corridor Mobility
18 Improvement Account, which is hereby created in the fund. Funds
19 in the account shall be available to the California Transportation
20 Commission, upon appropriation in the annual Budget Bill by the
21 Legislature, for allocation for performance improvements on highly
22 congested travel corridors in California. Funds in the account shall
23 be used for performance improvements on the state highway
24 system, or major access routes to the state highway system on the
25 local road system that relieve congestion by expanding capacity,
26 enhancing operations, or otherwise improving travel times within
27 these high-congestion travel corridors, as identified by the
28 department and regional or local transportation agencies, pursuant
29 to the process in paragraph (3) or (4), as applicable.

30 (2) The commission shall develop and adopt guidelines, by
31 December 1, 2006, including regional programming targets, for
32 the program funded by this subdivision, and shall allocate funds
33 from the account to projects after reviewing project nominations
34 submitted by the Department of Transportation and by regional
35 transportation planning agencies or county transportation
36 commissions or authorities pursuant to paragraph (4).

37 (3) Subject to the guidelines adopted pursuant to paragraph (2),
38 the department shall nominate, by no later than January 15, 2007,
39 projects for the allocation of funds from the account on a statewide
40 basis. The department's nominations shall be geographically

1 balanced and shall reflect the department’s assessment of a program
2 that best meets the policy objectives described in paragraph (1).

3 (4) Subject to the guidelines adopted pursuant to paragraph (2),
4 a regional transportation planning agency or county transportation
5 commission or authority responsible for preparing a regional
6 transportation improvement plan under Section 14527 may
7 nominate projects identified pursuant to paragraph (1) that best
8 meet the policy objectives described in that paragraph for funding
9 from the account. Projects nominated pursuant to this paragraph
10 shall be submitted to the commission for consideration for funding
11 by no later than January 15, 2007.

12 (5) All nominations to the California Transportation Commission
13 shall be accompanied by documentation regarding the quantitative
14 and qualitative measures validating each project’s consistency
15 with the policy objectives described in paragraph (1). All projects
16 nominated to the commission for funds from this account shall be
17 included in a regional transportation plan.

18 (6) After review of the project nominations, and supporting
19 documentation, the commission, by no later than March 1, 2007,
20 shall adopt an initial program of projects to be funded from the
21 account. This program may be updated every two years in
22 conjunction with the biennial process for adoption of the state
23 transportation improvement program pursuant to guidelines adopted
24 by the commission. The inclusion of a project in the program shall
25 be based on a demonstration that the project meets all of the
26 following criteria:

27 (A) Is a high-priority project in the corridor as demonstrated by
28 either of the following: (i) its inclusion in the list of nominated
29 projects by both the department pursuant to paragraph (3) and the
30 regional transportation planning agency or county transportation
31 commission or authority, pursuant to paragraph (4); or (ii) if needed
32 to fully fund the project, the identification and commitment of
33 supplemental funding to the project from other state, local, or
34 federal funds.

35 (B) Can commence construction or implementation no later
36 than December 31, 2012.

37 (C) Improves mobility in a high-congestion corridor by
38 improving travel times or reducing the number of daily vehicle
39 hours of delay, improves the connectivity of the state highway

1 system between rural, suburban, and urban areas, or improves the
2 operation or safety of a highway or road segment.

3 (D) Improves access to jobs, housing, markets, and commerce.

4 (7) Where competing projects offer similar mobility
5 improvements to a specific corridor, the commission shall consider
6 additional benefits when determining which project shall be
7 included in the program for funding. These benefits shall include,
8 but are not limited to, the following:

9 (A) A finding that the project provides quantifiable air quality
10 benefits.

11 (B) A finding that the project substantially increases the safety
12 for travelers in the corridor.

13 (8) In adopting a program for funding pursuant to this
14 subdivision, the commission shall make a finding that the program
15 is geographically balanced, consistent with the geographic split
16 for funding described in Section 188 of the Streets and Highways
17 Code; provides mobility improvements in highly traveled or highly
18 congested corridors in all regions of California; and targets bond
19 proceeds in a manner that provides the increment of funding
20 necessary, when combined with other state, local, or federal funds,
21 to provide the mobility benefit in the earliest possible timeframe.

22 (9) The commission shall include in its annual report to the
23 Legislature, required by Section 14535, a summary of its activities
24 related to the administration of this program. The summary should,
25 at a minimum, include a description and the location of the projects
26 contained in the program, the amount of funds allocated to each
27 project, the status of each project, and a description of the mobility
28 improvements the program is achieving.

29 (b) One billion dollars (\$1,000,000,000) shall be made available,
30 upon appropriation in the annual Budget Bill by the Legislature,
31 to the department for improvements to State Route 99. Funds may
32 be used for safety, operational enhancements, rehabilitation, or
33 capacity improvements necessary to improve the State Route 99
34 corridor traversing approximately 400 miles of the central valley
35 of this state.

36 (c) Three billion one hundred million dollars (\$3,100,000,000)
37 shall be deposited in the California Ports Infrastructure, Security,
38 and Air Quality Improvement Account, which is hereby created
39 in the fund. The money in the account shall be available, upon

1 appropriation by the Legislature and subject to such conditions
2 and criteria as the Legislature may provide by statute, as follows:

3 (1) (A) Two billion dollars (\$2,000,000,000) shall be transferred
4 to the Trade Corridors Improvement Fund, which is hereby created.
5 The money in this fund shall be available, upon appropriation in
6 the annual Budget Bill by the Legislature and subject to such
7 conditions and criteria as the Legislature may provide by statute,
8 for allocation by the California Transportation Commission for
9 infrastructure improvements along federally designated “Trade
10 Corridors of National Significance” in this state or along other
11 corridors within this state that have a high volume of freight
12 movement, as determined by the commission. In determining
13 projects eligible for funding, the commission shall consult the trade
14 infrastructure and goods movement plan submitted to the
15 commission by the Secretary of ~~Business, Transportation and~~
16 ~~Housing~~ and the Secretary for Environmental Protection. No
17 moneys shall be allocated from this fund until the report is
18 submitted to the commission for its consideration, provided the
19 report is submitted no later than January 1, 2007. The commission
20 shall also consult trade infrastructure and goods movement plans
21 adopted by regional transportation planning agencies, adopted
22 regional transportation plans required by state and federal law, and
23 the statewide port master plan prepared by the California Marine
24 and Intermodal Transportation System Advisory Council
25 (Cal-MITSAC) pursuant to Section 1760 of the Harbors and
26 Navigation Code, when determining eligible projects for funding.
27 Eligible projects for these funds include, but are not limited to, all
28 of the following:

29 (i) Highway capacity improvements and operational
30 improvements to more efficiently accommodate the movement of
31 freight, particularly for ingress and egress to and from the state’s
32 seaports, including navigable inland waterways used to transport
33 freight between seaports, land ports of entry, and airports, and to
34 relieve traffic congestion along major trade or goods movement
35 corridors.

36 (ii) Freight rail system improvements to enhance the ability to
37 move goods from seaports, land ports of entry, and airports to
38 warehousing and distribution centers throughout California,
39 including projects that separate rail lines from highway or local
40 road traffic, improve freight rail mobility through mountainous

1 regions, relocate rail switching yards, and other projects that
2 improve the efficiency and capacity of the rail freight system.

3 (iii) Projects to enhance the capacity and efficiency of ports.

4 (iv) Truck corridor improvements, including dedicated truck
5 facilities or truck toll facilities.

6 (v) Border access improvements that enhance goods movement
7 between California and Mexico and that maximize the state's
8 ability to access coordinated border infrastructure funds made
9 available to the state by federal law.

10 (vi) Surface transportation improvements to facilitate the
11 movement of goods to and from the state's airports.

12 (B) The commission shall allocate funds for trade infrastructure
13 improvements from the account in a manner that (i) addresses the
14 state's most urgent needs, (ii) balances the demands of various
15 ports (between large and small ports, as well as between seaports,
16 airports, and land ports of entry), (iii) provides reasonable
17 geographic balance between the state's regions, and (iv) places
18 emphasis on projects that improve trade corridor mobility while
19 reducing emissions of diesel particulate and other pollutant
20 emissions. In addition, the commission shall also consider the
21 following factors when allocating these funds:

22 (i) "Velocity," which means the speed by which large cargo
23 would travel from the port through the distribution system.

24 (ii) "Throughput," which means the volume of cargo that would
25 move from the port through the distribution system.

26 (iii) "Reliability," which means a reasonably consistent and
27 predictable amount of time for cargo to travel from one point to
28 another on any given day or at any given time in California.

29 (iv) "Congestion reduction," which means the reduction in
30 recurrent daily hours of delay to be achieved.

31 (C) The commission shall allocate funds made available by this
32 paragraph to projects that have identified and committed
33 supplemental funding from appropriate local, federal, or private
34 sources. The commission shall determine the appropriate amount
35 of supplemental funding each project should have to be eligible
36 for moneys from this fund based on a project-by-project review
37 and an assessment of the project's benefit to the state and the
38 program. Except for border access improvements described in
39 clause (v) of subparagraph (A), improvements funded with moneys
40 from this fund shall have supplemental funding that is at least equal

1 to the amount of the contribution from the fund. The commission
2 may give priority for funding to projects with higher levels of
3 committed supplemental funding.

4 (D) The commission shall include in its annual report to the
5 Legislature, required by Section 14535, a summary of its activities
6 related to the administration of this program. The summary should,
7 at a minimum, include a description and the location of the projects
8 contained in the program, the amount of funds allocated to each
9 project, the status of each project, and a description of the mobility
10 and air quality improvements the program is achieving.

11 (2) One billion dollars (\$1,000,000,000) shall be made available,
12 upon appropriation by the Legislature and subject to such
13 conditions and criteria contained in a statute enacted by the
14 Legislature, to the State Air Resources Board for emission
15 reductions, not otherwise required by law or regulation, from
16 activities related to the movement of freight along California's
17 trade corridors. Funds made available by this paragraph are
18 intended to supplement existing funds used to finance strategies
19 and public benefit projects that reduce emissions and improve air
20 quality in trade corridors commencing at the state's airports,
21 seaports, and land ports of entry.

22 (3) One hundred million dollars (\$100,000,000) shall be
23 available, upon appropriation by the Legislature, to the ~~California~~
24 ~~Office of Emergency Management Agency Services~~ to be allocated,
25 as grants, for port, harbor, and ferry terminal security
26 improvements. Eligible applicants shall be publicly owned ports,
27 harbors, and ferryboat and ferry terminal operators, which may
28 submit applications for projects that include, but are not limited
29 to, the following:

30 (A) Video surveillance equipment.

31 (B) Explosives detection technology, including, but not limited
32 to, X-ray devices.

33 (C) Cargo scanners.

34 (D) Radiation monitors.

35 (E) Thermal protective equipment.

36 (F) Site identification instruments capable of providing a
37 fingerprint for a broad inventory of chemical agents.

38 (G) Other devices capable of detecting weapons of mass
39 destruction using chemical, biological, or other similar substances.

40 (H) Other security equipment to assist in any of the following:

- 1 (i) Screening of incoming vessels, trucks, and incoming or
2 outbound cargo.
- 3 (ii) Monitoring the physical perimeters of harbors, ports, and
4 ferry terminals.
- 5 (iii) Providing or augmenting onsite emergency response
6 capability.
- 7 (I) Overweight cargo detection equipment, including, but not
8 limited to, intermodal crane scales and truck weight scales.
- 9 (J) Developing disaster preparedness or emergency response
10 plans.
- 11 (d) Two hundred million dollars (\$200,000,000) shall be
12 available, upon appropriation by the Legislature, for schoolbus
13 retrofit and replacement to reduce air pollution and to reduce
14 children’s exposure to diesel exhaust.
- 15 (e) Two billion dollars (\$2,000,000,000) shall be available for
16 projects in the state transportation improvement program, to
17 augment funds otherwise available for this purpose from other
18 sources. The funds provided by this subdivision shall be deposited
19 in the Transportation Facilities Account which is hereby created
20 in the fund, and shall be available, upon appropriation by the
21 Legislature, to the Department of Transportation, as allocated by
22 the California Transportation Commission in the same manner as
23 funds allocated for those projects under existing law.
- 24 (f) (1) Four billion dollars (\$4,000,000,000) shall be deposited
25 in the Public Transportation Modernization, Improvement, and
26 Service Enhancement Account, which is hereby created in the
27 fund. Funds in the account shall be made available, upon
28 appropriation by the Legislature, to the Department of
29 Transportation for intercity rail projects and to commuter or urban
30 rail operators, bus operators, waterborne transit operators, and
31 other transit operators in California for rehabilitation, safety or
32 modernization improvements, capital service enhancements or
33 expansions, new capital projects, bus or rapid transit improvements,
34 or for rolling stock procurement, rehabilitation, or replacement.
- 35 (2) Of the funds made available in paragraph (1), four hundred
36 million dollars (\$400,000,000) shall be available, upon
37 appropriation by the Legislature, to the department for intercity
38 rail improvements, of which one hundred twenty-five million
39 dollars (\$125,000,000) shall be used for the procurement of
40 additional intercity railcars and locomotives.

1 (3) Of the funds remaining after the allocations in paragraph
2 (2), 50 percent shall be distributed to the Controller, for allocation
3 to eligible agencies using the formula in Section 99314 of the
4 Public Utilities Code, and 50 percent shall be distributed to the
5 Controller, for allocation to eligible agencies using the formula in
6 Section 99313 of the Public Utilities Code, subject to the provisions
7 governing funds allocated under those sections.

8 (g) One billion dollars (\$1,000,000,000) shall be deposited in
9 the State-Local Partnership Program Account, which is hereby
10 created in the fund. The funds shall be available, upon
11 appropriation by the Legislature and subject to such conditions
12 and criteria as the Legislature may provide by statute, for allocation
13 by the California Transportation Commission over a five-year
14 period to eligible transportation projects nominated by an applicant
15 transportation agency. A dollar-for-dollar match of local funds
16 shall be required for an applicant transportation agency to receive
17 state funds under this program.

18 (h) One billion dollars (\$1,000,000,000) shall be deposited in
19 the Transit System Safety, Security, and Disaster Response
20 Account, which is hereby created in the fund. Funds in the account
21 shall be made available, upon appropriation by the Legislature and
22 subject to such conditions and criteria as the Legislature may
23 provide by statute, for capital projects that provide increased
24 protection against a security and safety threat, and for capital
25 expenditures to increase the capacity of transit operators, including
26 waterborne transit operators, to develop disaster response
27 transportation systems that can move people, goods, and emergency
28 personnel and equipment in the aftermath of a disaster impairing
29 the mobility of goods, people, and equipment.

30 (i) One hundred twenty-five million dollars (\$125,000,000)
31 shall be deposited in the Local Bridge Seismic Retrofit Account,
32 which is hereby created in the fund. The funds in the account shall
33 be used, upon appropriation by the Legislature, to provide the 11.5
34 percent required match for federal Highway Bridge Replacement
35 and Repair funds available to the state for seismic work on local
36 bridges, ramps, and overpasses, as identified by the Department
37 of Transportation.

38 (j) (1) Two hundred fifty million dollars (\$250,000,000) shall
39 be deposited in the Highway-Railroad Crossing Safety Account,
40 which is hereby created in the fund. Funds in the account shall be

1 available, upon appropriation by the Legislature, to the Department
2 of Transportation for the completion of high-priority grade
3 separation and railroad crossing safety improvements. Funds in
4 the account shall be made available for allocation pursuant to the
5 process established in Chapter 10 (commencing with Section 2450)
6 of Division 3 of the Streets and Highways Code, except that a
7 dollar-for-dollar match of nonstate funds shall be provided for
8 each project, and the limitation on maximum project cost in
9 subdivision (g) of Section 2454 of the Streets and Highways Code
10 shall not be applicable to projects funded with these funds.

11 (2) Notwithstanding the funding allocation process described
12 in paragraph (1), in consultation with the department and the Public
13 Utilities Commission, the California Transportation Commission
14 shall allocate one hundred million dollars (\$100,000,000) of the
15 funds in the account to high-priority railroad crossing
16 improvements, including grade separation projects, that are not
17 part of the process established in Chapter 10 (commencing with
18 Section 2450) of Division 3 of the Streets and Highways Code.
19 The allocation of funds under this paragraph shall be made in
20 consultation and coordination with the High-Speed Rail Authority
21 created pursuant to Division 19.5 (commencing with Section
22 185000) of the Public Utilities Code.

23 (k) (1) Seven hundred fifty million dollars (\$750,000,000) shall
24 be deposited in the Highway Safety, Rehabilitation, and
25 Preservation Account, which is hereby created in the fund. Funds
26 in the account shall be available, upon appropriation by the
27 Legislature, to the Department of Transportation, as allocated by
28 the California Transportation Commission, for the purposes of the
29 state highway operation and protection program as described in
30 Section 14526.5.

31 (2) The department shall develop a program for distribution of
32 two hundred fifty million dollars (\$250,000,000) from the funds
33 identified in paragraph (1) to fund traffic light synchronization
34 projects or other technology-based improvements to improve
35 safety, operations, and the effective capacity of local streets and
36 roads.

37 (l) (1) Two billion dollars (\$2,000,000,000) shall be deposited
38 in the Local Streets and Road Improvement, Congestion Relief,
39 and Traffic Safety Account of 2006, which is hereby created in
40 the fund. The proceeds of bonds deposited into that account shall

1 be available, upon appropriation by the Legislature, for the
2 purposes specified in this subdivision to the Controller for
3 administration and allocation in the fiscal year in which the bonds
4 are issued and sold, including any interest or other return earned
5 on the investment of those moneys, in the following manner:

6 (A) Fifty percent to the counties, including a city and county,
7 in accordance with the following formulas:

8 (i) Seventy-five percent of the funds payable under this
9 subparagraph shall be apportioned among the counties in the
10 proportion that the number of fee-paid and exempt vehicles that
11 are registered in the county bears to the number of fee-paid and
12 exempt vehicles registered in the state.

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

21 (B) Fifty percent to the cities, including a city and county,
22 apportioned among the cities in the proportion that the total
23 population of the city bears to the total population of all the cities
24 in the state, provided, however, that the Controller shall allocate
25 a minimum of four hundred thousand dollars (\$400,000) to each
26 city, pursuant to this subparagraph.

27 (2) Funds received under this subdivision shall be deposited as
28 follows in order to avoid the commingling of those funds with
29 other local funds:

30 (A) In the case of a city, into the city account that is designated
31 for the receipt of state funds allocated for local streets and roads.

32 (B) In the case of an eligible county, into the county road fund.

33 (C) In the case of a city and county, into a local account that is
34 designated for the receipt of state funds allocated for local streets
35 and roads.

36 (3) For the purpose of allocating funds under this subdivision
37 to cities and a city and county, the Controller shall use the most
38 recent population estimates prepared by the Demographic Research
39 Unit of the Department of Finance. For a city that incorporated
40 after January 1, 1998, that does not appear on the most recent

1 population estimates prepared by the Demographic Research Unit,
2 the Controller shall use the population determined for that city
3 under Section 11005.3 of the Revenue and Taxation Code.

4 (4) Funds apportioned to a city, county, or city and county under
5 this subdivision, including any interest or other return earned on
6 the investment of those funds, shall be used for improvements to
7 transportation facilities that will assist in reducing local traffic
8 congestion and further deterioration, improving traffic flows, or
9 increasing traffic safety that may include, but not be limited to,
10 street and highway pavement maintenance, rehabilitation,
11 installation, construction, and reconstruction of necessary
12 associated facilities such as drainage and traffic control devices,
13 or the maintenance, rehabilitation, installation, construction, and
14 reconstruction of facilities that expand ridership on transit systems,
15 safety projects to reduce fatalities, or as a local match to obtain
16 state or federal transportation funds for similar purposes.

17 (5) At the conclusion of each fiscal year during which a city or
18 county expends the funds it has received under this subdivision,
19 including any interest or other return earned on the investment of
20 these funds, the Controller may verify the city's or county's
21 compliance with paragraph (4). Any city or county that has not
22 complied with paragraph (4) shall reimburse the state for the funds
23 it received during that fiscal year, including any interest or other
24 return earned on the investment of these funds. Any funds withheld
25 or returned as a result of a failure to comply with paragraph (4)
26 shall be reallocated to the other counties and cities whose
27 expenditures are in compliance.

28 SEC. 168. Section 8879.50 of the Government Code is amended
29 to read:

30 8879.50. (a) As used in this chapter and in Chapter 12.49
31 (commencing with Section 8879.20), the following terms have the
32 following meanings:

33 (1) "Commission" means the California Transportation
34 Commission.

35 (2) "Department" means the Department of Transportation.

36 (3) "Administrative agency" means the state agency responsible
37 for programming bond funds made available by Chapter 12.49
38 (commencing with Section 8879.20), as specified in subdivision
39 (c).

1 (4) Unless otherwise specified in this chapter, “project” includes
2 equipment purchase, construction, right-of-way acquisition, and
3 project delivery costs.

4 (5) “Recipient agency” means the recipient of bond funds made
5 available by Chapter 12.49 (commencing with Section 8879.20)
6 that is responsible for implementation of an approved project.

7 (6) “Fund” shall have the same meaning as in subdivision (c)
8 of Section 8879.20.

9 (b) Administrative costs, including audit and program oversight
10 costs for agencies, commissions, or departments administering
11 programs funded pursuant to this chapter, recoverable by bond
12 funds shall not exceed 3 percent of the program’s cost.

13 (c) The administrative agency for each bond account is as
14 follows:

15 (1) The commission is the administrative agency for the Corridor
16 Mobility Improvement Account; the Trade Corridors Improvement
17 Fund; the Transportation Facilities Account; the State Route 99
18 Account; the State-Local Partnership Program Account; the Local
19 Bridge Seismic Retrofit Account; the Highway-Railroad Crossing
20 Safety Account; and the Highway Safety, Rehabilitation, and
21 Preservation Account.

22 (2) ~~The California Office of Emergency Management Agency~~
23 ~~Services~~ is the administrative agency for the Port and Maritime
24 Security Account and the Transit System Safety, Security, and
25 Disaster Response Account.

26 (3) The department is the administrative agency for the Public
27 Transportation Modernization, Improvement, and Service
28 Enhancement Account.

29 (d) The administrative agency shall not approve project fund
30 allocations for a project until the recipient agency provides a project
31 funding plan that demonstrates that the funds are expected to be
32 reasonably available and sufficient to complete the project. The
33 administrative agency may approve funding for usable project
34 segments only if the benefits associated with each individual
35 segment are sufficient to meet the objectives of the program from
36 which the individual segment is funded.

37 (e) Guidelines adopted by the administrative agency pursuant
38 to this chapter and Chapter 12.49 (commencing with Section
39 8879.20) are intended to provide internal guidance for the agency
40 and shall be exempt from the Administrative Procedure Act

1 (Chapter 3.5 (commencing with Section 11340) of Part 1 of
2 Division 3), and shall do all of the following:

3 (1) Provide for the audit of project expenditures and outcomes.

4 (2) Require that the useful life of the project be identified as
5 part of the project nomination process.

6 (3) Require that project nominations have project delivery
7 milestones, including, but not limited to, start and completion dates
8 for environmental clearance, land acquisition, design, construction
9 bid award, construction completion, and project closeout, as
10 applicable.

11 (f) (1) As a condition for allocation of funds to a specific project
12 under Chapter 12.49 (commencing with Section 8879.20), the
13 administrative agency shall require the recipient agency to report,
14 on a semiannual basis, on the activities and progress made toward
15 implementation of the project. If it is anticipated that project costs
16 will exceed the approved project budget, the recipient agency shall
17 provide a plan to the administrative agency for achieving the
18 benefits of the project by either downscoping the project to remain
19 within budget or by identifying an alternative funding source to
20 meet the cost increase. The administrative agency may either
21 approve the corrective plan or direct the recipient agency to modify
22 its plan.

23 (2) Within six months of the project becoming operable, the
24 recipient agency shall provide a report to the administrative agency
25 on the final costs of the project as compared to the approved project
26 budget, the project duration as compared to the original project
27 schedule as of the date of allocation, and performance outcomes
28 derived from the project compared to those described in the original
29 application for funding. The administrative agency shall forward
30 the report to the Department of Finance by means approved by the
31 Department of Finance.

32 SEC. 169. Section 8879.53 of the Government Code is amended
33 to read:

34 8879.53. (a) Funds for the program contained in paragraph
35 (3) of subdivision (c) of Section 8879.23 shall be deposited in the
36 Port and Maritime Security Account, which is hereby created in
37 the fund. For purposes of this section, “agency” or “office” means
38 the ~~California Office of Emergency Management Agency Services.~~

39 (b) Funds in the account shall be available to the ~~agency office,~~
40 upon appropriation by the Legislature. Funds shall be made

1 available as grants to eligible applicants, as defined in paragraph
2 (3) of subdivision (c) of Section 8879.23, for capital projects that
3 include, but are not limited to, those projects described in paragraph
4 (3) of subdivision (c) of Section 8879.23.

5 (c) Prior to allocating funds to projects from the account, the
6 ~~agency office~~ shall adopt guidelines to establish the criteria and
7 process for the distribution of funds. At least 30 days prior to
8 adopting the guidelines, the ~~agency office~~ shall hold a public
9 hearing on the proposed guidelines and shall provide opportunity
10 for public review and comment.

11 (d) In allocating funds from the account, the ~~agency office~~ shall
12 do the following:

13 (1) Address the state's most urgent maritime security needs.

14 (2) Balance the demands of the various large and small ports.

15 (3) Provide reasonable geographic balance in the distribution
16 of funds.

17 (e) The unencumbered balance of any funds appropriated to the
18 ~~agency office~~ prior to June 30, 2009, for purposes of this section,
19 shall remain available to the ~~agency office~~ for encumbrance
20 pursuant to this section until June 30, 2012.

21 (f) The ~~agency's office's~~ activities to implement this section
22 shall be incorporated into the report to the Legislature required in
23 paragraph (3) of subdivision (c) of Section 8879.23.

24 SEC. 170. Section 8879.57 of the Government Code is amended
25 to read:

26 8879.57. Funds made available, upon appropriation of the
27 Legislature, from the Transit System Safety, Security, and Disaster
28 Response Account, created in subdivision (h) of Section 8879.23,
29 shall be allocated as follows:

30 (a) (1) Sixty percent of available funds shall be allocated for
31 capital expenditures to agencies and transit operators eligible to
32 receive State Transit Assistance funds using the formula in Sections
33 99313 and 99314 of the Public Utilities Code, including commuter
34 rail operators eligible to receive State Transit Assistance funds.
35 Of these funds, 50 percent shall be allocated to eligible agencies
36 using the formula in Section 99314 of the Public Utilities Code,
37 and 50 percent shall be allocated to eligible agencies using the
38 formula in Section 99313 of the Public Utilities Code, subject to
39 the provisions governing funds allocated under those sections.
40 Funds allocated to the Metropolitan Transportation Commission

1 using the formula in Section 99313 of the Public Utilities Code
2 shall be suballocated to transit operators within its jurisdiction
3 using the formula in Section 99314 of the Public Utilities Code.
4 In the region served by the multicounty transportation planning
5 agency described in Section 130004 of the Public Utilities Code,
6 funds that are to be allocated using the formula in Section 99314
7 of the Public Utilities Code for the Southern California Regional
8 Rail Authority shall be allocated to the applicable county
9 transportation commission in each county served by the authority
10 within that region. The county transportation commission, subject
11 to the applicable provisions governing funds allocated under that
12 section that are consistent with this section, shall use or allocate
13 the funds for eligible capital expenditures as described in paragraph
14 (2), including, but not limited to, eligible expenditures on the
15 system of the Southern California Regional Rail Authority. The
16 county transportation commission may suballocate these funds to
17 the Southern California Regional Rail Authority for those purposes.

18 (2) Eligible capital expenditures shall include either of the
19 following:

20 (A) A capital project that provides increased protection against
21 a security or safety threat, including, but not limited to, the
22 following:

23 (i) Construction or renovation projects that are designed to
24 enhance the security of public transit stations, tunnels, guideways,
25 elevated structures, or other transit facilities and equipment.

26 (ii) Explosive device mitigation and remediation equipment.

27 (iii) Chemical, biological, radiological, and nuclear explosives
28 search, rescue, or response equipment.

29 (iv) Interoperable communications equipment.

30 (v) Physical security enhancement equipment.

31 (vi) The installation of fencing, barriers, gates, or related security
32 enhancements that are designed to improve the physical security
33 of transit stations, tunnels, guideways, elevated structures, or other
34 transit facilities and equipment.

35 (vii) Other safety- or security-related projects approved by the
36 ~~California Office of Emergency Management Agency Services.~~

37 (B) Capital expenditures to increase the capacity of transit
38 operators to develop disaster response transportation systems that
39 can move people, goods, and emergency personnel and equipment

1 in the aftermath of a disaster impairing the mobility of goods,
2 people, and equipment.

3 (b) (1) Twenty-five percent of available funds shall be allocated
4 for capital expenditures to regional public waterborne transit
5 agencies authorized to operate a regional public water transit
6 system, including the operation of water transit vessels, terminals,
7 and feeder buses, and not otherwise eligible to receive State Transit
8 Assistance funds as of the effective date of this article. Funds shall
9 be allocated for eligible capital expenditures that enhance the
10 capacity of regional public waterborne transit agencies to provide
11 disaster response transportation systems that can move people,
12 goods, and emergency personnel and equipment in the aftermath
13 of a disaster or emergency.

14 (2) Eligible capital expenditures include, but are not limited to,
15 the construction or acquisition of new vessels, the capital
16 improvement or construction of docks, terminals, or other
17 waterborne transit facilities, the purchase of related equipment,
18 and the construction of fueling facilities. A project shall (A)
19 provide capital facilities and equipment to a regional public
20 waterborne transit system that enhances the ability of the system
21 to respond to a regional emergency, (B) be included in a regional
22 plan, including, but not limited to, a regional plan for waterborne
23 transit expansion or disaster response preparedness, and (C) provide
24 maximum flexibility in responding to disasters or emergencies.

25 (c) (1) Fifteen percent of available funds shall be made available
26 for capital expenditures to the intercity passenger rail system
27 described in Section 14035 and to the commuter rail systems
28 operated by the entities specified in Section 14072 and in Section
29 99314.1 of the Public Utilities Code.

30 (2) Eligible capital expenditures shall include either of the
31 following:

32 (A) A capital project that provides increased protection against
33 a security or safety threat, including, but not limited to, the
34 following:

35 (i) Construction or renovation projects that are designed to
36 enhance the security of public transit stations, tunnels, guideways,
37 elevated structures, or other transit facilities and equipment.

38 (ii) Explosive device mitigation and remediation equipment.

39 (iii) Chemical, biological, radiological, and nuclear explosives
40 search, rescue, or response equipment.

1 (iv) Interoperable communications equipment.
2 (v) Physical security enhancement equipment.
3 (vi) The installation of fencing, barriers, gates, or related security
4 enhancements that are designed to improve the physical security
5 of transit stations, tunnels, guideways, elevated structures, or other
6 transit facilities and equipment.

7 (vii) Other safety- or security-related projects approved by the
8 ~~California Office of Emergency Management Agency Services~~.

9 (B) Capital expenditures to increase the capacity of transit
10 operators to develop disaster response transportation systems that
11 can move people, goods, and emergency personnel and equipment
12 in the aftermath of a disaster impairing the mobility of goods,
13 people, and equipment.

14 (d) (1) An entity that is eligible to receive funds pursuant to
15 subdivision (a) or (c) shall, within 45 days of the date the Controller
16 makes public the list of eligible recipients pursuant to Section
17 8879.58, provide a document, in a form as designated by the
18 ~~California Office of Emergency Management Agency Services~~, to
19 the ~~California Office of Emergency Management Agency Services~~
20 that indicates the intent to use those funds, the project or projects
21 for which the funds will be used, and a schedule of funds to be
22 drawn down. If the entity does not submit the document required
23 under this paragraph, the funds allocated to the entity pursuant to
24 subdivision (a) or (c) shall be reallocated by the ~~California Office~~
25 ~~of Emergency Management Agency Services~~ in accordance with
26 paragraph (2). This paragraph also applies to transit operators
27 receiving a suballocation from a transportation planning agency,
28 in which case the operator rather than the transportation planning
29 agency is required to provide the document.

30 (2) The ~~California Office of Emergency Management Agency~~
31 ~~Services~~ shall notify the transportation planning agency if funds
32 allocated to an entity within the region of the transportation
33 planning agency are being reallocated pursuant to paragraph (1).
34 The transportation planning agency shall have 30 days to provide
35 a document, in a form as designated by the ~~California Office of~~
36 ~~Emergency Management Agency Services~~, to the ~~California Office~~
37 ~~of Emergency Management Agency Services~~ indicating its intent
38 to distribute those funds to transit operators or rail operators for
39 purposes authorized under subdivision (a) or (c). An agency
40 providing that document shall receive an allocation of the funds.

1 If the transportation planning agency does not provide the
2 document within 30 days, the ~~California Office of Emergency~~
3 ~~Management Agency Services~~ may allocate the funds on a
4 competitive basis, pursuant to guidelines established by the
5 ~~California Office of Emergency Management Agency Services~~, to
6 an entity in a different region of the state that is an eligible entity
7 under subdivision (a) or (c). An eligible entity that is notified that
8 it will be awarded these funds shall, as a condition of receiving
9 the funds, satisfy the requirements of paragraph (1) within 45 days
10 of being advised of the reallocation. As used in this subdivision,
11 “transportation planning agency” includes the county transportation
12 commission in counties that have such a commission.

13 (3) The formula that applies to State Transit Assistance funds
14 shall not apply to a reallocation of funds under this subdivision.

15 SEC. 171. Section 8879.58 of the Government Code is amended
16 to read:

17 8879.58. (a) (1) No later than September 1 of the first fiscal
18 year in which the Legislature appropriates funds from the Transit
19 System Safety, Security, and Disaster Response Account, and no
20 later than September 1 of each fiscal year thereafter in which funds
21 are appropriated from that account, the Controller shall develop
22 and make public a list of eligible agencies and transit operators
23 and the amount of funds each is eligible to receive from the account
24 pursuant to subdivision (a) of Section 8879.57. It is the intent of
25 the Legislature that funds allocated to specified recipients pursuant
26 to this section provide each recipient with the same proportional
27 share of funds as the proportional share each received from the
28 allocation of State Transit Assistance funds, pursuant to Sections
29 99313 and 99314 of the Public Utilities Code, over fiscal years
30 2004–05, 2005–06, and 2006–07.

31 (2) In establishing the amount of funding each eligible recipient
32 is to receive under subdivision (a) of Section 8879.57 from
33 appropriated funds to be allocated based on Section 99313 of the
34 Public Utilities Code, the Controller shall make the following
35 computations:

36 (A) For each eligible recipient, compute the amounts of State
37 Transit Assistance funds allocated to that recipient pursuant to
38 Section 99313 of the Public Utilities Code during the 2004–05,
39 2005–06, and 2006–07 fiscal years.

1 (B) Compute the total statewide allocation of State Transit
2 Assistance funds pursuant to Section 99313 of the Public Utilities
3 Code during the 2004–05, 2005–06, and 2006–07 fiscal years.

4 (C) Divide subparagraph (A) by subparagraph (B).

5 (D) For each eligible recipient, multiply the allocation factor
6 computed pursuant to subparagraph (C) by 50 percent of the
7 amount available for allocation pursuant to subdivision (a) of
8 Section 8879.57.

9 (3) In establishing the amount of funding each eligible recipient
10 is eligible to receive under subdivision (a) of Section 8879.57 from
11 funds to be allocated based on Section 99314 of the Public Utilities
12 Code, the Controller shall make the following computations:

13 (A) For each eligible recipient, compute the amounts of State
14 Transit Assistance funds allocated to that recipient pursuant to
15 Section 99314 of the Public Utilities Code during the 2004–05,
16 2005–06, and 2006–07 fiscal years.

17 (B) Compute the total statewide allocation of State Transit
18 Assistance funds pursuant to Section 99314 of the Public Utilities
19 Code during the 2004–05, 2005–06, and 2006–07 fiscal years.

20 (C) Divide subparagraph (A) by subparagraph (B).

21 (D) For each eligible recipient, multiply the allocation factor
22 computed pursuant to subparagraph (C) by 50 percent of the
23 amount available for allocation pursuant to subdivision (a) of
24 Section 8879.57.

25 (4) The Controller shall notify eligible recipients of the amount
26 of funding each is eligible to receive pursuant to subdivision (a)
27 of Section 8879.57 for the duration of time that these funds are
28 made available for these purposes based on the computations
29 pursuant to subparagraph (D) of paragraph (2) and subparagraph
30 (D) of paragraph (3).

31 (b) Prior to seeking a disbursement of funds for an eligible
32 project, an agency or transit operator on the public list described
33 in paragraph (1) of subdivision (a) shall submit to the ~~California~~
34 *Office of Emergency Management Agency Services* a description
35 of the project it proposes to fund with its share of funds from the
36 account. The description shall include all of the following:

37 (1) A summary of the proposed project that describes the safety,
38 security, or emergency response benefit that the project intends to
39 achieve.

1 (2) That the useful life of the project shall not be less than the
2 required useful life for capital assets specified in subdivision (a)
3 of Section 16727.

4 (3) The estimated schedule for the completion of the project.

5 (4) The total cost of the proposed project, including
6 identification of all funding sources necessary for the project to
7 be completed.

8 (c) After receiving the information required to be submitted
9 under subdivision (b), the agency shall review the information to
10 determine all of the following:

11 (1) The project is consistent with the purposes described in
12 subdivision (h) of Section 8879.23.

13 (2) The project is an eligible capital expenditure, as described
14 in subdivision (a) of Section 8879.57.

15 (3) The project is a capital improvement that meets the
16 requirements of paragraph (2) of subdivision (b).

17 (4) The project, or a useful component thereof, is, or will
18 become, fully funded with an allocation of funds from the Transit
19 System Safety, Security, and Disaster Response Account.

20 (d) (1) Upon conducting the review required in subdivision (c)
21 and determining that a proposed project meets the requirements
22 of that subdivision, the agency shall, on a quarterly basis, provide
23 the Controller with a list of projects and the sponsoring agencies
24 or transit operators eligible to receive an allocation from the
25 account.

26 (2) The list of projects submitted to the Controller for allocation
27 for any one fiscal year shall be constrained by the total amount of
28 funds appropriated by the Legislature for the purposes of this
29 section for that fiscal year.

30 (3) For a fiscal year in which the number of projects submitted
31 for funding under this section exceeds available funds, the agency
32 shall prioritize projects contained on the lists submitted pursuant
33 to paragraph (1) so that (A) projects addressing the greatest risks
34 to the public have the highest priority and (B) to the maximum
35 extent possible, the list reflects a distribution of funding that is
36 geographically balanced.

37 (e) Upon receipt of the information from the agency required
38 by subdivision (d), the Controller's office shall commence any
39 necessary actions to allocate funds to eligible agencies and transit
40 operators sponsoring projects on the list of projects, including, but

1 not limited to, seeking the issuance of bonds for that purpose. The
2 total allocations to any one eligible agency or transit operator shall
3 not exceed that agency's or transit operator's share of funds from
4 the account pursuant to the formula contained in subdivision (a)
5 of Section 8879.57.

6 (f) The Controller's office may, pursuant to Section 12410, use
7 its authority to audit the use of state bond funds on projects
8 receiving an allocation under this section. Each eligible agency or
9 transit operator sponsoring a project subject to an audit shall
10 provide any and all data requested by the Controller's office in
11 order to complete the audit. The Controller's office shall transmit
12 copies of all completed audits to the agency and to the policy
13 committees of the Legislature with jurisdiction over transportation
14 and budget issues.

15 SEC. 172. Section 8879.59 of the Government Code is amended
16 to read:

17 8879.59. (a) For funds appropriated from the Transit System
18 Safety, Security, and Disaster Response Account for allocation to
19 transit agencies eligible to receive funds pursuant to subdivision
20 (b) of Section 8879.57, the ~~California Office of Emergency~~
21 ~~Management Agency (Cal EMA) Services~~ shall administer a grant
22 application and award program for those transit agencies.

23 (b) Funds awarded to transit agencies pursuant to this section
24 shall be for eligible capital expenditures as described in subdivision
25 (b) of Section 8879.57.

26 (c) Prior to allocating funds to projects pursuant to this section,
27 ~~Cal EMA~~ *the office* shall adopt guidelines to establish the criteria
28 and process for the distribution of funds described in this section.
29 Prior to adopting the guidelines, ~~Cal EMA~~ *the office* shall hold a
30 public hearing on the proposed guidelines.

31 (d) For each fiscal year in which funds are appropriated for the
32 purposes of this section, ~~Cal EMA~~ *the office* shall issue a notice
33 of funding availability no later than October 1.

34 (e) No later than December 1 of each fiscal year in which the
35 notice in subdivision (d) is issued, eligible transit agencies may
36 submit project nominations for funding to ~~Cal EMA~~ *the office* for
37 its review and consideration. Project nominations shall include all
38 of the following:

1 (1) A description of the project, which shall illustrate the
2 physical components of the project and the security or emergency
3 response benefit to be achieved by the completion of the project.

4 (2) Identification of all nonbond sources of funding committed
5 to the project.

6 (3) An estimate of the project's full cost and the proposed
7 schedule for the project's completion.

8 (f) No later than February 1, ~~Cal EMA~~ *the office* shall select
9 eligible projects to receive grants under this section and shall
10 provide the Controller with a list of the projects and the sponsoring
11 agencies eligible to receive an allocation from the account. Upon
12 receipt of this information, the Controller's office shall commence
13 any necessary actions to allocate funds to those agencies, including,
14 but not limited to, seeking the issuance of bonds for that purpose.
15 Grants awarded to eligible transit agencies pursuant to subdivision
16 (b) of Section 8879.57 shall be for eligible capital expenditures,
17 as described in paragraph (2) of subdivision (b) of that section.

18 SEC. 173. Section 8879.60 of the Government Code is amended
19 to read:

20 8879.60. (a) For funds appropriated from the Transit System
21 Safety, Security, and Disaster Response Account for allocation to
22 intercity and commuter rail operators eligible to receive funds
23 pursuant to subdivision (c) of Section 8879.57, the ~~California~~
24 ~~Office of Emergency Management Agency Services~~ shall
25 administer a grant application and award program for those
26 intercity and commuter rail operators.

27 (b) Funds awarded to intercity and commuter rail operators
28 pursuant to this section shall be for eligible capital expenditures
29 as described in subdivision (c) of Section 8879.57.

30 (c) Prior to allocating funds to projects pursuant to this section,
31 the ~~agency~~ *office* shall adopt guidelines to establish the criteria
32 and process for the distribution of funds described in this section.
33 Prior to adopting the guidelines, the ~~agency~~ *office* shall hold a
34 public hearing on the proposed guidelines.

35 (d) For each fiscal year in which funds are appropriated for the
36 purposes of this section, the ~~agency~~ *office* shall issue a notice of
37 funding availability no later than October 1.

38 (e) No later than December 1 of each fiscal year in which the
39 notice in subdivision (d) is issued, eligible intercity and commuter
40 rail operators may submit project nominations for funding to the

1 agency for its review and consideration. Project nominations shall
2 include all of the following:

3 (1) A description of the project, which shall illustrate the
4 physical components of the project and the security or emergency
5 response benefit to be achieved by the completion of the project.

6 (2) Identification of all nonbond sources of funding committed
7 to the project.

8 (3) An estimate of the project's full cost and the proposed
9 schedule for the project's completion.

10 (f) No later than February 1, the ~~agency office~~ shall select
11 eligible projects to receive grants under this section. Grants
12 awarded to intercity and commuter rail operators pursuant to
13 subdivision (c) of Section 8879.57 shall be for eligible capital
14 expenditures, as described in subparagraphs (A) and (B) of
15 paragraph (2) of subdivision (c) of that section.

16 SEC. 174. Section 8879.61 of the Government Code is amended
17 to read:

18 8879.61. (a) (1) Entities described in subdivisions (a), (b),
19 and (c) of Section 8879.57 receiving an allocation of funds pursuant
20 to this article shall expend those funds within three fiscal years of
21 the fiscal year in which the funds were allocated. Funds remaining
22 unexpended thereafter shall revert to the ~~California Office of~~
23 ~~Emergency Management Agency Services~~ for reallocation under
24 this article in subsequent fiscal years.

25 (2) Notwithstanding paragraph (1), for an allocation of funds
26 made prior to June 30, 2011, to an entity described in subdivision
27 (b) of Section 8879.57, that entity shall have four fiscal years from
28 the last day of the fiscal year in which the funds were received by
29 that entity to expend those funds.

30 (b) Entities that receive grant awards from funds allocated
31 pursuant to subdivision (b) of Section 8879.57 are not eligible to
32 receive awards from the funds allocated pursuant to subdivision
33 (a) of Section 8879.57.

34 (c) Funds appropriated for the program established by this article
35 in the Budget Act of 2007 shall be allocated consistent with the
36 allocation schedule established in Section 8879.57.

37 (d) On or before May 1 of each year, the ~~California Office of~~
38 ~~Emergency Management Agency Services~~ shall report to the Senate
39 Committee on Budget and Fiscal Review, the Assembly Committee
40 on Budget, the Senate Committee on Transportation and Housing,

1 the Assembly Committee on Transportation, and the Legislative
2 Analyst’s Office on its activities under this article. The report shall
3 include a summary of the projects selected for funding during the
4 fiscal year in which awards were made, the status of projects
5 selected for funding in prior fiscal years, and a list of all transit
6 entities that have not used funds allocated to the transit entities
7 pursuant to Section 8879.57.

8 SEC. 175. Section 11340.2 of the Government Code is amended
9 to read:

10 11340.2. (a) The Office of Administrative Law is hereby
11 established in state government *in the Government Operations*
12 *Agency*. The office shall be under the direction and control of an
13 executive officer who shall be known as the director. There shall
14 also be a deputy director. The director’s term and the deputy
15 director’s term of office shall be coterminous with that of the
16 appointing power, except that they shall be subject to
17 reappointment.

18 (b) The director and deputy director shall have the same
19 qualifications as a hearing officer and shall be appointed by the
20 Governor subject to the confirmation of the Senate.

21 SEC. 176. Section 11532 of the Government Code is amended
22 to read:

23 11532. For purposes of this chapter, the following terms shall
24 have the following meanings, unless the context requires otherwise:

25 (a) “Board member” means a member of the Technology
26 Services Board.

27 (b) “Board” means the Technology Services Board created
28 pursuant to Section 11535.

29 (c) “*Business telecommunications systems and services*”
30 *includes, but is not limited to, wireless or wired systems for*
31 *transport of voice, video, and data communications, network*
32 *systems, requisite facilities, equipment, system controls, simulation,*
33 *electronic commerce, and all related interactions between people*
34 *and machines. Public safety communications are excluded from*
35 *this definition.*

36 (d) “Department” means the Department of Technology.

37 (e)

38 (e) “Director” means the Director of the Office of Technology
39 Services.

1 (f) “Public agencies” include, but are not limited to, all state
2 and local governmental agencies in the state, including cities,
3 counties, other political subdivisions of the state, state departments,
4 agencies, boards, and commissions, and departments, agencies,
5 boards, and commissions of other states and federal agencies.

6 ~~(d)~~

7 (g) “Technology” includes, but is not limited to, all electronic
8 technology systems and services, automated information handling,
9 system design and analysis, conversion of data, computer
10 programming, information storage and retrieval, and business
11 telecommunications systems and services.

12 ~~(e) “Business telecommunications systems and services”~~
13 ~~includes, but is not limited to, wireless or wired systems for~~
14 ~~transport of voice, video, and data communications, network~~
15 ~~systems, requisite facilities, equipment, system controls, simulation,~~
16 ~~electronic commerce, and all related interactions between people~~
17 ~~and machines. Public safety communications are excluded from~~
18 ~~this definition.~~

19 ~~(f) “Public agencies” include, but are not limited to, all state~~
20 ~~and local governmental agencies in the state, including cities,~~
21 ~~counties, other political subdivisions of the state, state departments,~~
22 ~~agencies, boards, and commissions, and departments, agencies,~~
23 ~~boards, and commissions of other states and federal agencies.~~

24 SEC. 177. Section 11534 of the Government Code is amended
25 to read:

26 11534. (a) There is in state government, in the ~~California~~
27 ~~Technology Government Operations Agency, the Office~~
28 ~~Department of Technology Services, which shall include an Office~~
29 ~~of Technology Services.~~

30 (b) The purpose of this article is to establish a general purpose
31 technology services provider to serve the common technology
32 needs of executive branch entities with accountability to customers
33 for providing secure services that are responsive to client needs at
34 a cost representing best value to the state.

35 (c) The purpose of this chapter is to improve and coordinate the
36 use of technology and to coordinate and cooperate with all public
37 agencies in the state in order to eliminate duplications and to bring
38 about economies that could not otherwise be obtained.

39 (d) Unless the context clearly requires otherwise, whenever the
40 term “Department of Technology Services” appears in any statute,

1 regulation, or contract, it shall be deemed to refer to the ~~Office~~
2 *Department of Technology Services*, and whenever the term
3 “Director of Technology Services” or “*Secretary of California*
4 *Technology*” appears in statute, regulation, or contract, or any
5 other law, it shall be deemed to refer to the ~~Secretary~~ *Director of*
6 ~~California~~ *Technology*.

7 (e) Unless the context clearly requires otherwise, the ~~Office~~
8 *Department of Technology Services* and the ~~Secretary~~ *Director*
9 of ~~California~~ *Technology* succeed to and are vested with all the
10 duties, powers, purposes, responsibilities, and jurisdiction vested
11 in the former *Office of Technology Services*, *Department of*
12 *Technology Services* ~~and the former~~, *Director of Technology*
13 *Services*, and *Secretary of California Technology*, respectively.

14 (f) All employees serving in state civil service, other than
15 temporary employees, who are engaged in the performance of
16 functions transferred to the ~~Office~~ *Department of Technology*
17 ~~Services~~, are transferred to the ~~Office~~ *Department of Technology*
18 ~~Services~~. The status, positions, and rights of those persons shall
19 not be affected by their transfer and shall continue to be retained
20 by them pursuant to the State Civil Service Act (Part 2
21 (commencing with Section 18500) of Division 5), except as to
22 positions the duties of which are vested in a position exempt from
23 civil service. The personnel records of all transferred employees
24 shall be transferred to the ~~Office~~ *Department of Technology*
25 ~~Services~~.

26 (g) The property of any office, agency, or department related
27 to functions transferred to the ~~Office~~ *Department of Technology*
28 ~~Services~~ is transferred to the ~~Office~~ *Department of Technology*
29 ~~Services~~. If any doubt arises as to where that property is transferred,
30 the Department of General Services shall determine where the
31 property is transferred.

32 (h) All unexpended balances of appropriations and other funds
33 available for use in connection with any function or the
34 administration of any law transferred to the ~~Office~~ *Department of*
35 *Technology Services* shall be transferred to the ~~Office~~ *Department*
36 of *Technology Services* for the use and for the purpose for which
37 the appropriation was originally made or the funds were originally
38 available. If there is any doubt as to where those balances and
39 funds are transferred, the Department of Finance shall determine
40 where the balances and funds are transferred.

1 SEC. 178. Section 11535 of the Government Code is amended
2 to read:

3 11535. (a) There is, in the ~~Office~~ *Department* of Technology
4 ~~Services~~, the Technology Services Board.

5 (b) The board shall consist of 13 members, as follows:

6 (1) The ~~Secretary~~ *Director* of ~~California~~ Technology, who shall
7 serve as the chair of the board.

8 (2) The Director of Finance, who shall serve as vice chair of
9 the board.

10 (3) The Controller.

11 (4) The Secretary of Food and Agriculture, the Secretary of
12 ~~Business~~, Transportation ~~and Housing~~, the Secretary of the
13 Department of Corrections and Rehabilitation, the Secretary for
14 Environmental Protection, the Secretary of California Health and
15 Human Services, the Secretary of Labor and Workforce
16 Development, the Secretary of the Natural Resources Agency, the
17 Secretary of ~~State Business~~ and Consumer Services, and the
18 Secretary of Veterans Affairs.

19 (5) The ~~Secretary~~ *Director* of ~~California~~ Emergency
20 Management.

21 SEC. 179. Section 11537 of the Government Code is amended
22 to read:

23 11537. (a) The ~~Secretary~~ *Director* of ~~California~~ Technology
24 shall engage an independent firm of certified public accountants
25 to conduct an annual financial audit of all accounts and transactions
26 of the Office of Technology Services. The audit shall be conducted
27 in accordance with generally accepted government auditing
28 standards. The audited financial statements shall be presented to
29 the board, the Governor, and the Legislature not more than 120
30 days after the submittal of the annual financial statements.

31 (b) The ~~Secretary~~ *Director* of ~~California~~ Technology may
32 arrange for other audits as are necessary or prudent to ensure proper
33 oversight and management of the Office of Technology Services.

34 SEC. 180. Section 11538 of the Government Code is amended
35 to read:

36 11538. The ~~director~~ *Chief of the Office of Technology Services*
37 shall be appointed by, and serve at the pleasure of, the Governor,
38 subject to Senate confirmation. The ~~director~~ *chief* shall act as
39 executive officer of the board, *and shall report to the Director of*
40 *Technology*.

1 SEC. 181. Section 11540 of the Government Code is amended
2 to read:

3 11540. (a) The director shall propose for board consideration
4 and approval an annual budget for the Office of Technology
5 Services' operations.

6 (b) ~~The Secretary Director of California~~ Technology shall
7 propose for board consideration rates for Office of Technology
8 Services' services based on a formal rate methodology approved
9 by the board. At least 60 days before submitting proposed rates to
10 the board, ~~the Secretary Director of California~~ Technology shall
11 submit the proposed rates to the Department of Finance. Submittal
12 of the rates to the Department of Finance shall be in a format and
13 timeframe determined by the Department of Finance. The
14 Department of Finance shall prepare a report for the board
15 evaluating the reasonableness of the proposed rates and any
16 significant impact the ~~Office of Technology Services'~~ rates are
17 likely to have upon the budgets of other departments.

18 ~~(c) It is the intent of the Legislature that this section supersede~~
19 ~~Section 11540 of the Government Code, as added by Section 1 of~~
20 ~~the Governor's Reorganization Plan No. 2, effective July 9, 2005.~~

21 SEC. 182. Section 11541 of the Government Code is amended
22 to read:

23 11541. (a) ~~The Office Department of Technology Services~~
24 may acquire, install, equip, maintain, and operate new or existing
25 business telecommunications systems and services. Acquisitions
26 for information technology goods and services shall be made
27 pursuant to Chapter 3 (commencing with Section 12100) of Part
28 2 of Division 2 of the Public Contract Code. To accomplish that
29 purpose, ~~the Office of Technology Services department~~ may enter
30 into contracts, obtain licenses, acquire personal property, install
31 necessary equipment and facilities, and do other acts that will
32 provide adequate and efficient business telecommunications
33 systems and services. Any system established shall be made
34 available to all public agencies in the state on terms that may be
35 agreed upon by the agency and ~~the Office of Technology Services~~
36 ~~department~~.

37 (b) With respect to business telecommunications systems and
38 services, ~~the Office of Technology Services department~~ may do
39 all of the following:

1 (1) Provide representation of public agencies before the Federal
2 Communications Commission in matters affecting the state and
3 other public agencies regarding business telecommunications
4 systems and services issues.

5 (2) Provide, upon request, advice to public agencies concerning
6 existing or proposed business telecommunications systems and
7 services between any and all public agencies.

8 (3) Recommend to public agencies rules, regulations,
9 procedures, and methods of operation that it deems necessary to
10 effectuate the most efficient and economical use of business
11 telecommunications systems and services within the state.

12 (4) Carry out the policies of this chapter.

13 (c) ~~The Office of Technology Services~~ *department* has
14 responsibilities with respect to business telecommunications
15 systems, services, policy, and planning, which include, but are not
16 limited to, all of the following:

17 (1) Assessing the overall long-range business
18 telecommunications needs and requirements of the state
19 considering both routine and emergency operations for business
20 telecommunications systems and services, performance, cost,
21 state-of-the-art technology, multiuser availability, security,
22 reliability, and other factors deemed to be important to state needs
23 and requirements.

24 (2) Developing strategic and tactical policies and plans for
25 business telecommunications with consideration for the systems
26 and requirements of public agencies.

27 (3) Recommending industry standards, service level agreements,
28 and solutions regarding business telecommunications systems and
29 services to ensure multiuser availability and compatibility.

30 (4) Providing advice and assistance in the selection of business
31 telecommunications equipment to ensure all of the following:

32 (A) Ensuring that the business telecommunications needs of
33 state agencies are met.

34 (B) Ensuring that procurement is compatible throughout state
35 agencies and is consistent with the state's strategic and tactical
36 plans for telecommunications.

37 (C) Ensuring that procurement is designed to leverage the buying
38 power of the state and encourage economies of scale.

39 (5) Providing management oversight of statewide business
40 telecommunications systems and services developments.

1 (6) Providing for coordination of, and comment on, plans and
2 policies and operational requirements from departments that utilize
3 business telecommunications systems and services as determined
4 by the ~~Office of Technology Services~~ *department*.

5 (7) Monitoring and participating, on behalf of the state, in the
6 proceedings of federal and state regulatory agencies and in
7 congressional and state legislative deliberations that have an impact
8 on state governmental business telecommunications activities.

9 (d) The ~~Office of Technology Services~~ *department* shall develop
10 and describe statewide policy on the use of business
11 telecommunications systems and services by state agencies. In the
12 development of that policy, the ~~Office of Technology Services~~
13 *department* shall ensure that access to state business information
14 and services is improved, and that the policy is cost effective for
15 the state and its residents. The ~~Office of Technology Services~~
16 *department* shall develop guidelines that do all of the following:

17 (1) Describe what types of state business information and
18 services may be accessed using business telecommunications
19 systems and services.

20 (2) Characterize the conditions under which a state agency may
21 utilize business telecommunications systems and services.

22 (3) Characterize the conditions under which a state agency may
23 charge for information and services.

24 (4) Specify pricing policies.

25 (5) Provide other guidance as may be appropriate at the
26 discretion of the Office of Technology Services.

27 (e) ~~It is the intent of the Legislature that this section supersede~~
28 ~~Section 11541 of the Government Code, as added by Section 1 of~~
29 ~~the Governor's Reorganization Plan No. 2, effective July 9, 2005.~~

30 SEC. 183. Section 11542 of the Government Code is amended
31 to read:

32 11542. (a) (1) The Stephen P. Teale Data Center and the
33 California Health and Human Services Agency Data Center are
34 consolidated within, and their functions are transferred to, the
35 ~~Office~~ *Department* of Technology ~~Services~~.

36 (2) Except as expressly provided otherwise in this chapter, the
37 ~~Office~~ *Department* of Technology ~~Services~~ is the successor to,
38 and is vested with, all of the duties, powers, purposes,
39 responsibilities, and jurisdiction of the Stephen P. Teale Data
40 Center, and the California Health and Human Services Agency

1 Data Center. Any reference in statutes, regulations, or contracts
2 to those entities with respect to the transferred functions shall be
3 construed to refer to the ~~Office~~ *Department* of Technology ~~Services~~
4 unless the context clearly requires otherwise.

5 (3) No contract, lease, license, or any other agreement to which
6 either the Stephen P. Teale Data Center or the California Health
7 and Human Services Agency Data Center is a party shall be void
8 or voidable by reason of this chapter, but shall continue in full
9 force and effect, with the ~~Office~~ *Department* of Technology
10 ~~Services~~ assuming all of the rights, obligations, and duties of the
11 Stephen P. Teale Data Center or the California Health and Human
12 Services Agency Data Center, respectively.

13 (4) Notwithstanding subdivision (e) of Section 11793 and
14 subdivision (e) of Section 11797, on and after the effective date
15 of this chapter, the balance of any funds available for expenditure
16 by the Stephen P. Teale Data Center and the California Health and
17 Human Services Agency Data Center, with respect to business
18 telecommunications systems and services functions in carrying
19 out any functions transferred to the Office of Technology Services
20 by this chapter, shall be transferred to the Technology Services
21 Revolving Fund created by Section 11544, and shall be made
22 available for the support and maintenance of the ~~Office~~ *Department*
23 of Technology ~~Services~~.

24 (5) All references in statutes, regulations, or contracts to the
25 former Stephen P. Teale Data Center Fund or the California Health
26 and Human Services Data Center Revolving Fund shall be
27 construed to refer to the Technology Services Revolving Fund
28 unless the context clearly requires otherwise.

29 (6) All books, documents, records, and property of the Stephen
30 P. Teale Data Center and the California Health and Human Services
31 Agency Data Center, excluding the Systems Integration Division,
32 shall be transferred to the ~~Office~~ *Department* of Technology
33 ~~Services~~.

34 (7) (A) All officers and employees of the former Stephen P.
35 Teale Data Center and the California Health and Human Services
36 Agency Data Center, are transferred to the ~~Office~~ *Department* of
37 Technology ~~Services~~.

38 (B) The status, position, and rights of any officer or employee
39 of the Stephen P. Teale Data Center and the California Health and
40 Human Services Agency Data Center, shall not be affected by the

1 transfer and consolidation of the functions of that officer or
2 employee to the ~~Office~~ *Department of Technology Services*.

3 (b) (1) All duties and functions of the Telecommunications
4 Division of the Department of General Services are transferred to
5 the ~~California~~ *Department of Technology Agency*.

6 (2) Unless the context clearly requires otherwise, whenever the
7 term “Telecommunications Division of the Department of General
8 Services” or “*California Technology Agency*” appears in any
9 statute, regulation, or contract, or any other law, it shall be deemed
10 to refer to the ~~California~~ *Department of Technology Agency*.

11 (3) All employees serving in state civil service, other than
12 temporary employees, who are engaged in the performance of
13 functions transferred to the California Technology Agency, are
14 transferred to the ~~California~~ *Department of Technology Agency*.
15 The status, positions, and rights of those persons shall not be
16 affected by their transfer and shall continue to be retained by them
17 pursuant to the State Civil Service Act (Part 2 (commencing with
18 Section 18500) of Division 5), except as to positions the duties of
19 which are vested in a position exempt from civil service. The
20 personnel records of all transferred employees shall be transferred
21 to the ~~California~~ *Department of Technology Agency*.

22 (4) The property of any office, agency, or department related
23 to functions transferred to the California Technology Agency, are
24 transferred to the ~~California~~ *Department of Technology Agency*.
25 If any doubt arises as to where that property is transferred, the
26 Department of General Services shall determine where the property
27 is transferred.

28 (5) All unexpended balances of appropriations and other funds
29 available for use in connection with any function or the
30 administration of any law transferred to the ~~California~~ *Department*
31 *of Technology Agency* shall be transferred to the ~~California~~
32 *Department of Technology* for the use and for the purpose for
33 which the appropriation was originally made or the funds were
34 originally available. If there is any doubt as to where those balances
35 and funds are transferred, the Department of Finance shall
36 determine where the balances and funds are transferred.

37 SEC. 184. Section 11543 of the Government Code is amended
38 to read:

39 11543. (a) The ~~Secretary~~ *Director of California* Technology
40 shall confer as frequently as necessary or desirable, but not less

1 than once every quarter, with the board, on the operation and
2 administration of the Office of Technology Services. The ~~Secretary~~
3 ~~Director~~ of ~~California~~ Technology shall make available for
4 inspection by the board or any board member, upon request, all
5 books, records, files, and other information and documents of the
6 Office of Technology Services and recommend any matters as he
7 or she deems necessary and advisable to improve the operation
8 and administration of the Office of Technology Services.

9 (b) The ~~Secretary~~ ~~Director~~ of ~~California~~ Technology shall make
10 and keep books and records to permit preparation of financial
11 statements in conformity with generally accepted accounting
12 principles and any state policy requirements.

13 SEC. 185. Section 11544 of the Government Code is amended
14 to read:

15 11544. (a) The Technology Services Revolving Fund, hereafter
16 known as the fund, is hereby created within the State Treasury.
17 The fund shall be administered by the ~~State Chief Information~~
18 ~~Officer~~ *Director of Technology* to receive all revenues from the
19 sale of technology or technology services provided for in this
20 chapter, for other services rendered by the ~~office of the State Chief~~
21 ~~Information Officer~~ *Department of Technology*, and all other
22 moneys properly credited to the ~~office of the State Chief~~
23 ~~Information Officer~~ *department* from any other source, to pay,
24 upon appropriation by the Legislature, all costs arising from this
25 chapter and rendering of services to state and other public agencies,
26 including, but not limited to, employment and compensation of
27 necessary personnel and expenses, such as operating and other
28 expenses of the board and the ~~office of the State Chief Information~~
29 ~~Officer~~ *Department of Technology*, and costs associated with
30 approved information technology projects, and to establish
31 reserves. At the discretion of the ~~State Chief Information Officer~~
32 *Director of Technology*, segregated, dedicated accounts within the
33 fund may be established. The amendments made to this section
34 by the act adding this sentence shall apply to all revenues earned
35 on or after July 1, 2010.

36 (b) The fund shall consist of all of the following:

37 (1) Moneys appropriated and made available by the Legislature
38 for the purposes of this chapter.

39 (2) Any other moneys that may be made available to the ~~office~~
40 ~~Department of the State Chief Information Officer~~ *Technology*

1 from any other source, including the return from investments of
2 moneys by the Treasurer.

3 ~~(c) The office Department of the State Chief Information Officer~~
4 ~~Technology~~ may collect payments from public agencies for
5 providing services to those agencies that the agencies have
6 requested from the ~~office Department of the State Chief~~
7 ~~Information Officer Technology~~. The ~~office Department of the~~
8 ~~State Chief Information Officer Technology~~ may require monthly
9 payments by client agencies for the services the agencies have
10 requested. Pursuant to Section 11255, the Controller shall transfer
11 any amounts so authorized by the ~~office Department of the State~~
12 ~~Chief Information Officer Technology~~, consistent with the annual
13 budget of each department, to the fund. The ~~office Department of~~
14 ~~the State Chief Information Officer Technology~~ shall notify each
15 affected state agency upon requesting the Controller to make the
16 transfer.

17 (d) At the end of any fiscal year, if the balance remaining in the
18 fund at the end of that fiscal year exceeds 25 percent of the portion
19 of the ~~office Department of the State Chief Information Officer's~~
20 ~~Technology's~~ current fiscal year budget used for support of data
21 center and other client services, the excess amount shall be used
22 to reduce the billing rates for services rendered during the following
23 fiscal year.

24 SEC. 186. Section 11545 of the Government Code is amended
25 to read:

26 11545. (a) (1) There is in state government the ~~California~~
27 ~~Department of Technology Agency within the Government~~
28 ~~Operations Agency~~. The ~~Secretary Director of California~~
29 Technology shall be appointed by, and serve at the pleasure of,
30 the Governor, subject to Senate confirmation. The ~~Secretary~~
31 ~~Director of California~~ Technology shall supervise the ~~California~~
32 ~~Department of Technology Agency~~ and be a member of the
33 ~~Governor's cabinet~~.

34 (2) Unless the context clearly requires otherwise, whenever the
35 term "office of the State Chief Information Officer" or "*California*
36 *Technology Agency*" appears in any statute, regulation, or contract,
37 or any other code, it shall be construed to refer to the ~~California~~
38 ~~Department of Technology Agency~~, and whenever the term "State
39 Chief Information Officer" or "*Secretary of California*
40 *Technology*" appears in any statute, regulation, or contract, or any

1 *other code*, it shall be construed to refer to the ~~Secretary Director~~
2 of ~~California~~ Technology.

3 (3) *The Director of Technology shall be the State Chief*
4 *Information Officer.*

5 (b) The duties of the ~~Secretary Director of California~~
6 Technology shall include, but are not limited to, all of the
7 following:

8 (1) Advising the Governor on the strategic management and
9 direction of the state's information technology resources.

10 (2) Establishing and enforcing state information technology
11 strategic plans, policies, standards, and enterprise architecture.
12 This shall include the periodic review and maintenance of the
13 information technology sections of the State Administrative
14 Manual, except for sections on information technology procurement
15 procedures, and information technology fiscal policy. ~~The Secretary~~
16 *Director of California* Technology shall consult with the Director
17 of General Services, the Director of Finance, and other relevant
18 agencies concerning policies and standards these agencies are
19 responsible to issue as they relate to information technology.

20 (3) Minimizing overlap, redundancy, and cost in state operations
21 by promoting the efficient and effective use of information
22 technology.

23 (4) Providing technology direction to agency and department
24 chief information officers to ensure the integration of statewide
25 technology initiatives, compliance with information technology
26 policies and standards, and the promotion of the alignment and
27 effective management of information technology services. Nothing
28 in this paragraph shall be deemed to limit the authority of a
29 constitutional officer, cabinet agency secretary, or department
30 director to establish programmatic priorities and business direction
31 to the respective agency or department chief information officer.

32 (5) Working to improve organizational maturity and capacity
33 in the effective management of information technology.

34 (6) Establishing performance management and improvement
35 processes to ensure state information technology systems and
36 services are efficient and effective.

37 (7) Approving, suspending, terminating, and reinstating
38 information technology projects.

39 (8) Performing enterprise information technology functions and
40 services, including, but not limited to, implementing Geographic

1 Information Systems (GIS), shared services, applications, and
2 program and project management activities in partnership with the
3 owning agency or department.

4 (c) The ~~Secretary~~ *Director* of ~~California~~ Technology shall
5 produce an annual information technology strategic plan that shall
6 guide the acquisition, management, and use of information
7 technology. State agencies shall cooperate with the ~~agency~~
8 *department* in the development of this plan, as required by the
9 ~~Secretary~~ *Director* of ~~California~~ Technology.

10 (1) Upon establishment of the information technology strategic
11 plan, the ~~Secretary~~ *Director* of ~~California~~ Technology shall take
12 all appropriate and necessary steps to implement the plan, subject
13 to any modifications and adjustments deemed necessary and
14 reasonable.

15 (2) The information technology strategic plan shall be submitted
16 to the Joint Legislative Budget Committee by January 15 of every
17 year.

18 (d) The ~~Secretary~~ *Director* of ~~California~~ Technology shall
19 produce an annual information technology performance report that
20 shall assess and measure the state's progress toward enhancing
21 information technology human capital management; reducing and
22 avoiding costs and risks associated with the acquisition,
23 development, implementation, management, and operation of
24 information technology assets, infrastructure, and systems;
25 improving energy efficiency in the use of information technology
26 assets; enhancing the security, reliability, and quality of information
27 technology networks, services, and systems; and improving the
28 information technology procurement process. The ~~agency~~
29 *department* shall establish those policies and procedures required
30 to improve the performance of the state's information technology
31 program.

32 (1) The ~~agency~~ *department* shall submit an information
33 technology performance management framework to the Joint
34 Legislative Budget Committee by May 15, 2009, accompanied by
35 the most current baseline data for each performance measure or
36 metric contained in the framework. The information technology
37 performance management framework shall include the performance
38 measures and targets that the ~~agency~~ *department* will utilize to
39 assess the performance of, and measure the costs and risks avoided
40 by, the state's information technology program. The ~~agency~~

1 *department* shall provide notice to the Joint Legislative Budget
2 Committee within 30 days of making changes to the framework.
3 This notice shall include the rationale for changes in specific
4 measures or metrics.

5 (2) State agencies shall take all necessary steps to achieve the
6 targets set forth by the ~~agency~~ *department* and shall report their
7 progress to the ~~agency~~ *department* on a quarterly basis.

8 (3) Notwithstanding Section 10231.5, the information
9 technology performance report shall be submitted to the Joint
10 Legislative Budget Committee by January 15 of every year. To
11 enhance transparency, the ~~agency~~ *department* shall post
12 performance targets and progress toward these targets on its public
13 Internet Web site.

14 (4) The ~~agency~~ *department* shall at least annually report to the
15 Director of Finance cost savings and avoidances achieved through
16 improvements to the way the state acquires, develops, implements,
17 manages, and operates state technology assets, infrastructure, and
18 systems. This report shall be submitted in a timeframe determined
19 by the Department of Finance and shall identify the actual savings
20 achieved by each office, department, and agency. Notwithstanding
21 Section 10231.5, the ~~agency~~ *department* shall also, within 30 days,
22 submit a copy of that report to the Joint Legislative Budget
23 Committee, the Senate Committee on Appropriations, the Senate
24 Committee on Budget and Fiscal Review, the Assembly Committee
25 on Appropriations, and the Assembly Committee on Budget.

26 SEC. 187. Section 11546 of the Government Code is amended
27 to read:

28 11546. (a) The ~~California Department of Technology Agency~~
29 shall be responsible for the approval and oversight of information
30 technology projects, which shall include, but are not limited to,
31 all of the following:

32 (1) Establishing and maintaining a framework of policies,
33 procedures, and requirements for the initiation, approval,
34 implementation, management, oversight, and continuation of
35 information technology projects.

36 (2) Evaluating information technology projects based on the
37 business case justification, resources requirements, proposed
38 technical solution, project management, oversight and risk
39 mitigation approach, and compliance with statewide strategies,

1 policies, and procedures. Projects shall continue to be funded
2 through the established Budget Act process.

3 (3) Consulting with agencies during initial project planning to
4 ensure that project proposals are based on well-defined
5 programmatic needs, clearly identify programmatic benefits, and
6 consider feasible alternatives to address the identified needs and
7 benefits consistent with statewide strategies, policies, and
8 procedures.

9 (4) Consulting with agencies prior to project initiation to review
10 the project governance and management framework to ensure that
11 it is best designed for success and will serve as a resource for
12 agencies throughout the project implementation.

13 (5) Requiring agencies to provide information on information
14 technology projects including, but not limited to, all of the
15 following:

16 (A) The degree to which the project is within approved scope,
17 cost, and schedule.

18 (B) Project issues, risks, and corresponding mitigation efforts.

19 (C) The current estimated schedule and costs for project
20 completion.

21 (6) Requiring agencies to perform remedial measures to achieve
22 compliance with approved project objectives. These remedial
23 measures may include, but are not limited to, any of the following:

24 (A) Independent assessments of project activities, the cost of
25 which shall be funded by the agency administering the project.

26 (B) Establishing remediation plans.

27 (C) Securing appropriate expertise, the cost of which shall be
28 funded by the agency administering the project.

29 (D) Requiring additional project reporting.

30 (E) Requiring approval to initiate any action identified in the
31 approved project schedule.

32 (7) Suspending, reinstating, or terminating information
33 technology projects. The ~~agency~~ *department* shall notify the Joint
34 Legislative Budget Committee of any project suspension,
35 reinstatement, and termination within 30 days of that suspension,
36 reinstatement, or termination.

37 (8) Establishing restrictions or other controls to mitigate
38 nonperformance by agencies, including, but not limited to, any of
39 the following:

1 (A) The restriction of future project approvals pending
2 demonstration of successful correction of the identified
3 performance failure.

4 (B) The revocation or reduction of authority for state agencies
5 to initiate information technology projects or acquire information
6 technology or telecommunications goods or services.

7 (b) The ~~California Department of Technology Agency~~ shall
8 have the authority to delegate to another agency any authority
9 granted under this section based on its assessment of the agency's
10 project management, project oversight, and project performance.

11 SEC. 188. Section 11546.1 of the Government Code is amended
12 to read:

13 11546.1. The ~~California Department of Technology Agency~~
14 shall improve the governance and implementation of information
15 technology by standardizing reporting relationships, roles, and
16 responsibilities for setting information technology priorities.

17 (a) (1) Each state agency shall have a chief information officer
18 who is appointed by the head of the state agency, or by the head's
19 designee, subject to the approval of the ~~California Department of~~
20 ~~Technology Agency~~.

21 (2) A chief information officer appointed under this subdivision
22 shall do all of the following:

23 (A) Oversee the information technology portfolio and
24 information technology services within his or her state agency
25 through the operational oversight of information technology
26 budgets of departments, boards, bureaus, and offices within the
27 state agency.

28 (B) Develop the enterprise architecture for his or her state
29 agency, subject to the review and approval of the ~~California~~
30 ~~Department of Technology Agency~~, to rationalize, standardize,
31 and consolidate information technology applications, assets,
32 infrastructure, data, and procedures for all departments, boards,
33 bureaus, and offices within the state agency.

34 (C) Ensure that all departments, boards, bureaus, and offices
35 within the state agency are in compliance with the state information
36 technology policy.

37 (b) (1) Each state entity shall have a chief information officer
38 who is appointed by the head of the state entity.

39 (2) A chief information officer appointed under this subdivision
40 shall do all of the following:

1 (A) Supervise all information technology and
2 telecommunications activities within his or her state entity,
3 including, but not limited to, information technology, information
4 security, and telecommunications personnel, contractors, systems,
5 assets, projects, purchases, and contracts.

6 (B) Ensure the entity conforms with state information technology
7 and telecommunications policy and enterprise architecture.

8 (c) Each state agency shall have an information security officer
9 appointed by the head of the state agency, or the head's designee,
10 subject to the approval by the ~~California Department of Technology~~
11 ~~Agency~~. The state agency's information security officer appointed
12 under this subdivision shall report to the state agency's chief
13 information officer.

14 (d) Each state entity shall have an information security officer
15 who is appointed by the head of the state entity. An information
16 security officer shall report to the chief information officer of his
17 or her state entity. The ~~California Department of Technology~~
18 ~~Agency~~ shall develop specific qualification criteria for an
19 information security officer. If a state entity cannot fund a position
20 for an information security officer, the entity's chief information
21 officer shall perform the duties assigned to the information security
22 officer. The chief information officer shall coordinate with the
23 ~~California Department of Technology Agency~~ for any necessary
24 support.

25 (e) (1) For purposes of this section, "state agency" means the
26 ~~Business, Transportation and Housing Agency, Department of~~
27 ~~Corrections and Rehabilitation, Department of Veterans Affairs,~~
28 ~~State Business and Consumer Services Agency, Natural Resources~~
29 ~~Agency, California Health and Human Services Agency, California~~
30 ~~Environmental Protection Agency, Labor and Workforce~~
31 ~~Development Agency, and Department of Food and Agriculture.~~

32 (2) For purposes of this section, "state entity" means an entity
33 within the executive branch that is under the direct authority of
34 the Governor, including, but not limited to, all departments, boards,
35 bureaus, commissions, councils, and offices that are not defined
36 as a "state agency" pursuant to paragraph (1).

37 (f) A state entity that is not defined under subdivision (e) may
38 voluntarily comply with any of the requirements of Sections
39 11546.2 and 11546.3 and may request assistance from the
40 ~~California Department of Technology Agency~~ to do so.

1 SEC. 189. Section 11546.2 of the Government Code is amended
2 to read:

3 11546.2. On or before February 1, 2011, and annually
4 thereafter, each state agency and state entity subject to Section
5 11546.1, shall submit, as instructed by the ~~California Department~~
6 ~~of Technology Agency~~, a summary of its actual and projected
7 information technology and telecommunications costs, including
8 personnel, for the immediately preceding fiscal year and current
9 fiscal year, showing current expenses and projected expenses for
10 the current fiscal year, in a format prescribed by the ~~California~~
11 ~~Department of Technology Agency~~ in order to capture statewide
12 information technology expenditures.

13 SEC. 190. Section 11546.3 of the Government Code is amended
14 to read:

15 11546.3. (a) (1) A chief information officer appointed under
16 Section 11546.1 shall develop a plan to leverage cost-effective
17 strategies to reduce the total amount of energy utilized by
18 information technology and telecommunications equipment of the
19 officer's agency or entity, as the case may be, in support of the
20 statewide effort to reduce energy consumption by 20 percent below
21 the 2009 baseline by July 1, 2011, and by 30 percent below the
22 2009 baseline by July 1, 2012.

23 (2) A chief information officer appointed under Section 11546.1
24 shall report the progress toward the energy reduction targets in
25 paragraph (1) to the ~~California Department of Technology Agency~~
26 on a quarterly basis beginning in January 2011. The ~~California~~
27 ~~Department of Technology Agency~~ shall include the quarterly
28 reports on its Internet Web site.

29 (b) (1) A state agency or entity subject to Section 11546.1 shall
30 do all of the following:

31 (A) Comply with the policies of the ~~California Department of~~
32 ~~Technology Agency~~ to reduce the total amount of office square
33 footage currently utilized for data centers by the agency or entity,
34 as the case may be, in support of the statewide effort to reduce
35 energy consumption by 50 percent below the 2009 baseline by
36 July 2011.

37 (B) Host all mission critical and public-facing applications and
38 server refreshes in a Tier III or equivalent data center, as designated
39 by the ~~California Department of Technology Agency~~.

1 (C) Close any existing data centers or server rooms that house
2 nonnetwork equipment by June 2013. On or before July 2011,
3 transition plans, in accordance with guidance provided by the
4 ~~California Department of Technology Agency~~, shall be submitted
5 to the ~~California Department of Technology Agency~~.

6 (D) Be in migration from its existing network services to the
7 California Government Network by no later than July 2011.

8 (E) Report to the ~~California Department of Technology Agency~~
9 on the progress toward the targets listed in this subdivision on a
10 quarterly basis, beginning in January 2011.

11 (2) The ~~California Department of Technology Agency~~ shall
12 include the quarterly reports required by subparagraph (E) of
13 paragraph (1) on its Internet Web site.

14 (c) (1) A state agency or entity subject to Section 11546.1 shall
15 do both of the following:

16 (A) Be in migration to the state shared e-mail solution by no
17 later than June 2011.

18 (B) Report to the ~~California Department of Technology Agency~~
19 on the progress toward the target listed in subparagraph (A) on a
20 quarterly basis, beginning in April 2011.

21 (2) The ~~California Department of Technology Agency~~ shall
22 include the quarterly reports required by subparagraph (B) of
23 paragraph (1) on its Internet Web site.

24 SEC. 191. Section 11546.4 of the Government Code is amended
25 to read:

26 11546.4. Notwithstanding any other law, any service contract
27 proposed to be entered into by an agency that would not otherwise
28 be subject to review, approval, or oversight by the ~~office~~
29 ~~Department of the State Chief Information Officer Technology~~
30 but that contains an information technology component that would
31 be subject to oversight by the ~~office Department of the State Chief~~
32 ~~Information Officer Technology~~ if it was a separate information
33 technology project, shall be subject to review, approval, and
34 oversight by the ~~office Department of the State Chief Information~~
35 ~~Officer Technology~~ as set forth in Section 11546.

36 SEC. 192. Section 11546.5 of the Government Code is amended
37 to read:

38 11546.5. Notwithstanding any other ~~provision of~~ law, all
39 employees of the ~~California Department of Technology Agency~~
40 shall be designated as excluded from collective bargaining pursuant

1 to subdivision (b) of Section 3527, except for employees of the
2 Office of Technology Services and employees of the Public Safety
3 Communications Division who are not otherwise excluded from
4 collective bargaining.

5 SEC. 193. Section 11546.6 of the Government Code is amended
6 to read:

7 11546.6. (a) ~~The State Chief Information Officer~~ *Director of*
8 *Technology* shall require fingerprint images and associated
9 information from an employee, prospective employee, contractor,
10 subcontractor, volunteer, or vendor whose duties include, or would
11 include, working on data center, telecommunications, or network
12 operations, engineering, or security with access to confidential or
13 sensitive information and data on the network or computing
14 infrastructure.

15 (b) The fingerprint images and associated information described
16 in subdivision (a) shall be furnished to the Department of Justice
17 for the purpose of obtaining information as to the existence and
18 nature of any of the following:

19 (1) A record of state or federal convictions and the existence
20 and nature of state or federal arrests for which the person is free
21 on bail or on his or her own recognizance pending trial or appeal.

22 (2) Being convicted of, or pleading nolo contendere to, a crime,
23 or having committed an act involving dishonesty, fraud, or deceit,
24 if the crime or act is substantially related to the qualifications,
25 functions, or duties of a person employed by the state in accordance
26 with this provision.

27 (3) Any conviction or arrest, for which the person is free on bail
28 or on his or her own recognizance pending trial or appeal, with a
29 reasonable nexus to the information or data to which the employee
30 shall have access.

31 (c) Requests for federal criminal offender record information
32 received by the Department of Justice pursuant to this section shall
33 be forwarded to the Federal Bureau of Investigation by the
34 Department of Justice.

35 (d) The Department of Justice shall respond to the ~~State Chief~~
36 ~~Information Officer~~ *Director of Technology* with information as
37 provided under subdivision (p) of Section 11105 of the Penal Code.

38 (e) ~~The State Chief Information Officer~~ *Director of Technology*
39 shall request subsequent arrest notifications from the Department
40 of Justice as provided under Section 11105.2 of the Penal Code.

1 (f) The Department of Justice may assess a fee sufficient to
2 cover the processing costs required under this section, as authorized
3 pursuant to subdivision (e) of Section 11105 of the Penal Code.

4 (g) If an individual described in subdivision (a) is rejected as a
5 result of information contained in the Department of Justice or
6 Federal Bureau of Investigation criminal offender record
7 information response, the individual shall receive a copy of the
8 response record from the ~~State Chief Information Officer~~ *Director*
9 *of Technology*.

10 (h) The ~~State Chief Information Officer~~ *Director of Technology*
11 shall develop a written appeal process for an individual described
12 in subdivision (a) who is determined ineligible for employment
13 because of his or her Department of Justice or Federal Bureau of
14 Investigation criminal offender record. Individuals shall not be
15 found to be ineligible for employment pursuant to this section until
16 the appeal process is in place.

17 (i) When considering the background information received
18 pursuant to this section, the ~~State Chief Information Officer~~
19 *Director of Technology* shall take under consideration any evidence
20 of rehabilitation, including participation in treatment programs, as
21 well as the age and specifics of the offense.

22 SEC. 194. Section 11549 of the Government Code is amended
23 to read:

24 11549. (a) There is in state government, in the ~~California~~
25 *Department of Technology Agency*, the Office of Information
26 Security. The purpose of the Office of Information Security is to
27 ensure the confidentiality, integrity, and availability of state
28 systems and applications, and to promote and protect privacy as
29 part of the development and operations of state systems and
30 applications to ensure the trust of the residents of this state.

31 (b) The office shall be under the direction of a director, who
32 shall be appointed by, and serve at the pleasure of, the Governor.
33 The director shall report to the ~~Secretary~~ *Director of California*
34 *Technology*, and shall lead the Office of Information Security in
35 carrying out its mission.

36 (c) The duties of the Office of Information Security, under the
37 direction of the director, shall be to provide direction for
38 information security and privacy to state government agencies,
39 departments, and offices, pursuant to Section 11549.3.

1 (d) (1) Unless the context clearly requires otherwise, whenever
2 the term “Office of Information Security and Privacy Protection”
3 appears in any statute, regulation, or contract, it shall be deemed
4 to refer to the Office of Information Security, and whenever the
5 term “executive director of the Office of Information Security and
6 Privacy Protection” appears in statute, regulation, or contract, it
7 shall be deemed to refer to the Director of the Office of Information
8 Security.

9 (2) All employees serving in state civil service, other than
10 temporary employees, who are engaged in the performance of
11 functions transferred from the Office of Information Security and
12 Privacy Protection to the Office of Information Security, are
13 transferred to the Office of Information Security. The status,
14 positions, and rights of those persons shall not be affected by their
15 transfer and shall continue to be retained by them pursuant to the
16 State Civil Service Act (Part 2 (commencing with Section 18500)
17 of Division 5), except as to positions the duties of which are vested
18 in a position exempt from civil service. The personnel records of
19 all transferred employees shall be transferred to the Office of
20 Information Security.

21 (3) The property of any office, agency, or department related
22 to functions transferred to the Office of Information Security is
23 transferred to the Office of Information Security. If any doubt
24 arises as to where that property is transferred, the Department of
25 General Services shall determine where the property is transferred.

26 (4) All unexpended balances of appropriations and other funds
27 available for use in connection with any function or the
28 administration of any law transferred to the Office of Information
29 Security shall be transferred to the Office of Information Security
30 for the use and for the purpose for which the appropriation was
31 originally made or the funds were originally available. If there is
32 any doubt as to where those balances and funds are transferred,
33 the Department of Finance shall determine where the balances and
34 funds are transferred.

35 SEC. 195. Section 11549.3 of the Government Code is amended
36 to read:

37 11549.3. (a) The director shall establish an information security
38 program. The program responsibilities include, but are not limited
39 to, all of the following:

1 (1) The creation, updating, and publishing of information
2 security and privacy policies, standards, and procedures for state
3 agencies in the State Administrative Manual.

4 (2) The creation, issuance, and maintenance of policies,
5 standards, and procedures directing state agencies to effectively
6 manage security and risk for all of the following:

7 (A) Information technology, which includes, but is not limited
8 to, all electronic technology systems and services, automated
9 information handling, system design and analysis, conversion of
10 data, computer programming, information storage and retrieval,
11 telecommunications, requisite system controls, simulation,
12 electronic commerce, and all related interactions between people
13 and machines.

14 (B) Information that is identified as mission critical, confidential,
15 sensitive, or personal, as defined and published by the ~~office~~ *Office*
16 *of Information Security*.

17 (3) The creation, issuance, and maintenance of policies,
18 standards, and procedures directing state agencies for the collection,
19 tracking, and reporting of information regarding security and
20 privacy incidents.

21 (4) The creation, issuance, and maintenance of policies,
22 standards, and procedures directing state agencies in the
23 development, maintenance, testing, and filing of each agency's
24 disaster recovery plan.

25 (5) Coordination of the activities of agency information security
26 officers, for purposes of integrating statewide security initiatives
27 and ensuring compliance with information security and privacy
28 policies and standards.

29 (6) Promotion and enhancement of the state agencies' risk
30 management and privacy programs through education, awareness,
31 collaboration, and consultation.

32 (7) Representing the state before the federal government, other
33 state agencies, local government entities, and private industry on
34 issues that have statewide impact on information security and
35 privacy.

36 (b) An information security officer appointed pursuant to Section
37 11546.1 shall implement the policies and procedures issued by the
38 Office of Information Security, including, but not limited to,
39 performing all of the following duties:

1 (1) Comply with the information security and privacy policies,
 2 standards, and procedures issued pursuant to this chapter by the
 3 Office of Information Security.

4 (2) Comply with filing requirements and incident notification
 5 by providing timely information and reports as required by policy
 6 or directives of the office.

7 (c) The office may conduct, or require to be conducted,
 8 independent security assessments of any state agency, department,
 9 or office, the cost of which shall be funded by the state agency,
 10 department, or office being assessed.

11 (d) The office may require an audit of information security to
 12 ensure program compliance, the cost of which shall be funded by
 13 the state agency, department, or office being audited.

14 (e) The office shall report to the ~~California Department of~~
 15 ~~Technology Agency~~ any state agency found to be noncompliant
 16 with information security program requirements.

17 SEC. 196. Section 11550 of the Government Code is amended
 18 to read:

19 11550. (a) Effective January 1, 1988, an annual salary of
 20 ninety-one thousand fifty-four dollars (\$91,054) shall be paid to
 21 each of the following:

- 22 (1) Director of Finance.
- 23 (2) Secretary of ~~Business, Transportation and Housing.~~
- 24 (3) Secretary of the *Natural Resources Agency*.
- 25 (4) Secretary of California Health and Human Services.
- 26 (5) Secretary of ~~State Business~~ and Consumer Services.
- 27 (6) Commissioner of the California Highway Patrol.
- 28 (7) Secretary of the Department of Corrections and
 29 Rehabilitation.
- 30 (8) Secretary of Food and Agriculture.
- 31 (9) Secretary of Veterans Affairs.
- 32 (10) Secretary of Labor and Workforce Development.
- 33 ~~(11) State Chief Information Officer.~~
- 34 ~~(12)~~
- 35 ~~(11)~~ Secretary for Environmental Protection.
- 36 ~~(13)~~
- 37 ~~(12)~~ Secretary of ~~California Emergency Management~~
 38 *Government Operations*.

39 (b) The annual compensation provided by this section shall be
 40 increased in any fiscal year in which a general salary increase is

1 provided for state employees. The amount of the increase provided
2 by this section shall be comparable to, but shall not exceed, the
3 percentage of the general salary increases provided for state
4 employees during that fiscal year.

5 SEC. 197. Section 11552 of the Government Code is amended
6 to read:

7 11552. (a) Effective January 1, 1988, an annual salary of
8 eighty-five thousand four hundred two dollars (\$85,402) shall be
9 paid to each of the following:

- 10 (1) Commissioner of ~~Financial Institutions~~ *Business Oversight*.
- 11 ~~(2) Commissioner of Corporations.~~
- 12 ~~(3)~~
- 13 (2) Director of Transportation.
- 14 ~~(4)~~
- 15 (3) Real Estate Commissioner.
- 16 ~~(5)~~
- 17 (4) Director of Social Services.
- 18 ~~(6)~~
- 19 (5) Director of Water Resources.
- 20 ~~(7)~~
- 21 (6) Chief Deputy Secretary for Adult Operations of the
22 Department of Corrections and Rehabilitation.
- 23 ~~(8)~~
- 24 (7) Director of General Services.
- 25 ~~(9)~~
- 26 (8) Director of Motor Vehicles.
- 27 ~~(10)~~
- 28 (9) Chief Deputy Secretary for Juvenile Justice in the
29 Department of Corrections and Rehabilitation.
- 30 ~~(11)~~
- 31 (10) Executive Officer of the Franchise Tax Board.
- 32 ~~(12)~~
- 33 (11) Director of Employment Development.
- 34 ~~(13)~~
- 35 (12) Director of Alcoholic Beverage Control.
- 36 ~~(14)~~
- 37 (13) Director of Housing and Community Development.
- 38 ~~(15)~~
- 39 (14) Director of Alcohol and Drug Programs.
- 40 ~~(16)~~

- 1 (15) Director of Statewide Health Planning and Development.
- 2 ~~(17)~~
- 3 (16) Director of the Department of ~~Personnel Administration~~
- 4 *Human Resources*.
- 5 ~~(18)~~
- 6 (17) Director of Health Care Services.
- 7 ~~(19)~~
- 8 (18) Director of Mental Health.
- 9 ~~(20)~~
- 10 (19) Director of Developmental Services.
- 11 ~~(21)~~
- 12 (20) State Public Defender.
- 13 ~~(22)~~
- 14 (21) Director of the California State Lottery.
- 15 ~~(23)~~
- 16 (22) Director of Fish and Game.
- 17 ~~(24)~~
- 18 (23) Director of Parks and Recreation.
- 19 ~~(25)~~
- 20 (24) Director of Rehabilitation.
- 21 ~~(26)~~
- 22 (25) Director of the Office of Administrative Law.
- 23 ~~(27)~~
- 24 (26) Director of Consumer Affairs.
- 25 ~~(28)~~
- 26 (27) Director of Forestry and Fire Protection.
- 27 ~~(29)~~
- 28 (28) The Inspector General pursuant to Section 6125 of the
- 29 Penal Code.
- 30 ~~(30)~~
- 31 (29) Director of Child Support Services.
- 32 ~~(31)~~
- 33 (30) Director of Industrial Relations.
- 34 ~~(32)~~
- 35 (31) Chief Deputy Secretary for Adult Programs in the
- 36 Department of Corrections and Rehabilitation.
- 37 ~~(33)~~
- 38 (32) Director of Toxic Substances Control.
- 39 ~~(34)~~
- 40 (33) Director of Pesticide Regulation.

- 1 ~~(35)~~
- 2 (34) Director of Managed Health Care.
- 3 ~~(36)~~
- 4 (35) Director of Environmental Health Hazard Assessment.
- 5 ~~(37) Director of Technology.~~
- 6 ~~(38)~~
- 7 (36) Director of California Bay-Delta Authority.
- 8 ~~(39)~~
- 9 (37) Director of California Conservation Corps.
- 10 (38) *Director of Technology.*
- 11 (39) *Director of Emergency Services.*

12 (b) The annual compensation provided by this section shall be
13 increased in any fiscal year in which a general salary increase is
14 provided for state employees. The amount of the increase provided
15 by this section shall be comparable to, but shall not exceed, the
16 percentage of the general salary increases provided for state
17 employees during that fiscal year.

18 SEC. 198. Section 12012.90 of the Government Code is
19 amended to read:

20 12012.90. (a) (1) For each fiscal year commencing with the
21 2002–03 fiscal year to the ~~2004–05~~ 2004–05 fiscal year, inclusive,
22 the California Gambling Control Commission shall determine the
23 aggregate amount of shortfalls in payments that occurred in the
24 Indian Gaming Revenue Sharing Trust Fund pursuant to Section
25 4.3.2.1 of the tribal-state gaming compacts ratified and in effect
26 as provided in subdivision (f) of Section 19 of Article IV of the
27 California Constitution as determined below:

28 (A) For each eligible recipient Indian tribe that received money
29 for all four quarters of the fiscal year, the difference between one
30 million one hundred thousand dollars (\$1,100,000) and the actual
31 amount paid to each eligible recipient Indian tribe during the fiscal
32 year from the Indian Gaming Revenue Sharing Trust Fund.

33 (B) For each eligible recipient Indian tribe that received moneys
34 for less than four quarters of the fiscal year, the difference between
35 two hundred seventy-five thousand dollars (\$275,000) for each
36 quarter in the fiscal year that a recipient Indian tribe was eligible
37 to receive moneys and the actual amount paid to each eligible
38 recipient Indian tribe during the fiscal year from the Indian Gaming
39 Revenue Sharing Trust Fund.

1 (2) For purposes of this section, “eligible recipient Indian tribe”
2 means a noncompact tribe, as defined in Section 4.3.2(a)(i) of the
3 tribal-state gaming compacts ratified and in effect as provided in
4 subdivision (f) of Section 19 of Article IV of the California
5 Constitution.

6 (b) The California Gambling Control Commission shall provide
7 to the committee in the Senate and Assembly that considers the
8 State Budget an estimate of the amount needed to backfill the
9 Indian Gaming Revenue Sharing Trust Fund on or before the date
10 of the May budget revision for each fiscal year.

11 (c) An eligible recipient Indian tribe may not receive an amount
12 from the backfill appropriated following the estimate made
13 pursuant to subdivision (b) that would give the eligible recipient
14 Indian tribe an aggregate amount in excess of two hundred
15 seventy-five thousand dollars (\$275,000) per eligible quarter. Any
16 funds transferred from the Indian Gaming Special Distribution
17 Fund to the Indian Gaming Revenue Sharing Trust Fund that result
18 in a surplus shall revert back to the Indian Gaming Special
19 Distribution Fund following the authorization of the final payment
20 of the fiscal year.

21 (d) Upon a transfer of moneys from the Indian Gaming Special
22 Distribution Fund to the Indian Gaming Revenue Sharing Trust
23 Fund and appropriation from the trust fund, the California
24 Gambling Control Commission shall distribute the moneys without
25 delay to eligible recipient Indian tribes for each quarter that a tribe
26 was eligible to receive a distribution during the fiscal year
27 immediately preceding.

28 (e) For each fiscal year commencing with the ~~2005-06~~ 2005-06
29 fiscal year, all of the following shall apply and subdivisions (b) to
30 (d), inclusive, shall not apply:

31 (1) On or before the day of the May budget revision for each
32 fiscal year, the California Gambling Control Commission shall
33 determine the anticipated total amount of shortfalls in payment
34 likely to occur in the Indian Gaming Revenue Sharing Trust Fund
35 for the upcoming fiscal year, and shall provide to the committee
36 in the Senate and Assembly that considers the State Budget an
37 estimate of the amount needed to transfer from the Indian Gaming
38 Special Distribution Fund to backfill the Indian Gaming Revenue
39 Sharing Trust Fund for the next fiscal year. The anticipated total
40 amount of shortfalls to be transferred from the Indian Gaming

1 Special Distribution Fund to the Indian Gaming Revenue Sharing
2 Trust Fund shall be determined by the California Gambling Control
3 Commission as follows:

4 (A) The anticipated number of eligible recipient tribes that will
5 be eligible to receive payments for the next fiscal year, multiplied
6 by one million one hundred thousand dollars (\$1,100,000), with
7 that product reduced by the amount anticipated to be paid by the
8 tribes directly into the Indian Gaming Revenue Sharing Trust Fund
9 for the fiscal year.

10 (B) This amount shall be based upon actual payments received
11 into the Indian Gaming Revenue Sharing Trust Fund the previous
12 fiscal year, with adjustments made due to amendments to existing
13 tribal-state compacts or newly executed tribal-state compacts with
14 respect to payments to be made to the Indian Gaming Revenue
15 Sharing Trust Fund.

16 (2) The Legislature shall transfer from the Indian Gaming
17 Special Distribution Fund to the Indian Gaming Revenue Sharing
18 Trust Fund an amount sufficient for each eligible recipient tribe
19 to receive a total not to exceed two hundred seventy-five thousand
20 dollars (\$275,000) for each quarter in the upcoming fiscal year an
21 eligible recipient tribe is eligible to receive moneys, for a total not
22 to exceed one million, one hundred thousand dollars (\$1,100,000)
23 for the entire fiscal year. The California Gambling Control
24 Commission shall make quarterly payments from the Indian
25 Gaming Revenue Sharing Trust Fund to each eligible recipient
26 Indian tribe within 45 days of the end of each fiscal quarter.

27 (3) If the transfer of funds from the Indian Gaming Special
28 Distribution Fund to the Indian Gaming Revenue Sharing Trust
29 Fund results in a surplus, the funds shall remain in the Indian
30 Gaming Revenue Sharing Trust Fund for disbursement in future
31 years, and if necessary, adjustments shall be made to future
32 distributions from the Indian Gaming Special Distribution Fund
33 to the Revenue Sharing Trust Fund.

34 (4) In the event the amount appropriated for the fiscal year is
35 insufficient to ensure each eligible recipient tribe receives the total
36 of two hundred seventy-five thousand dollars (\$275,000) for each
37 fiscal quarter, the Department of Finance, after consultation with
38 the California Gambling Control Commission, shall submit to the
39 Legislature a request for a budget augmentation for the current

1 fiscal year with an explanation as to the reason why the amount
2 appropriated for the fiscal year was insufficient.

3 (5) At the end of each fiscal quarter, the California Gambling
4 Control Commission's Indian Gaming Revenue Sharing Trust
5 Fund report shall include information that identifies each of the
6 eligible recipient tribes eligible to receive a distribution for that
7 fiscal quarter, the amount paid into the Indian Gaming Revenue
8 Sharing Trust Fund by each of the tribes pursuant to the applicable
9 sections of the tribal-state compact, and the amount necessary to
10 backfill from the Indian Gaming Special Distribution Fund the
11 shortfall in the Indian Gaming Revenue Sharing Trust Fund in
12 order for each eligible recipient tribe to receive the total of two
13 hundred seventy-five thousand dollars (\$275,000) for the fiscal
14 quarter.

15 ~~(6) Based upon the projected shortfall in the Indian Gaming~~
16 ~~Revenue Sharing Trust Fund, for the 2005-06 fiscal year, the sum~~
17 ~~of fifty million dollars (\$50,000,000) is hereby transferred from~~
18 ~~the Indian Gaming Special Distribution Fund to the Indian Gaming~~
19 ~~Revenue Sharing Trust Fund and is hereby appropriated from that~~
20 ~~fund to the California Gambling Control Commission for~~
21 ~~distribution to each eligible recipient tribe pursuant to this section.~~

22 SEC. 199. Section 12800 of the Government Code is amended
23 to read:

24 12800. (a) There are in the state government the following
25 agencies: ~~State Business~~ and Consumer Services; ~~Business,~~
26 ~~Transportation and Housing;~~ California Emergency Management;
27 California Environmental Protection; California Health and Human
28 Services; Labor and Workforce Development; Natural Resources;
29 *Government Operations*; and ~~Youth and Adult Correctional~~
30 *Corrections and Rehabilitation*.

31 Whenever the term "Agriculture and Services Agency" appears
32 in any law, it means the "State and Consumer Services Agency,"
33 and whenever the term "Secretary of Agriculture and Services
34 Agency" appears in any law, it means the "Secretary of State and
35 Consumer Services."

36 ~~Whenever the term "Business and Transportation Agency"~~
37 ~~appears in any law, it means the "Business, Transportation and~~
38 ~~Housing Agency," and whenever the term "Secretary of the~~
39 ~~Business and Transportation Agency" appears in any law, it means~~
40 ~~the "Secretary of Business, Transportation and Housing."~~

1 ~~Whenever the term “Health and Welfare Agency” appears in~~
2 ~~any law, it means the “California Health and Human Services~~
3 ~~Agency,” and whenever the term “Secretary of the Health and~~
4 ~~Welfare Agency” appears in any law, it means the “Secretary of~~
5 ~~California Health and Human Services.”~~

6 ~~Whenever the term “Resources Agency” appears in any law, it~~
7 ~~means the “Natural Resources Agency,” and whenever the term~~
8 ~~“Secretary of the Resources Agency” appears in any law, it means~~
9 ~~the “Secretary of the Natural Resources Agency.”~~

10 *(b) The secretary of an agency shall be generally responsible*
11 *for the sound fiscal management of each department, office, or*
12 *other unit within the agency. The secretary shall review and*
13 *approve the proposed budget of each department, office, or other*
14 *unit. The secretary shall hold the head of each department, office,*
15 *or other unit responsible for management control over the*
16 *administrative, fiscal, and program performance of his or her*
17 *department, office, or other unit. The secretary shall review the*
18 *operations and evaluate the performance at appropriate intervals*
19 *of each department, office, or other unit, and shall seek continually*
20 *to improve the organization structure, the operating policies, and*
21 *the management information systems of each department, office,*
22 *or other unit.*

23 SEC. 200. Section 12803.2 is added to the Government Code,
24 to read:

25 12803.2. (a) The Government Operations Agency shall consist
26 of all of the following:

- 27 (1) The Office of Administrative Law.
- 28 (2) The Public Employees’ Retirement System.
- 29 (3) The State Teachers’ Retirement System.
- 30 (4) The State Personnel Board.
- 31 (5) The California Victim Compensation and Government
- 32 Claims Board.
- 33 (6) The Department of General Services.
- 34 (7) The Department of Technology.
- 35 (8) The Franchise Tax Board.
- 36 (9) The Department of Human Resources.

37 (b) The Government Operations Agency shall be governed by
38 the Secretary of Government Operations pursuant to Section 12801.
39 However, the Director of Human Resources shall report directly
40 to the Governor on issues relating to labor relations.

1 SEC. 201. Section 12804 of the Government Code is repealed.
2 12804. The Agriculture and Services Agency is hereby renamed
3 the State and Consumer Services Agency.

4 ~~The State and Consumer Services Agency consists of the~~
5 ~~following: the Department of General Services; the Department~~
6 ~~of Consumer Affairs; the Franchise Tax Board; the Public~~
7 ~~Employees' Retirement System; the State Teachers' Retirement~~
8 ~~System; the Department of Fair Employment and Housing; the~~
9 ~~Fair Employment and Housing Commission; the California Science~~
10 ~~Center; the California Victim Compensation and Government~~
11 ~~Claims Board; the California African American Museum; the~~
12 ~~California Building and Standards Commission; the Alfred E.~~
13 ~~Alquist Seismic Safety Commission; and the Office of Privacy~~
14 ~~Protection.~~

15 SEC. 202. Section 12804 is added to the Government Code,
16 to read:

17 12804. There is in the state government the Business and
18 Consumer Services Agency.

19 The Business and Consumer Services Agency consists of the
20 following: the Department of Consumer Affairs, the Department
21 of Housing and Community Development, the Department of Fair
22 Employment and Housing, the Department of Business Oversight,
23 the Department of Alcoholic Beverage Control, the Alcoholic
24 Beverage Control Appeals Board, the California Horse Racing
25 Board, and the Alfred E. Alquist Seismic Safety Commission.

26 SEC. 203. Section 12804.5 of the Government Code is amended
27 to read:

28 12804.5. The Secretary of ~~the State~~ *Business* and Consumer
29 ~~Services Agency~~ is hereby authorized to develop programs for
30 technical and fiscal assistance to facilitate nonprofit, self-help
31 community vegetable gardens and related supporting activities.

32 SEC. 204. Section 12804.7 of the Government Code is amended
33 to read:

34 12804.7. ~~The State and Consumer Services~~ *Natural Resources*
35 Agency succeeds to and is vested with all the duties, powers,
36 purposes, and responsibilities, and jurisdiction vested in the
37 Department of Food and Agriculture by Part 3 (commencing with
38 Section 3801) of Division 3 of the Food and Agricultural Code
39 with respect to the ~~Museum of Science and Industry~~ *Exposition*
40 *Park*.

1 SEC. 205. Section 12805 of the Government Code is amended
2 to read:

3 12805. (a) The Resources Agency is hereby renamed the
4 Natural Resources Agency. The Natural Resources Agency consists
5 of the departments of Forestry and Fire Protection, Conservation,
6 Fish and Game, ~~Boating and Waterways~~, *Delta Stewardship*
7 *Council*, Parks and Recreation, ~~Resources Recycling and Recovery~~,
8 and Water Resources; the State Lands Commission; the Colorado
9 River Board; the San Francisco Bay Conservation and
10 Development Commission; the Central Valley Flood Protection
11 Board; the Energy Resources Conservation and Development
12 Commission; the Wildlife Conservation Board; the Delta Protection
13 Commission; *the Office of Exposition Park*; the Native American
14 Heritage Commission; the California Conservation Corps; the
15 California Coastal Commission; the State Coastal Conservancy;
16 the California Tahoe Conservancy; the Santa Monica Mountains
17 Conservancy; the Coachella Valley Mountains Conservancy; the
18 San Joaquin River Conservancy; the San Gabriel and Lower Los
19 Angeles Rivers and Mountains Conservancy; the Baldwin Hills
20 Conservancy; the San Diego River Conservancy; and the Sierra
21 Nevada Conservancy.

22 (b) ~~No existing~~ *Existing* supplies, forms, insignias, signs, or
23 logos shall *not* be destroyed or changed as a result of changing the
24 name of the Resources Agency to the Natural Resources Agency,
25 and those materials shall continue to be used until exhausted or
26 unserviceable.

27 SEC. 206. Section 12813.5 is added to the Government Code,
28 to read:

29 12813.5. The Public Employment Relations Board is in the
30 Labor and Workforce Development Agency.

31 SEC. 207. Section 12855 of the Government Code is amended
32 to read:

33 12855. For the purpose of this chapter, “agency” means the
34 ~~State Business~~ and Consumer Services Agency, *the California*
35 *Environmental Protection Agency*, *the California Health and*
36 ~~Welfare~~ *Human Services Agency*, ~~or the Natural Resources~~
37 *Agency*, *the Labor and Workforce Development Agency*, *the*
38 *Government Operations Agency*, *the Transportation Agency*, or
39 ~~the Youth and Adult Correctional Agency~~ *the Corrections and*
40 *Rehabilitation Agency*, and “secretary” means the secretary of any

1 such agency. ~~The general powers of the Business, Transportation~~
2 ~~and Housing Agency and its secretary are those specified in Part~~
3 ~~4.5 (commencing with Section 13975).~~

4 SEC. 208. Section 12856 of the Government Code is amended
5 to read:

6 12856. In addition to any other provision of law, the Secretary
7 ~~of the State Business and Consumer Services Agency~~ may appoint
8 an assistant, who is exempt from the civil service laws. The
9 secretary shall prescribe the duties of ~~such~~ *the appointed* assistant
10 and shall fix the salary of such assistant subject to the approval of
11 the Director of Finance. ~~Such~~ *The appointed* assistant shall serve
12 at the pleasure of the secretary.

13 SEC. 209. Section 12901 of the Government Code is amended
14 to read:

15 12901. There is in the state government, in the ~~State Business~~
16 ~~and Consumer Services Agency~~, the Department of Fair
17 Employment and Housing. The department is under the direction
18 of an executive officer known as the Director of Fair Employment
19 and Housing, who is appointed by the Governor, subject to
20 confirmation by the Senate, and who holds office at the pleasure
21 of the Governor. The annual salary of the director is provided for
22 by Chapter 6 (commencing with Section 11550) of Part 1 of
23 Division 3 of Title 2.

24 SEC. 210. Section 12944 of the Government Code is amended
25 to read:

26 12944. (a) It shall be unlawful for a licensing board to require
27 any examination or establish any other qualification for licensing
28 that has an adverse impact on any class by virtue of its race, creed,
29 color, national origin or ancestry, sex, gender, gender identity,
30 gender expression, age, medical condition, genetic information,
31 physical disability, mental disability, or sexual orientation, unless
32 the practice can be demonstrated to be job related.

33 Where the commission, after hearing, determines that an
34 examination is unlawful under this subdivision, the licensing board
35 may continue to use and rely on the examination until such time
36 as judicial review by the superior court of the determination is
37 exhausted.

38 If an examination or other qualification for licensing is
39 determined to be unlawful under this section, that determination
40 shall not void, limit, repeal, or otherwise affect any right, privilege,

1 status, or responsibility previously conferred upon any person by
2 the examination or by a license issued in reliance on the
3 examination or qualification.

4 (b) It shall be unlawful for a licensing board to fail or refuse to
5 make reasonable accommodation to an individual's mental or
6 physical disability or medical condition.

7 (c) It shall be unlawful for any licensing board, unless
8 specifically acting in accordance with federal equal employment
9 opportunity guidelines or regulations approved by the commission,
10 to print or circulate or cause to be printed or circulated any
11 publication, or to make any non-job-related inquiry, either verbal
12 or through use of an application form, which expresses, directly
13 or indirectly, any limitation, specification, or discrimination as to
14 race, religious creed, color, national origin, ancestry, physical
15 disability, mental disability, medical condition, genetic information,
16 sex, gender, gender identity, gender expression, age, or sexual
17 orientation or any intent to make any such limitation, specification,
18 or discrimination. Nothing in this subdivision shall prohibit any
19 licensing board from making, in connection with prospective
20 licensure or certification, an inquiry as to, or a request for
21 information regarding, the physical fitness of applicants if that
22 inquiry or request for information is directly related and pertinent
23 to the license or the licensed position the applicant is applying for.
24 Nothing in this subdivision shall prohibit any licensing board, in
25 connection with prospective examinations, licensure, or
26 certification, from inviting individuals with physical or mental
27 disabilities to request reasonable accommodations or from making
28 inquiries related to reasonable accommodations.

29 (d) It is unlawful for a licensing board to discriminate against
30 any person because the person has filed a complaint, testified, or
31 assisted in any proceeding under this part.

32 (e) It is unlawful for any licensing board to fail to keep records
33 of applications for licensing or certification for a period of two
34 years following the date of receipt of the applications.

35 (f) As used in this section, "licensing board" means any state
36 board, agency, or authority in the ~~State~~ *Business* and Consumer
37 Services Agency that has the authority to grant licenses or
38 certificates which are prerequisites to employment eligibility or
39 professional status.

1 SEC. 211. Section 13901 of the Government Code is amended
2 to read:

3 13901. (a) There is within the ~~State and Consumer Services~~
4 *Government Operations* Agency the California Victim
5 Compensation and Government Claims Board.

6 (b) The board consists of the Secretary of ~~State and Consumer~~
7 *Services Government Operations* or his or her designee and the
8 Controller, both acting ex officio, and a third member who shall
9 be appointed by and serve at the pleasure of the Governor. The
10 third member may be a state officer who shall act ex officio.

11 (c) Any reference in statute or regulation to the State Board of
12 Control shall be construed to refer to the California Victim
13 Compensation and Government Claims Board.

14 SEC. 212. Section 13903 of the Government Code is amended
15 to read:

16 13903. The Secretary of ~~the State and Consumer Services~~
17 *Agency Government Operations* shall serve as chair of the board.

18 SEC. 213. Section 13975 of the Government Code is repealed.

19 ~~13975. The Business and Transportation Agency in state~~
20 ~~government is hereby renamed the Business, Transportation and~~
21 ~~Housing Agency. The agency consists of the State Department of~~
22 ~~Alcoholic Beverage Control, the Department of the California~~
23 ~~Highway Patrol, the Department of Corporations, the Department~~
24 ~~of Housing and Community Development, the Department of~~
25 ~~Motor Vehicles, the Department of Real Estate, the Department~~
26 ~~of Transportation, the Department of Financial Institutions, and~~
27 ~~the Board of Pilot Commissioners for the Bays of San Francisco,~~
28 ~~San Pablo, and Suisun. The California Housing Finance Agency~~
29 ~~is also located within the Business, Transportation and Housing~~
30 ~~Agency, as specified in Division 31 (commencing with Section~~
31 ~~50000) of the Health and Safety Code.~~

32 SEC. 214. Section 13975 is added to the Government Code,
33 to read:

34 13975. There is in the state government the Transportation
35 Agency. The agency consists of the Department of the California
36 Highway Patrol, the California Transportation Commission, the
37 Department of Motor Vehicles, the Department of Transportation,
38 the High-Speed Rail Authority, and the Board of Pilot
39 Commissioners for the Bays of San Francisco, San Pablo, and
40 Suisun.

1 SEC. 215. Section 13978.6 of the Government Code is amended
2 to read:

3 ~~13978.6. (a) The Secretary of the Business, Transportation~~
4 ~~and Housing Agency shall be generally responsible for the sound~~
5 ~~fiscal management of each department, office, or other unit within~~
6 ~~the agency. The secretary shall review and approve the proposed~~
7 ~~budget of each department, office, or other unit. The secretary~~
8 ~~shall hold the head of each department, office, or other unit~~
9 ~~responsible for management control over the administrative, fiscal,~~
10 ~~and program performance of his or her department, office, or other~~
11 ~~unit. The secretary shall review the operations and evaluate the~~
12 ~~performance at appropriate intervals of each department, office,~~
13 ~~or other unit, and shall seek continually to improve the organization~~
14 ~~structure, the operating policies, and the management information~~
15 ~~systems of each department, office, or other unit.~~

16 (b)

17 (a) There is in the ~~Business, Transportation, and Housing~~
18 ~~Business and Consumer Services Agency~~ a Department of *Business*
19 *Oversight containing the Division of Corporations*, which has the
20 responsibility for administering various laws. In order to effectively
21 support the ~~Department Division~~ of Corporations in the
22 administration of these laws, there is hereby established the State
23 Corporations Fund. All expenses and salaries of the ~~Department~~
24 *Division of Corporations* shall be paid out of the State Corporations
25 Fund. Therefore, notwithstanding any provision of any law
26 administered by the ~~Department Division~~ of Corporations declaring
27 that fees, reimbursements, assessments, or other money or amounts
28 charged and collected by the ~~Department Division~~ of Corporations
29 under these laws are to be delivered or transmitted to the Treasurer
30 and deposited to the credit of the General Fund, ~~on and after July~~
31 ~~1, 1992~~, all fees, reimbursements, assessments, and other money
32 or amounts charged and collected under these laws and attributable
33 to the 1992-93 fiscal year and subsequent fiscal years shall be
34 delivered or transmitted to the Treasurer and deposited to the credit
35 of the State Corporations Fund.

36 (c) Funds appropriated from the State Corporations Fund and
37 made available for expenditure for any law or program of the
38 ~~Department Division~~ of Corporations may come from the
39 following:

1 (1) Fees and any other amounts charged and collected pursuant
2 to Section 25608 of the Corporations Code, except for fees and
3 other amounts charged and collected pursuant to subdivisions (o)
4 to (r), inclusive, of Section 25608 of the Corporations Code.

5 (2) Fees collected pursuant to subdivisions (a), (b), (c), and (d)
6 of Section 25608.1 of the Corporations Code.

7 SEC. 216. Section 13984 of the Government Code is amended
8 to read:

9 13984. In order to ensure that Section 10240.3 of the Business
10 and Professions Code and Sections 215.5, 22171, and 50333 of
11 the Financial Code are applied consistently to all California entities
12 engaged in the brokering, originating, servicing, underwriting, and
13 issuance of nontraditional mortgage products, the secretary shall
14 ensure that the ~~Commissioner~~ *Director of Consumer Affairs or the*
15 *Commissioner* of Real Estate, ~~the Commissioner of Financial~~
16 ~~Institutions~~, and the Commissioner of ~~Corporations Business~~
17 *Oversight* coordinate their policymaking and rulemaking efforts.

18 SEC. 217. Section 13995.20 of the Government Code, as
19 amended by Section 2 of Chapter 790 of the Statutes of 2006, is
20 amended to read:

21 13995.20. Unless the context otherwise requires, the definitions
22 in this section govern the construction of this chapter.

23 (a) “Appointed commissioner” means a commissioner appointed
24 by the Governor pursuant to paragraph (2) of subdivision (b) of
25 Section 13995.40.

26 (b) “Assessed business” means a person required to pay an
27 assessment pursuant to this chapter, and until the first assessment
28 is levied, any person authorized to vote for the initial referendum.
29 An assessed business shall not include a public entity or a
30 corporation when a majority of the corporation’s board of directors
31 is appointed by a public official or public entity, or serves on the
32 corporation’s board of directors by virtue of being elected to public
33 office, or both.

34 (c) “Commission” means the California Travel and Tourism
35 Commission.

36 (d) “*Director*” means *the Director of the Governor’s Office of*
37 *Business and Economic Development*.

38 ~~(d)~~

39 (e) “Elected commissioner” means a commissioner elected
40 pursuant to subdivision (d) of Section 13995.40.

- 1 (e)
2 (f) “Industry category” means the following classifications
3 within the tourism industry:
4 (1) Accommodations.
5 (2) Restaurants and retail.
6 (3) Attractions and recreation.
7 (4) Transportation and travel services.
8 (f)
9 (g) “Industry segment” means a portion of an industry category.
10 For example, rental cars are an industry segment of the
11 transportation and travel services industry category.
12 (g)
13 (h) “Office” means the Office of Tourism, also popularly
14 referred to as the Division of Tourism, within the ~~Business,~~
15 ~~Transportation and Housing Agency~~ *Governor’s Office of Business*
16 *and Economic Development*.
17 (h)
18 (i) “Person” means an individual, public entity, firm,
19 corporation, association, or any other business unit, whether
20 operating on a for-profit or nonprofit basis.
21 (i)
22 (j) “Referendum” means any vote by mailed ballot of measures
23 recommended by the commission and approved by the ~~secretary~~
24 ~~director~~ pursuant to Section 13995.60, except for the initial
25 referendum, which shall consist of measures contained in the
26 selection committee report, discussed in Section 13995.30.
27 (j) “Secretary” means the ~~Secretary of Business, Transportation~~
28 ~~and Housing~~.
29 (k) “Selection committee” means the Tourism Selection
30 Committee described in Article 3 (commencing with Section
31 13995.30).
32 (l) ~~This section shall become inoperative on the date the~~
33 ~~Secretary of Business, Transportation and Housing provides notice~~
34 ~~to the Legislature and the Secretary of State and posts notice on~~
35 ~~its Internet Web site that the conditions described in Section~~
36 ~~13995.92 have been satisfied, and if the secretary provides those~~
37 ~~notices, this section is repealed as of January 1, 2008, unless a~~
38 ~~later enacted statute, that is enacted before January 1, 2008, deletes~~
39 ~~or extends that date.~~

1 SEC. 218. Section 13995.30 of the Government Code is
2 amended to read:

3 13995.30. (a) The Governor shall appoint a Tourism Selection
4 Committee based upon recommendations from established industry
5 associations. The committee shall consist of 25 representatives,
6 with no fewer than six from each industry category. In selecting
7 the representatives, the Governor shall, to the extent possible, give
8 recognition to the diversity within each industry category. The
9 committee shall select a chairperson from among its members.
10 The office shall provide staffing for the committee.

11 (b) The selection committee shall convene on or before March
12 1, 1996. Not later than 150 days following the initial convening
13 of the committee, the committee shall issue a report listing the
14 following:

15 (1) Industry segments that will be included in the initial
16 referendum.

17 (2) The target assessment level for the initial referendum.

18 (3) Percentage of funds to be levied against each industry
19 category and segment. To the extent possible, the percentages shall
20 be based upon quantifiable industry data, and amounts to be levied
21 against industry segments shall bear an appropriate relationship
22 to the benefit derived from travel and tourism by those industry
23 segments.

24 (4) Assessment methodology and rate of assessment within each
25 industry segment, that may include, but is not limited to, a
26 percentage of gross revenue or a per transaction charge.

27 (5) Businesses, if any, within a segment to be assessed at a
28 reduced rate, which may be set at zero, whether temporarily or
29 permanently.

30 (6) Initial slate of proposed elected commissioners. The number
31 of commissioners elected from each industry category shall be
32 determined by the weighted percentage of assessments from that
33 category.

34 (c) Nothing in this section shall preclude the selection committee
35 from setting the assessment rate for a business within a segment
36 at a lower rate, which may be set at zero, than a rate applicable to
37 other businesses within that segment if the selection committee
38 makes specific findings that the lower rate should apply due to
39 unique geographical, financial, or other circumstances affecting
40 the business. No business for which a zero assessment rate is set

1 pursuant to this subdivision shall be sent a ballot or entitled to
2 participate in the initial referendum, or in any subsequent
3 referendum in which its rate of assessment is set at zero.

4 (d) The committee members for each industry category, also
5 referred to as a subcommittee, shall prepare a recommendation for
6 the entire committee on how the items specified in subdivision (b)
7 should be determined for the industry segments within their
8 industry category. The recommendations shall not include a
9 discussion of industry category levies, which shall be determined
10 solely by the committee. In the event that the subcommittee cannot
11 agree on one or more of the items specified in subdivision (b), no
12 recommendation shall be given in that category. The
13 recommendations shall be presented to the full committee, which
14 shall address each of the items contained in subdivision (b).

15 (e) In order to be assessed, an industry segment must be defined
16 with sufficient clarity to allow for the cost-effective identification
17 of assessed businesses within that segment.

18 (f) It shall be the responsibility of the office to advertise widely
19 the selection committee process and to schedule public meetings
20 for potential assessed businesses to provide input to the selection
21 committee.

22 (g) The recommendations developed by the committee pursuant
23 to subdivision (b) shall be reviewed and approved by the ~~secretary~~
24 *director*.

25 (h) The selection committee process and report are exempt from
26 the requirements of the Administrative Procedure Act (Chapter
27 3.5 (commencing with Section 11340) of Part 1).

28 SEC. 219. Section 13995.40 of the Government Code is
29 amended to read:

30 13995.40. (a) Upon approval of the initial referendum, the
31 office shall establish a nonprofit mutual benefit corporation named
32 the California Travel and Tourism Commission. The commission
33 shall be under the direction of a board of commissioners, which
34 shall function as the board of directors for purposes of the
35 Nonprofit Corporation Law.

36 (b) The board of commissioners shall consist of 37
37 commissioners comprising the following:

38 (1) The ~~secretary~~ *director*, who shall serve as chairperson.

39 (2) (A) Twelve members, who are professionally active in the
40 tourism industry, and whose primary business, trade, or profession

1 is directly related to the tourism industry, shall be appointed by
2 the Governor. Each appointed commissioner shall represent only
3 one of the 12 tourism regions designated by the office, and the
4 appointed commissioners shall be selected so as to represent, to
5 the greatest extent possible, the diverse elements of the tourism
6 industry. Appointed commissioners are not limited to individuals
7 who are employed by or represent assessed businesses.

8 (B) If an appointed commissioner ceases to be professionally
9 active in the tourism industry or his or her primary business, trade,
10 or profession ceases to be directly related to the tourism industry,
11 he or she shall automatically cease to be an appointed
12 commissioner 90 days following the date on which he or she ceases
13 to meet both of the eligibility criteria specified in subparagraph
14 (A), unless the commissioner becomes eligible again within that
15 90-day period.

16 (3) Twenty-four elected commissioners, including at least one
17 representative of a travel agency or tour operator that is an assessed
18 business.

19 (c) The commission established pursuant to Section 15364.52
20 shall be inoperative so long as the commission established pursuant
21 to this section is in existence.

22 (d) Elected commissioners shall be elected by industry category
23 in a referendum. Regardless of the number of ballots received for
24 a referendum, the nominee for each commissioner slot with the
25 most weighted votes from assessed businesses within that industry
26 category shall be elected commissioner. In the event that an elected
27 commissioner resigns, dies, or is removed from office during his
28 or her term, the commission shall appoint a replacement from the
29 same industry category that the commissioner in question
30 represented, and that commissioner shall fill the remaining term
31 of the commissioner in question. The number of commissioners
32 elected from each industry category shall be determined by the
33 weighted percentage of assessments from that category.

34 (e) The ~~secretary~~ *director* may remove any elected commissioner
35 following a hearing at which the commissioner is found guilty of
36 abuse of office or moral turpitude.

37 (f) (1) The term of each elected commissioner shall commence
38 July 1 of the year next following his or her election, and shall
39 expire on June 30 of the fourth year following his or her election.
40 If an elected commissioner ceases to be employed by or with an

1 assessed business in the category and segment which he or she
2 was representing, his or her term as an elected commissioner shall
3 automatically terminate 90 days following the date on which he
4 or she ceases to be so employed, unless, within that 90-day period,
5 the commissioner again is employed by or with an assessed
6 business in the same category and segment.

7 (2) Terms of elected commissioners that would otherwise expire
8 effective December 31 of the year during which legislation adding
9 this subdivision is enacted shall automatically be extended until
10 June 30 of the following year.

11 (g) With the exception of the ~~secretary~~ *director*, no
12 commissioner shall serve for more than two consecutive terms.
13 For purposes of this subdivision, the phrase “two consecutive
14 terms” shall not include partial terms.

15 (h) Except for the original commissioners, all commissioners
16 shall serve four-year terms. One-half of the commissioners
17 originally appointed or elected shall serve a two-year term, while
18 the remainder shall serve a four-year term. Every two years
19 thereafter, one-half of the commissioners shall be appointed or
20 elected by referendum.

21 (i) The selection committee shall determine the initial slate of
22 candidates for elected commissioners. Thereafter the
23 commissioners, by adopted resolution, shall nominate a slate of
24 candidates, and shall include any additional candidates complying
25 with the procedure described in Section 13995.62.

26 (j) The commissioners shall elect a vice chairperson from the
27 elected commissioners.

28 (k) The commission may lease space from the office.

29 (l) The commission and the office shall be the official state
30 representatives of California tourism.

31 (m) All commission meetings shall be held in California.

32 (n) No person shall receive compensation for serving as a
33 commissioner, but each commissioner shall receive reimbursement
34 for reasonable expenses incurred while on authorized commission
35 business.

36 (o) Assessed businesses shall vote only for commissioners
37 representing their industry category.

38 (p) Commissioners shall comply with the requirements of the
39 Political Reform Act of 1974 (Title 9 (commencing with Section
40 81000)). The Legislature finds and declares that commissioners

1 appointed or elected on the basis of membership in a particular
2 tourism segment are appointed or elected to represent and serve
3 the economic interests of those tourism segments and that the
4 economic interests of these members are the same as those of the
5 public generally.

6 (q) Commission meetings shall be subject to the requirements
7 of the Bagley-Keene Open Meeting Act (Article 9 (commencing
8 with Section 11120) of Chapter 1 of Part 1).

9 (r) The executive director of the commission shall serve as
10 secretary to the commission, a nonvoting position, and shall keep
11 the minutes and records of all commission meetings.

12 SEC. 220. Section 13995.42 of the Government Code is
13 amended to read:

14 13995.42. (a) The commission is a separate, independent
15 California nonprofit mutual benefit corporation. Except as provided
16 in Section 13995.43, the staff of the commission shall be employees
17 solely of the commission, and the procedures adopted by the
18 commission shall not be subject to the Administrative Procedure
19 Act (Chapter 3.5 (commencing with Section 11340) of Part 1).

20 (b) Not later than six months following the initial referendum,
21 the commission shall adopt procedures concerning the operation
22 of the commission in order to provide due process rights for
23 assessed businesses.

24 (c) In the event that the commission fails to adopt the procedures
25 described in subdivision (b) within the specified timeframe, the
26 ~~secretary~~ *director* shall adopt procedures for use by the commission
27 until the commission adopts its own procedures. These procedures
28 shall be exempt from the Administrative Procedure Act (Chapter
29 3.5 (commencing with Section 11340) of Part 1), whether adopted
30 by the commission or ~~secretary~~ *director*.

31 SEC. 221. Section 13995.43 of the Government Code is
32 amended to read:

33 13995.43. (a) The commission shall be administered by an
34 executive director. That individual shall be a tourism industry
35 marketing professional, recommended by a vote of the
36 commissioners and approved by the Governor. The executive
37 director shall serve at the pleasure of both the commissioners and
38 the Governor.

39 (b) The executive director shall report to and receive overall
40 guidance from the commission, and shall implement the

1 commission's tourism marketing plan. The executive director shall
2 report to the ~~secretary~~ *director* for day-to-day managerial and
3 financial responsibilities.

4 (c) The executive director shall serve ~~simultaneously~~ as the
5 director of the office, with the title of Deputy Secretary of Tourism
6 of the ~~Business, Transportation and Housing Agency~~, and that
7 individual shall be an exempt employee, employed by the state.
8 So long as the commission is in existence, the only director of the
9 office shall be the executive director of the commission.

10 Notwithstanding any other provision of law, the executive director
11 may supervise both employees of the commission and employees
12 of the office, notwithstanding the fact that the commission
13 employees are employees solely of the commission.

14 (d) The salary and benefits of the executive director shall be
15 determined by the commission, and approved by the ~~secretary~~
16 *director*, based upon industry standards for a director of a
17 marketing budget of similar size. The entire salary and all benefits
18 of the executive director shall be paid from assessments.

19 SEC. 222. Section 13995.44 of the Government Code is
20 amended to read:

21 13995.44. (a) (1) The commission shall annually provide to
22 all assessed businesses a report on the activities and budget of the
23 commission including, but not limited to, income and expenses,
24 the fund balance, a summary of the tourism marketing plan, and
25 a report of progress in achieving the goals set forth in the plan.
26 The portions of the report that pertain to the commission's income
27 and expenses and the fund balance, as well as those other portions
28 that the commission may from time to time deem appropriate, shall
29 be audited by independent accountants retained by the commission
30 for this purpose.

31 (2) The commission's annual budget shall be subject to the
32 review and approval of the ~~secretary~~ *director*. However, any
33 decision of the ~~secretary~~ *director* related to the budget may be
34 overridden by a vote of three-fifths or more of the commissioners
35 then in office.

36 (b) The commission shall maintain a report on the percentage
37 assessment allocation between industry categories and industry
38 segments. The report shall also specify the reasons and
39 methodology used for the allocations. This report shall be updated

1 every time the assessment allocations are amended. The report
2 shall be made available to any assessed business.

3 SEC. 223. Section 13995.45 of the Government Code is
4 amended to read:

5 13995.45. (a) The commission shall annually prepare, or cause
6 to be prepared, a written marketing plan. In developing the plan,
7 the commission shall utilize, as appropriate, the advice and
8 recommendations of the industry marketing advisory committee
9 or committees established pursuant to subdivision (a) of Section
10 13995.47. The commission may amend the plan at any commission
11 meeting. All expenditures by the commission shall be consistent
12 with the marketing plan.

13 (b) The plan shall promote travel to and within California, and
14 shall include, but not be limited to, the following:

- 15 (1) An evaluation of the previous year's budget and activities.
- 16 (2) Review of California tourism trends, conditions, and
17 opportunities.
- 18 (3) Target audiences for tourism marketing expenditures.
- 19 (4) Marketing strategies, objectives, and targets.
- 20 (5) Budget for the current year.

21 (c) Before final adoption of the plan, the commission shall
22 provide each known destination marketing organization in
23 California notice of the availability of the proposed marketing plan
24 and suitable opportunity, which may include public meetings, to
25 review the plan and to comment upon it. The commission shall
26 take into consideration any recommendations submitted by the
27 destination marketing organizations, except that the final
28 determination as to the nature, extent, and substance of the plan
29 shall in all respects rest solely within the ultimate discretion of the
30 commission, except as provided in subdivision (d).

31 (d) The final adoption of the plan shall be subject to the review
32 and approval of the ~~secretary~~ *director*. However, any decision of
33 the ~~secretary~~ *director* related to the plan may be overridden by a
34 vote of three-fifths or more of the commissioners then in office.

35 SEC. 224. Section 13995.50 of the Government Code is
36 amended to read:

37 13995.50. (a) The marketing of California tourism is hereby
38 declared to be affected with the public interest. This chapter is
39 enacted in the exercise of the police powers of this state for the

1 purpose of protecting the health, peace, safety, and general welfare
2 of the people of this state.

3 (b) The police powers shall be used to collect assessments not
4 paid by the deadlines established by the ~~secretary~~ *director*.

5 SEC. 225. Section 13995.51 of the Government Code is
6 amended to read:

7 13995.51. (a) The following powers, and any other powers
8 provided in this act, with the exception of the exercising of police
9 powers and of that power enumerated in subdivision (b), shall be
10 the responsibility of the ~~secretary~~ *director* and, when not exercised
11 by the ~~secretary~~ *director*, may be exercised by the commission:

12 (1) Call referenda in accordance with the procedures set forth
13 in Article 6 (commencing with Section 13995.60) and certify the
14 results.

15 (2) Collect and deposit assessments.

16 (3) Exercise police powers.

17 (4) Pursue actions and penalties connected with assessments.

18 (b) Except as otherwise specified in this chapter, the ~~secretary~~
19 *director* shall have veto power over the actions of the commission,
20 following consultation with the commission, only under the
21 following circumstances:

22 (1) Travel and expense costs.

23 (2) Situations where the ~~secretary~~ *director* determines a conflict
24 of interest exists, as defined by the Fair Political Practices
25 Commission.

26 (3) The use of any state funds.

27 (4) Any contracts entered into between the commission and a
28 commissioner.

29 SEC. 226. Section 13995.53 of the Government Code is
30 amended to read:

31 13995.53. The ~~secretary~~ *director* may require any and all
32 assessed businesses to maintain books and records that reflect their
33 income or sales as reflected in the assessment, and to furnish the
34 ~~secretary~~ *director* with any information that may, from ~~time to time~~
35 *time to time*, be requested by the ~~secretary~~ *director*, and to permit
36 the inspection by the ~~secretary~~ *director* of portions of books and
37 records that relate to the amount of assessment.

38 SEC. 227. Section 13995.54 of the Government Code is
39 amended to read:

1 13995.54. Information pertaining to assessed businesses
2 obtained by the ~~secretary~~ *director* pursuant to this chapter is
3 confidential and shall not be disclosed except to a person with the
4 right to obtain the information, any attorney hired by the ~~secretary~~
5 *director* who is employed to give legal advice upon it, or by court
6 order. Information obtained by the ~~secretary~~ *director* in order to
7 determine the assessment level for an assessed business is exempt
8 from the California Public Records Act (Chapter 3.5 (commencing
9 with Section 6250) of Division 7 of Title 1).

10 SEC. 228. Section 13995.55 of the Government Code is
11 amended to read:

12 13995.55. For the purpose of carrying out Section 13995.51,
13 the ~~secretary~~ *director* may hold hearings, take testimony, administer
14 oaths, subpoena witnesses, and issue subpoenas for the production
15 of books, records, or documents of any kind.

16 SEC. 229. Section 13995.56 of the Government Code is
17 amended to read:

18 13995.56. A person shall not be excused from attending and
19 testifying, or from producing documentary evidence, before the
20 ~~secretary~~ *director* in obedience to the subpoena of the ~~secretary~~
21 *director* pursuant to the authority granted in Section 13995.55 on
22 the ground, or for the reason, that the testimony or evidence,
23 documentary or otherwise, which is required of him or her may
24 tend to incriminate the person or subject that person to a penalty.
25 A natural person shall not, however, be prosecuted or subjected
26 to any penalty on account of any transaction, matter, or thing
27 concerning which he or she may be required to testify, or produce
28 evidence, documentary or otherwise, before the ~~secretary~~ *director*
29 in obedience to a subpoena. A natural person testifying shall not,
30 however, be exempt from prosecution and punishment for perjury
31 committed in so testifying.

32 SEC. 230. Section 13995.60 of the Government Code, as added
33 by Section 8 of Chapter 790 of the Statutes of 2006, is amended
34 to read:

35 13995.60. (a) As used in this article and Article 7 (commencing
36 with Section 13995.65), “assessment level” means the estimated
37 gross dollar amount received by assessment from all assessed
38 businesses on an annual basis, and “assessment formula” means
39 the allocation method used within each industry segment (for

1 example, percentage of gross revenue or percentage of transaction
2 charges).

3 (b) Commencing on January 1, 2003, a referendum shall be
4 called every two years, and the commission, by adopted resolution,
5 shall determine the slate of individuals who will run for
6 commissioner. The resolution shall also cover, but not be limited
7 to, the proposed assessment level for each industry category, based
8 upon specified assessment formulae, together with necessary
9 information to enable each assessed business to determine what
10 its individual assessment would be. Commencing with the
11 referendum held in 2007 and every six years thereafter, the
12 resolution shall also cover the termination or continuation of the
13 commission. The resolution may also include an amended industry
14 segment allocation formula and the percentage allocation of
15 assessments between industry categories and segments. The
16 commission may specify in the resolution that a special, lower
17 assessment rate that was set pursuant to subdivision (c) of Section
18 13995.30 for a particular business will no longer apply due to
19 changes in the unique circumstance that originally justified the
20 lower rate. The resolution may include up to three possible
21 assessment levels for each industry category, from which the
22 assessed businesses will select one assessment level for each
23 industry category by plurality weighted vote.

24 (c) The commission shall deliver to the ~~secretary~~ *director* the
25 resolution described in subdivision (b). The ~~secretary~~ *director* shall
26 call a referendum containing the information required by
27 subdivision (b) plus any additional matters complying with the
28 procedures of subdivision (b) of Section 13995.62.

29 (d) When the ~~secretary~~ *director* calls a referendum, all assessed
30 businesses shall be sent a ballot for the referendum. Every ballot
31 that the ~~secretary~~ *director* receives by the ballot deadline shall be
32 counted, utilizing the weighted formula adopted initially by the
33 selection committee, and subsequently amended by referendum.

34 (e) If the commission's assessment level is significantly different
35 from what was projected when the existing assessment formula
36 was last approved by referendum, a majority of members, by
37 weighted votes of an industry category, may petition for a
38 referendum to change the assessment formula applicable to that
39 industry category.

1 (f) If the referendum includes more than one possible assessment
2 rate for each industry category, the rate with the plurality of
3 weighted votes within a category shall be adopted.

4 (g) Notwithstanding any other provision of this section, if the
5 commission delivers to the ~~secretary~~ *director* a resolution
6 pertaining to any matter described in subdivision (b), the ~~secretary~~
7 *director* shall call a referendum at a time or times other than as
8 specified in this section. Each referendum shall contain only those
9 matters contained in the resolution.

10 (h) Notwithstanding any other provision of this section, the
11 ~~secretary~~ *director* shall identify, to the extent reasonably feasible,
12 those businesses that would become newly assessed due to a change
13 in category, segment, threshold, or exemption status sought via
14 referendum, and provide those businesses the opportunity to vote
15 in that referendum.

16 (i) This section shall become operative only if the Secretary of
17 Business, Transportation and Housing provides notice to the
18 Legislature and the Secretary of State and posts notice on its
19 Internet Web site that the conditions described in Section 13995.92
20 have been satisfied.

21 SEC. 231. Section 13995.63 of the Government Code is
22 amended to read:

23 13995.63. (a) Upon receipt of the resolution required by
24 Section 13995.60, including any assessed business referendum
25 request pursuant to subdivision (a) of Section 13995.52 or Section
26 13995.62, the ~~secretary~~ *director* shall establish a referendum period
27 not to exceed 60 days. If the ~~secretary~~ *director* determines that the
28 referendum period so established does not provide sufficient time
29 for the balloting, the ~~secretary~~ *director* may extend the referendum
30 period not more than 15 additional days. At the close of the
31 referendum period, the ~~secretary~~ *director* shall count and tabulate
32 the ballots filed during the referendum period.

33 (b) The ~~secretary~~ *director* shall establish a deadline for adoption
34 of the resolution described in subdivision (a). If the commission
35 fails to meet this deadline, or if the adopted resolution fails to meet
36 the requirements of this chapter, then assessed businesses may
37 present a slate of candidates to the ~~secretary~~ *director* not later than
38 60 days following the deadline established for the commission
39 resolution. A minimum of 10 percent of weighted voters shall sign
40 the document presenting the slate.

1 (c) In the event that the ~~secretary~~ *director* does not receive a
2 resolution required by Section 13995.60 from the commission by
3 the deadline established pursuant to subdivision (b) or the
4 resolution does not comply with the requirements of this chapter
5 and the assessed businesses fail to present a slate pursuant to
6 subdivision (b), then the ~~secretary~~ *director* shall select a slate of
7 commissioners and this slate, added to any assessed business
8 referendum requests pursuant to subdivision (a) of Section
9 13995.52 or Section 13995.62, shall constitute the items included
10 in the referendum.

11 SEC. 232. Section 13995.64 of the Government Code is
12 amended to read:

13 13995.64. (a) Each assessed business is entitled to a weighted
14 vote in each referendum. In calculating weighted votes, each
15 assessed business receives a vote equal to the relative assessment
16 paid by that business. An assessed business paying nine hundred
17 dollars (\$900) in annual assessments has three times the weighted
18 vote of a business paying three hundred dollars (\$300). Weighted
19 votes are used to determine all issues on the referendum. The initial
20 referendum, and any referendum item to terminate the commission,
21 must be approved by a majority of the weighted votes cast at the
22 referendum. The amount of assessment and selection of
23 commissioners is determined by the most weighted votes, whether
24 or not there is a majority.

25 (b) For purposes of voting in any referendum, each assessed
26 business is part of one industry category and one industry segment,
27 and for voting purposes only, a business with revenue in more than
28 one industry category or industry segment shall only be included
29 in the category and segment in which it earns the most gross
30 revenue.

31 (c) Each assessed business is eligible to vote for each item on
32 the referendum, except that an assessed business can only vote for
33 commissioners representing its industry category, and industry
34 segment formulae for its industry segment.

35 (d) A business is not eligible to vote unless it has paid all
36 assessments and fines outstanding as of a date established by the
37 ~~secretary~~ *director*.

38 SEC. 233. Section 13995.65 of the Government Code is
39 amended to read:

1 13995.65. (a) Each industry category shall establish a
2 committee to determine the following within its industry category:
3 industry segments, assessment formula for each industry segment,
4 and any types of business exempt from assessment. The initial
5 segment committees shall consist of the subcommittee for that
6 category as described in subdivision (d) of Section 13995.30.
7 Following approval of the assessment by referendum, the
8 committees shall be selected by the commission, based upon
9 recommendations from the tourism industry. Committee members
10 need not be commission members.

11 (b) The committee recommendations shall be presented to the
12 commission or selection committee, as applicable. The selection
13 committee may adopt a resolution specifying some or all of the
14 items listed in subdivision (a), plus an allocation of the overall
15 assessment among industry categories. The commission may adopt
16 a resolution specifying one or more of the items listed in
17 subdivision (a), plus an allocation of the proposed assessment. The
18 selection committee and commission are not required to adopt the
19 findings of any committee.

20 (c) The initial industry category and industry segment allocations
21 shall be included in the selection committee report required by
22 subdivision (b) of Section 13995.30. Changes to the industry
23 segment allocation formula may be recommended to the
24 commission by a segment committee at the biennial commission
25 meeting scheduled to approve the referendum resolution pursuant
26 to Section 13995.60. At the same meeting, the commission may
27 amend the percentage allocations among industry categories. Any
28 item discussed in this section that is approved by resolution of the
29 commission, except amendments to the percentage allocations
30 among industry categories, shall be placed on the next referendum,
31 and adopted if approved by the majority of weighted votes cast.

32 (d) Upon approval by referendum, the office shall mail an
33 assessment bill to each assessed business. ~~The secretary~~ *director*
34 shall determine how often assessments are collected, based upon
35 available staffing resources. ~~The secretary~~ *director* may stagger
36 the assessment collection throughout the year, and charge
37 businesses a prorated amount of assessment because of the
38 staggered assessment period. ~~The secretary~~ *director* and office
39 shall not divulge the amount of assessment or weighted votes of
40 any assessed businesses, except as part of an assessment action.

1 (e) An assessed business may appeal an assessment to the
2 ~~secretary~~ *director* based upon the fact that the business does not
3 meet the definition established for an assessed business within its
4 industry segment or that the level of assessment is incorrect. An
5 appeal brought under this subdivision shall be supported by
6 substantial evidence submitted under penalty of perjury by affidavit
7 or declaration as provided in Section 2015.5 of the Code of Civil
8 Procedure. If the error is based upon failure of the business to
9 provide the required information in a timely manner, the ~~secretary~~
10 *director* may impose a fee for reasonable costs incurred by the
11 ~~secretary~~ *director* in correcting the assessment against the business
12 as a condition of correcting the assessment.

13 (f) Notwithstanding any other provision of law, an assessed
14 business may pass on some or all of the assessment to customers.
15 An assessed business that is passing on the assessment may, but
16 shall not be required to, separately identify or itemize the
17 assessment on any document provided to a customer. Assessments
18 levied pursuant to this chapter and passed on to customers are not
19 part of gross receipts or gross revenue for any purpose, including
20 the calculation of sales or use tax and income pursuant to any lease.
21 However, assessments that are passed on to customers shall be
22 included in gross receipts for purposes of income and franchise
23 taxes.

24 (g) For purposes of calculating the assessment for a business
25 with revenue in more than one industry category or industry
26 segment, that business may elect to be assessed based on either of
27 the following:

28 (1) The assessment methodology and rate of assessment
29 applicable to each category or segment, respectively, as it relates
30 to the revenue that it derives from that category or segment.

31 (2) With respect to its total revenue from all industry categories
32 or segments, the assessment methodology and rate of assessment
33 applicable to the revenue in the category and segment in which it
34 earns the most gross revenue.

35 (h) (1) A person sharing common ownership, management, or
36 control of more than one assessed business may elect to calculate,
37 administer, and pay the assessment owed by each business by any
38 of the following methods:

39 (A) Calculated on the basis of each individual business location.

1 (B) Calculated on the basis of each business, or each group of
2 businesses, possessing a single federal employer identification
3 number, regardless of the number of locations involved.

4 (C) Calculated on the basis of the average aggregate percentage
5 of tourism-related gross revenue received by all of the person's
6 businesses in a particular industry segment or industry category
7 during the period in question, multiplied by the total aggregate
8 tourism-related gross revenue received by all of the businesses,
9 and then multiplied by the appropriate assessment formula. For
10 example, if a person sharing common ownership, management, or
11 control of more than one assessed business in the retail industry
12 segment calculates that the average percentage of tourism-related
13 gross revenue received by all of its locations equals 6 percent
14 during the period in question, that person may multiply all of the
15 gross revenue received from all of those locations by 6 percent,
16 and then multiply that product by the applicable assessment
17 formula.

18 (D) Calculated on any other basis authorized by the ~~secretary~~
19 *director*.

20 (2) Except as the ~~secretary~~ *director* may otherwise authorize,
21 the methods in ~~subparagraphs~~ *subparagraph (B), (C), or (D) of*
22 *paragraph (1)* shall not be used if the aggregate assessments paid
23 would be less than the total assessment revenues that would be
24 paid if the method in *subparagraph (A) of paragraph (1)* were
25 used.

26 SEC. 234. Section 13995.68 of the Government Code is
27 amended to read:

28 13995.68. (a) The ~~secretary~~ *director* shall establish a list of
29 businesses to be assessed and the amount of assessment owed by
30 each. The ~~secretary~~ *director* shall collect the assessment from all
31 assessed businesses, and in collecting the assessment the ~~secretary~~
32 *director* may exercise the police powers and bring enforcement
33 actions.

34 (b) Funds collected by the ~~secretary~~ *director* shall be deposited
35 into the account of the commission. This account shall not be an
36 account of the state government.

37 (c) Any costs relating to the collection of assessments incurred
38 by the state shall be reimbursed by the commission.

39 SEC. 235. Section 13995.69 of the Government Code is
40 amended to read:

1 13995.69. (a) The office shall develop a list of California
2 businesses within each segment included within the report required
3 by subdivision (b) of Section 13995.30, periodically updated. Other
4 state agencies shall assist the office in obtaining the names and
5 addresses of these businesses.

6 (b) The office shall mail to each business identified pursuant to
7 subdivision (a) a form requesting information necessary to
8 determine the assessment for that business. Any business failing
9 to provide this information in a timely manner shall be assessed
10 an amount determined by the ~~secretary~~ *director* to represent the
11 upper assessment level for that segment.

12 (c) The office, in consultation with the commission, shall
13 establish by regulation the procedure for assessment collection.

14 SEC. 236. Section 13995.71 of the Government Code is
15 amended to read:

16 13995.71. Any assessment levied as provided in this chapter
17 is a personal debt of every person so assessed and shall be due and
18 payable to the ~~secretary~~ *director*. If any assessed person fails to
19 pay any assessment, the ~~secretary~~ *director* may file a complaint
20 against the person in a state court of competent jurisdiction for the
21 collection of the assessment.

22 SEC. 237. Section 13995.72 of the Government Code is
23 amended to read:

24 13995.72. If any assessed business that is duly assessed
25 pursuant to this chapter fails to pay to the ~~secretary~~ *director* the
26 assessed amount by the due date, the ~~secretary~~ *director* may add
27 to the unpaid assessment an amount not to exceed 10 percent of
28 the unpaid assessment to defray the cost of enforcing the collection
29 of the unpaid assessment. In addition to payment for the cost of
30 enforcing a collection, the assessed business shall pay to the
31 ~~secretary~~ *director* a penalty equivalent to the lesser of either the
32 maximum amount authorized by Section 1 of Article XV of the
33 California Constitution or 5 percent for each 30 days the assessment
34 is unpaid, prorated over the days unpaid, commencing 30 days
35 after the notice has been given to the assessed business of ~~his or~~
36 ~~her~~ *its* failure to pay the assessment on the date required, unless
37 the ~~secretary~~ *director* determines, to his or her satisfaction, that
38 the failure to pay is due to reasonable cause beyond the control of
39 the assessed business.

1 SEC. 238. Section 13995.73 of the Government Code is
2 amended to read:

3 13995.73. The ~~secretary~~ *director* may require assessed
4 businesses to deposit with him or her in advance the following
5 amounts:

6 (a) An amount for necessary expenses.

7 (b) An amount that shall not exceed 25 percent of the assessment
8 to cover costs that are incurred prior to the receipt of sufficient
9 funds from the assessment.

10 (c) The amount of any deposit that is required by the ~~secretary~~
11 *director* shall be based upon the estimated assessment for the
12 assessed business.

13 SEC. 239. Section 13995.74 of the Government Code is
14 amended to read:

15 13995.74. In lieu of requiring advance deposits pursuant to
16 Section 13995.73, or in order generally to provide funds for
17 defraying administrative expenses or the expenses of implementing
18 the tourism marketing plan until the time that sufficient moneys
19 are collected for this purpose from the payment of the assessments
20 that are established pursuant to this chapter, the ~~secretary~~ *director*
21 may receive and disburse for the express purposes contributions
22 that are made by assessed businesses. If, however, collections from
23 the payment of established assessments are sufficient to so warrant,
24 the ~~secretary~~ *director* shall authorize the repayment of
25 contributions, or authorize the application of the contributions to
26 the assessment obligations of persons that made the contributions.

27 SEC. 240. Section 13995.75 of the Government Code is
28 amended to read:

29 13995.75. Upon termination of the commission, any remaining
30 funds that are not required by the ~~secretary~~ *director* to defray
31 commission expenses shall be returned by the ~~secretary~~ *director*
32 upon a pro rata basis, to all persons from whom the assessments
33 were collected unless the ~~secretary~~ *director* finds that the amounts
34 to be returned are so small as to make impractical the computation
35 and remitting of the pro rata refund to the appropriate persons. If
36 the ~~secretary~~ *director* makes a finding that returning the remaining
37 funds would be impractical, he or she may use the moneys in the
38 fund to defray the costs of the office.

39 SEC. 241. Section 13995.77 of the Government Code is
40 amended to read:

1 13995.77. A business is exempt from the assessments provided
2 for in this chapter if any of the following apply:

3 (a) The business is a travel agency or tour operator that derives
4 less than 20 percent of its gross revenue annually from travel and
5 tourism occurring within the state. A travel agency or tour operator
6 that qualifies for this exemption may participate as an assessed
7 business by paying an assessment calculated on the same basis
8 applicable to other travel agencies or tour operators, respectively,
9 and by filing a written request with the ~~secretary~~ *director* indicating
10 its desire to be categorized as an assessed business.

11 (b) The business is a small business. For purposes of this section,
12 “small business” means a business location with less than one
13 million dollars (\$1,000,000) in total California gross annual
14 revenue from all sources. This threshold amount may be lowered,
15 but never to less than five hundred thousand dollars (\$500,000),
16 by means of a referendum conducted pursuant to Section 13995.60;
17 however, the ~~secretary~~ *director* may elect to forgo assessing a
18 business for which the expense incurred in collecting the
19 assessment is not commensurate with the assessment that would
20 be collected.

21 (c) The assessments provided for in this chapter shall not apply
22 to the revenue of regular route intrastate and interstate bus service:
23 provided, however, that this subdivision shall not be deemed to
24 exclude any revenue derived from bus service that is of a type that
25 requires authority, whether in the form of a certificate of public
26 convenience and necessity, or a permit, to operate as a charter-party
27 carrier of passengers pursuant to Chapter 8 (commencing with
28 Section 5351) of Division 2 of the Public Utilities Code.

29 (d) Any business exempted pursuant to this section may enter
30 into a contract for voluntary assessments pursuant to Section
31 13995.49.

32 SEC. 242. Section 13995.82 of the Government Code is
33 amended to read:

34 13995.82. (a) When the ~~secretary~~ *director* makes a
35 determination that an assessment is deficient as to the payment
36 due, the ~~secretary~~ *director* may determine the amount of the
37 deficiency, including any applicable penalty, as provided in this
38 chapter. After giving notice that a deficiency determination is
39 proposed and an opportunity to file a report or provide
40 supplemental information is provided, the ~~secretary~~ *director* may

1 make one or more deficiency determinations of the amount due
2 for any reporting period based on information in the ~~secretary's~~
3 *director's* possession. When an assessed business is discontinued,
4 a deficiency determination may be made at anytime thereafter as
5 to the liability arising out of the operation of that business.

6 (b) The ~~secretary~~ *director* shall give notice of the proposed
7 deficiency determination and the notice of deficiency determination
8 by mailing a copy of the deficiency to the assessed business at the
9 current address for that business on file with the ~~secretary~~ *director*.
10 The giving of notice is complete at the time of deposit in the United
11 States mail. In lieu of mailing, a notice may be served personally
12 by delivering it to the person to be served.

13 (c) Except in the case of fraud or failure to file required
14 information, a notice of a deficiency determination shall be given
15 within four years of the accrual of the deficiency.

16 (d) The person against whom a deficiency determination is made
17 may petition the ~~secretary~~ *director* for redetermination within 30
18 days after the serving of the notice of deficiency determination. If
19 a petition is not filed within 30 days, the deficiency determination
20 shall become final.

21 (e) A petition for redetermination shall be in writing, state the
22 specific grounds upon which it is based, and be supported by
23 applicable records and declarations under penalty of perjury that
24 the information supporting the petition is accurate and complete.
25 If a petition for redetermination is duly filed, the ~~secretary~~ *director*
26 shall reconsider the deficiency determination and may grant a
27 hearing thereon. The ~~secretary~~ *director* shall, as soon as practicable,
28 make an order on redetermination, which shall become final 30
29 days after service of notice of the order of redetermination upon
30 the petitioner. The notice of the order shall be served in the same
31 manner as the notice of the original deficiency determination.

32 (f) If any amount required to be paid pursuant to a deficiency
33 determination or redetermination is not paid within the time
34 specified in the notice thereof, the ~~secretary~~ *director* may, within
35 four years thereafter, file in the Superior Court in the County of
36 Sacramento, or the superior court in any other county, a certificate
37 specifying the amount required to be paid, the name and address
38 of the person liable as it appears on the records of the ~~secretary~~
39 *director*, and a request that judgment be entered against the person
40 in that amount 30 days after the filing. Notice of the filing shall

1 be given in the same manner as for the notice of deficiency
2 determination. The court shall enter a judgment in conformance
3 with the ~~secretary's~~ *director's* certificate 30 days after its filing,
4 unless a petition for judicial review has been filed within the 30-day
5 period.

6 (g) An abstract of the judgment, or a copy thereof, may be filed
7 with the county recorder of any county. From the time of filing of
8 the judgment, the amount of the judgment constitutes a lien upon
9 all of the property in the county owned by the judgment debtor.
10 The lien has the force, effect and priority of a judgment lien and
11 shall continue for 10 years from the date of the judgment, unless
12 sooner released or otherwise discharged. The lien imposed by this
13 section is not valid insofar as personal property is concerned against
14 a purchaser of value without actual knowledge of the lien.

15 (h) Execution shall issue upon the judgment upon request of
16 the ~~secretary~~ *director* in the same manner as execution may issue
17 upon other judgments, and sales shall be held under execution as
18 prescribed in the Code of Civil Procedure.

19 (i) The person named in a notice of deficiency determination
20 or redetermination may, within 30 days of the notice of filing with
21 the superior court, file an action for judicial review thereof, as
22 provided herein, in the Superior Court in the County of Sacramento
23 or, with the ~~secretary's~~ *director's* consent, the superior court in
24 any other county. As a condition of staying entry of judgment or
25 granting other relief, the court shall require the filing of a corporate
26 surety bond with the ~~secretary~~ *director* in the amount of the
27 deficiency stated in the certificate. In any court proceeding, the
28 certificate of the ~~secretary~~ *director* determining the deficiency
29 shall be prima facie evidence of the fee and the amount due and
30 unpaid.

31 (j) The provisions of this section are supplemental to any other
32 procedures for collection and imposition of fees and penalties
33 provided by this chapter.

34 (k) In lieu of proceeding pursuant to this section, the ~~secretary~~
35 *director* may file a complaint for collection of unpaid assessments
36 as provided by law.

37 SEC. 243. Section 13995.83 of the Government Code is
38 amended to read:

39 13995.83. It is a violation of this chapter for any person to
40 willfully render or furnish a false or fraudulent report, statement,

1 or record that is required by the ~~secretary~~ *director* pursuant to any
2 provision of this chapter.

3 SEC. 244. Section 13995.84 of the Government Code is
4 amended to read:

5 13995.84. Any suit brought by the ~~secretary~~ *director* to enforce
6 any provision of this chapter, or any regulation, or rule and
7 regulation, that is issued by the ~~secretary~~ *director* shall provide
8 that the defendant pay to the ~~secretary~~ *director* the costs that were
9 incurred by the ~~secretary~~ *director* and by the commission in the
10 prosecution of the action in the event the ~~secretary~~ *director* prevails
11 in the action. Any money that is recovered shall reimburse the
12 account or accounts used to pay the costs.

13 SEC. 245. Section 13995.102 of the Government Code is
14 amended to read:

15 13995.102. (a) The Los Angeles County Board of Supervisors
16 shall appoint the Los Angeles County Tourism Selection
17 Committee to consist of persons, or principals of entities, from
18 within the industry categories that are to be assessed, based upon
19 recommendations from established industry associations and
20 destination marketing organizations within Los Angeles County.

21 (b) The county selection committee shall consist of 24
22 representatives, with no fewer than three from each industry
23 category. The county selection committee shall appoint a chair
24 and any other officers it deems advisable.

25 (c) The county selection committee shall convene within 150
26 days after the effective date of this chapter. Not later than 150 days
27 following the initial convening of the committee, the committee
28 shall issue a report and recommendations listing the following:

29 (1) Industry segments that will be included in the initial
30 referendum.

31 (2) Percentage of funds to be levied against each industry
32 category and segment. To the extent possible, the percentages shall
33 be based upon quantifiable industry data. Funds to be levied against
34 businesses shall bear an appropriate relationship to the benefit
35 derived from travel and tourism by those businesses.

36 (3) Assessment methodology and rate of assessment within each
37 industry segment, that may include, but not be limited to, a
38 percentage of gross revenue or a per transaction charge.

39 (4) Businesses, if any, within a segment to be assessed at a
40 reduced rate, which may be set at zero, whether temporarily or

1 permanently, because they do not sufficiently benefit from travel
2 and tourism.

3 (5) Initial slate of proposed elected commissioners. The number
4 of commissioners elected from each industry category shall be
5 determined by the weighted percentage of assessments from that
6 category.

7 (d) Nothing in this section shall preclude the selection committee
8 from setting the assessment rate for a business within a segment
9 at a lower rate, which may be set at zero, than a rate applicable to
10 other businesses within that segment if the selection committee
11 makes specific findings that the lower rate should apply due to
12 unique geographical, financial, or other circumstances affecting
13 the business. No business for which a zero assessment rate is set
14 pursuant to this subdivision shall be sent a ballot or entitled to
15 participate in the initial referendum, or in any subsequent
16 referendum in which its rate of assessment is set at zero.

17 (e) The committee members for each industry category, also
18 referred to as a subcommittee, shall prepare a recommendation for
19 the entire committee on how the items specified in subdivision (c)
20 should be determined for the industry segments within their
21 industry category. The recommendations shall not include a
22 discussion of industry category levies, which shall be determined
23 solely by the committee. In the event that the subcommittee cannot
24 agree on one or more of the items specified in subdivision (c), no
25 recommendation shall be given in that category. The
26 recommendations shall be presented to the full committee, which
27 shall address each of the items contained in subdivision (c).

28 (f) In order to be assessed, an industry segment shall be defined
29 with sufficient clarity to allow for the cost-effective identification
30 of assessed businesses within that segment.

31 (g) It shall be the responsibility of the county selection
32 committee to advertise widely the selection committee process
33 and to schedule public meetings for potential assessed businesses
34 to provide input to the selection committee.

35 (h) The selection committee process and report shall be exempt
36 from the requirements of the Administrative Procedure Act
37 (Chapter 3.5 (commencing with Section 11340) of Part 1).

38 (i) The Los Angeles Convention and Visitors Bureau shall be
39 asked to supply staff support to the county selection committee.
40 ~~The Office of Tourism within the Business, Transportation and~~

1 ~~Housing Agency~~ *Governor's Office of Business and Economic*
2 *Development* shall not be required to supply staff support to the
3 county selection committee.

4 SEC. 246. Section 13995.110 of the Government Code is
5 amended to read:

6 13995.110. (a) No referendum required under this article shall
7 be undertaken until any of the following occurs, whichever is
8 earliest:

9 (1) A statewide referendum held pursuant to this chapter has
10 obtained a passing vote in the County of Los Angeles.

11 (2) Two statewide referenda have been held pursuant to this
12 chapter.

13 (3) July 1, 1998.

14 (b) Referenda required under this article shall be conducted in
15 a similar manner as provided in Article 6 (commencing with
16 Section ~~13995.60~~ *13995.60*) as follows:

17 (1) The county commission shall undertake all duties, and act
18 in all respects, in place of the California Tourism Marketing
19 Commission, and either the county or the county treasurer/tax
20 collector, as designated in this article, shall act in place of the
21 ~~Secretary of Business, Transportation and Housing~~ *Director of the*
22 *Governor's Office of Business and Economic Development*.

23 (2) The initial assessment target for the county commission shall
24 be set by the county selection committee.

25 (3) The first referendum shall be initiated by industry members,
26 with all costs of marketing and promoting of the initial referendum
27 to be provided by the tourism industry.

28 (4) Each referendum may cover one or more of the following
29 subjects:

30 (A) Assessment level based upon specified assessment formula.

31 (B) Amended industry segment allocation formulae.

32 (C) Percentage allocation of assessments between industry
33 categories and segments.

34 (D) Election of county commissioners subject to election by
35 referendum.

36 (E) Termination of the county commission.

37 (F) Whether to establish, continue, or reestablish an assessment.

38 (5) The costs of all marketing and promoting of all referenda
39 following the initial referendum shall be paid by the county
40 commission from assessments collected. The county commission

1 may reimburse those who have contributed to the costs of the initial
2 referendum from proceeds raised from assessments collected from
3 the initial referendum.

4 SEC. 247. Section 13995.116 of the Government Code is
5 amended to read:

6 13995.116. This article is subject to Article 8 (commencing
7 with Section 13995.80) and Article 9 (commencing with Section
8 13995.90) except that, as to Article 8, either the county or the
9 county treasurer/tax collector, as designated in this article, shall
10 act in the place of the ~~Secretary of Business, Transportation and~~
11 ~~Housing~~ *Director of the Governor's Office of Business and*
12 *Economic Development* in all respects.

13 SEC. 248. Section 14001 of the Government Code is amended
14 to read:

15 14001. There is in the ~~Business, Transportation and Housing~~
16 ~~Agency~~ *Transportation Agency* a Department of Transportation.

17 Any reference in any law or regulation to the Department of
18 Public Works shall be deemed to refer to the Department of
19 Transportation.

20 SEC. 249. Section 14002.5 of the Government Code is amended
21 to read:

22 14002.5. As used in this part, unless the context otherwise
23 requires:

24 (a) "Department" means the Department of Transportation.

25 (b) "Director" means the Director of Transportation.

26 (c) "Secretary" means the Secretary of ~~the Business,~~
27 ~~Transportation and Housing Agency~~ *Transportation*.

28 (d) "Board" or "commission" means the California
29 Transportation Commission.

30 (e) "Displaced worker" means individuals eligible for assistance
31 pursuant to Section 15076 of the Unemployment Insurance Code.

32 SEC. 250. Section 14500 of the Government Code is amended
33 to read:

34 14500. There is in the ~~state government~~ *Transportation Agency*
35 a California Transportation Commission.

36 SEC. 251. Section 14520 of the Government Code is amended
37 to read:

38 14520. The commission shall advise and assist the Secretary
39 of ~~the Business, Transportation and Housing Agency~~

1 *Transportation* and the Legislature in formulating and evaluating
2 state policies and plans for transportation programs in the state.

3 SEC. 252. Section 14601 of the Government Code is amended
4 to read:

5 14601. There is in the state government, in the ~~State and~~
6 ~~Consumer Services~~ *Government Operations* Agency, the
7 Department of General Services.

8 SEC. 253. Section 14998.2 of the Government Code is amended
9 to read:

10 14998.2. (a) There is in the ~~Business, Transportation, and~~
11 ~~Housing Agency~~ *Governor's Office of Business and Economic*
12 *Development*, the California Film Commission consisting of 26
13 members. The Governor shall appoint 13 members, the Senate
14 Committee on Rules shall appoint four members, the Speaker of
15 the Assembly shall appoint four members, and five members shall
16 be ex officio. The members of the commission appointed by the
17 Governor may include representatives of state and local
18 government, motion picture development companies, employee
19 and professional organizations composed of persons employed in
20 the motion picture industry, and other appropriate members of this
21 or related industries.

22 All members of the commission, except legislators who are
23 appointed either by the Senate Committee on Rules or by the
24 Speaker of the Assembly, shall serve at the pleasure of the
25 appointing authority for a term of two years from the effective
26 date of the appointment.

27 (b) (1) One of the members appointed by the Senate Committee
28 on Rules shall, and another one may, be a Senator and one of the
29 members appointed by the Speaker of the Assembly shall, and
30 another one may, be a Member of the Assembly. These persons
31 shall be appointed for terms of four years.

32 (2) Of the legislators appointed to the commission, no more
33 than three legislators from the same political party may be
34 appointed to or serve on the commission at the same time.

35 (c) Any legislator appointed shall serve as a voting member of
36 the commission, and shall meet with, and participate in the
37 activities of, the commission to the extent that participation is not
38 incompatible with his or her position as a Member of the
39 Legislature, but shall only serve in that capacity while concurrently
40 serving as a Member of the Legislature. Whenever a legislator

1 vacates an office, the appointing power shall appoint another person
2 for a new full term.

3 (d) Six of the 13 members appointed by the Governor shall be
4 as follows:

5 (1) One shall be a person who is a member or employee of a
6 union or guild of motion picture artists.

7 (2) One shall be a person who is a member or employee of a
8 union or guild representing motion picture craftsmen, technicians,
9 or photographers.

10 (3) Two shall be from major motion picture studios.

11 (4) One shall be a member of the city council or a member of
12 the county board of supervisors of a city or a county with a
13 population of at least two million people.

14 (5) One shall be a member of the city council or a member of
15 the county board of supervisors of a city or a county with a
16 population of less than two million people.

17 (e) The Director of Transportation shall serve as an ex officio
18 nonvoting member.

19 (f) The Director of Parks and Recreation shall serve as an ex
20 officio nonvoting member.

21 (g) The Commissioner of the California Highway Patrol shall
22 serve as an ex officio nonvoting member.

23 (h) The State Fire Marshal shall serve as an ex officio nonvoting
24 member.

25 (i) The director of the commission shall serve as an ex officio
26 nonvoting member.

27 SEC. 254. Section 15251 of the Government Code is amended
28 to read:

29 15251. Unless the context requires otherwise, as used in this
30 part, the following terms shall have the following meanings:

31 (a) ~~“Agency”~~ *“Department”* means the ~~California Department~~
32 ~~of Technology Agency~~.

33 (b) *“Division”* means the Public Safety Communications
34 Division established by this part.

35 SEC. 255. Section 15254 of the Government Code is amended
36 to read:

37 15254. Radio and other communications facilities owned or
38 operated by the state and subject to the jurisdiction of the ~~agency~~
39 ~~department~~ shall not be used for political, sectarian, or propaganda
40 purposes. The facilities shall not be used for the purpose of

1 broadcasts intended for the general public, except for fire, flood,
2 frost, storm, catastrophe, and other warnings and information for
3 the protection of the public safety as the ~~agency~~ *department* may
4 prescribe.

5 SEC. 256. Section 15275 of the Government Code is amended
6 to read:

7 15275. The ~~agency~~ *department* may do all of the following:

8 (a) Provide adequate representation of local and state
9 governmental bodies and agencies before the Federal
10 Communications Commission in matters affecting the state and
11 its cities, counties, and other public agencies regarding public
12 safety communications issues.

13 (b) Provide, upon request, adequate advice to state and local
14 agencies in the state concerning existing or proposed public safety
15 communications facilities between any and all of the following:
16 cities, counties, other political subdivisions of the state, state
17 departments, agencies, boards, and commissions, and departments,
18 agencies, boards, and commissions of other states and federal
19 agencies.

20 (c) Recommend to the appropriate state and local agencies rules,
21 regulations, procedures, and methods of operation that it deems
22 necessary to effectuate the most efficient and economical use of
23 publicly owned and operated public safety communications
24 facilities within this state.

25 (d) Provide, upon request, information and data concerning the
26 public safety communications facilities that are owned and operated
27 by public agencies in connection with official business of public
28 safety services.

29 (e) Carry out the policy of this part.

30 SEC. 257. Section 15277 of the Government Code is amended
31 to read:

32 15277. The Public Safety Communications Division is
33 established within the ~~agency~~ *department*. The duties of the
34 division shall include, but not be limited to, all of the following:

35 (a) Assessing the overall long-range public safety
36 communications needs and requirements of the state considering
37 emergency operations, performance, cost, state-of-the-art
38 technology, multiuser availability, security, reliability, and other
39 factors deemed to be important to state needs and requirements.

1 (b) Developing strategic and tactical policies and plans for public
2 safety communications with consideration for the systems and
3 requirements of the state and all public agencies in this state, and
4 preparing an annual strategic communications plan that includes
5 the feasibility of interfaces with federal and other state
6 telecommunications networks and services.

7 (c) Recommending industry standards for public safety
8 communications systems to ensure multiuser availability and
9 compatibility.

10 (d) Providing advice and assistance in the selection of
11 communications equipment to ensure that the public safety
12 communications needs of state agencies are met and that
13 procurements are compatible throughout state agencies and are
14 consistent with the state’s strategic and tactical plans for public
15 safety communications.

16 (e) Providing management oversight of statewide public safety
17 communications systems developments.

18 (f) Providing for coordination of, and comment on, plans,
19 policies, and operational requirements from departments that utilize
20 public safety communications in support of their principal function,
21 such as the ~~California Office of Emergency Management Agency~~
22 *Services*, National Guard, health and safety agencies, and others
23 with primary public safety communications programs.

24 (g) Monitoring and participating on behalf of the state in the
25 proceedings of federal and state regulatory agencies and in
26 congressional and state legislative deliberations that have an impact
27 on state government public safety communications activities.

28 (h) Developing plans regarding teleconferencing as an
29 alternative to state travel during emergency situations.

30 (i) Ensuring that all radio transmitting devices owned or operated
31 by state agencies and departments are licensed, installed, and
32 maintained in accordance with the requirements of federal law. A
33 request for a federally required license for a state-owned radio
34 transmitting device shall be sought only in the name of the “State
35 of California.”

36 (j) Acquiring, installing, equipping, maintaining, and operating
37 new or existing public safety communications systems and facilities
38 for public safety agencies. To accomplish that purpose, the division
39 is authorized to enter into contracts, obtain licenses, acquire
40 property, install necessary equipment and facilities, and do other

1 necessary acts to provide adequate and efficient public safety
2 communications systems. Any systems established shall be
3 available to all public agencies in the state on terms that may be
4 agreed upon by the public agency and the division.

5 (k) Acquiring, installing, equipping, maintaining, and operating
6 all new or replacement microwave communications systems
7 operated by the state, except microwave equipment used
8 exclusively for traffic signal and signing control, traffic metering,
9 and roadway surveillance systems. To accomplish that purpose,
10 the division is authorized to enter into contracts, obtain licenses,
11 acquire property, install necessary equipment and facilities, and
12 do other necessary acts to provide adequate and efficient
13 microwave communications systems. Any system established shall
14 be available to all public safety agencies in the state on terms that
15 may be agreed upon by the public agency and the division.

16 (l) This chapter shall not apply to Department of Justice
17 communications operated pursuant to Chapter 2.5 (commencing
18 with Section 15150) of Part 6.

19 SEC. 258. Section 15363.61 of the Government Code is
20 amended to read:

21 15363.61. (a) The Legislature finds and declares as follows:

22 (1) The entertainment industry is one of California's leading
23 industries in terms of employment and tax revenue.

24 (2) While film, television, and commercial production in
25 California has expanded over the years, other states and countries
26 actively compete for California production business. It is generally
27 acknowledged that certain segments of the industry, mainly film
28 and television production, are especially hard hit in California.
29 The Legislature finds that this is due to assertive efforts of other
30 states and countries, offering various incentives for filming outside
31 of California. As a result of increased marketing efforts by other
32 states and countries, unemployment in certain film industry sectors
33 and a reduction of film business has occurred within California.

34 (3) Recognizing the vital role the entertainment industry plays
35 in California's economy, legislation enacted in 1985 created the
36 California Film Commission ~~within the Business, Transportation
37 and Housing Agency~~ to facilitate, retain, and attract filming in
38 California.

39 (4) In order to stop the decline of California film production, it
40 is necessary and appropriate to assist in the underwriting of actual

1 costs incurred by production companies to film in California and
2 to provide opportunities for production companies and other film
3 industry companies to lease property owned by the State of
4 California at below market rates.

5 (5) Providing the funds designated under this program, and
6 leasing property owned by the State of California at below market
7 rates is in the public interest and serves a public purpose, and
8 providing incentives to production companies and other film
9 industry companies will promote the prosperity, health, safety,
10 and welfare of the citizens of the State of California.

11 (b) It is the intent of the Legislature that, commencing with the
12 2002–03 fiscal year, funding for the program from the General
13 Fund shall not exceed the General Fund funding level for the prior
14 fiscal year.

15 SEC. 259. Section 15363.62 of the Government Code is
16 amended to read:

17 15363.62. For purposes of this chapter, the following meanings
18 shall apply:

19 ~~(a) “Agency” means the Business, Transportation and Housing~~
20 ~~Agency, which includes the California Film Commission.~~

21 ~~(b)~~

22 (a) “Film” means any commercial production for motion picture,
23 television, commercial, or still photography.

24 ~~(c)~~

25 (b) “Film costs” means the usual and customary charges by a
26 public agency connected with the production of a film, limited to
27 any of the following:

28 (1) State employee costs.

29 (2) Federal employee costs.

30 (3) Federal, state, University of California, and California State
31 University permits and rental costs.

32 (4) Local public entity employee costs.

33 (5) Local property use fees.

34 (6) Rental costs for equipment owned and operated by a public
35 agency in connection with the film.

36 ~~(d)~~

37 (c) “Fund” means the Film California First Fund, established
38 pursuant to Section 15363.74.

1 (d) “Office” means the Governor’s Office of Business and
2 Economic Development, which includes the California Film
3 Commission.

4 (e) “Production company” means a company, partnership, or
5 corporation, engaged in the production of film.

6 (f) “Program” means the Film California First Program
7 established pursuant to this chapter.

8 (g) “Public agency” means any of the following:

9 (1) The State of California, and any of its agencies, departments,
10 boards, or commissions.

11 (2) The federal government, and any of its agencies,
12 departments, boards, or commissions.

13 (3) The University of California.

14 (4) The California State University.

15 (5) California local public entities.

16 (6) Any nonprofit corporation acting as an agent for the recovery
17 of costs incurred by any of the entities listed in this subdivision.

18 SEC. 260. Section 15363.63 of the Government Code is
19 amended to read:

20 15363.63. (a) (1) Except as provided in paragraph (2), the
21 ~~Business, Transportation and Housing Agency~~ office may pay and
22 reimburse the film costs incurred by a public agency, subject to
23 an audit. The director of the commission shall develop alternate
24 procedures for the reimbursement of public agency costs incurred
25 by the production company. The ~~Business, Transportation and~~
26 ~~Housing Agency~~ office shall only reimburse actual costs incurred
27 and may not reimburse for duplicative costs.

28 (2) Notwithstanding paragraph (1), the ~~Business, Transportation~~
29 ~~and Housing Agency~~ office shall not reimburse costs at rates
30 exceeding those in effect as of January 1, 2002.

31 (b) Notwithstanding any other provision of law, the Controller
32 shall pay any program invoice received from the ~~agency~~ office that
33 contains documentation detailing the film costs, and if the party
34 requesting payment or reimbursement is a public agency, a
35 certification that the invoice is not duplicative cost recovery, and
36 an agreement by the public agency that the ~~Business,~~
37 ~~Transportation and Housing Agency~~ office may audit the public
38 agency for invoice compliance with the program requirements.

1 (c) (1) Not more than three hundred thousand dollars (\$300,000)
2 shall be expended to pay or reimburse costs incurred on any one
3 film.

4 (2) In developing the procedures and guidelines for the program,
5 the commission may, in consultation with interested public
6 agencies, establish limits on per day film costs that the state will
7 reimburse. A consultation and comment period shall begin on
8 January 1, 2001, and shall end 30 days thereafter.

9 (d) (1) Upon receipt of all necessary film costs documentation
10 from a public agency, the ~~Business, Transportation and Housing~~
11 ~~Agency office~~ shall transmit the appropriate information to the
12 Controller for payment of the film costs within 30 days.

13 (2) Public agencies shall be entitled to reimbursement for certain
14 administrative costs, to be determined by the director of the
15 commission, incurred while participating in the program. The
16 reimbursement for administrative costs shall not exceed 1 percent
17 of the total amount of the invoices submitted. Reimbursement shall
18 have an annual cap imposed of not more than ten thousand dollars
19 (\$10,000) per public agency participating in the program.
20 Contracted agents working on behalf of two or more public
21 agencies shall have a cap of not more than twenty thousand dollars
22 (\$20,000) annually.

23 (e) The commission shall prepare annual preliminary reports to
24 be submitted to the Joint Legislative Budget Committee in regard
25 to the program prior to the adoption of the annual Budget Act. The
26 reports shall include a list of all entities that received funds from
27 the program, the amounts they received, and the public services
28 that were reimbursed. The commission shall prepare and submit
29 a final report to the committee no later than January 1, 2004.

30 (f) The commission shall, in consultation with the Department
31 of Industrial Relations and the Employment Development
32 Department, contract with an independent audit firm or qualified
33 academic expert, to prepare a report to be submitted to the Joint
34 Legislative Budget Committee no later than January 1, 2004, that
35 identifies the beneficiaries of expenditures from the Film California
36 First Fund, and determines the impact of these expenditures on
37 job retention and job creation in California.

38 SEC. 261. Section 15700 of the Government Code is amended
39 to read:

1 15700. There is in the state government, in the ~~Agriculture and~~
2 ~~Services Government Operations~~ Agency, a Franchise Tax Board
3 consisting of the ~~State~~ Controller, the Director of Finance, and the
4 ~~Chairman~~ *Chairperson* of the State Board of Equalization. The
5 Franchise Tax Board is the successor to, and is vested with, all of
6 the duties, powers, purposes, responsibilities, and jurisdiction of
7 the Franchise Tax Commissioner, but the statutes and laws under
8 which that office existed and all laws prescribing the duties,
9 powers, purposes, responsibilities, and jurisdiction of that office,
10 together with all lawful rules and regulations established
11 thereunder, are expressly continued in force. “Franchise Tax
12 Commissioner” when used in any statute, law, rule, or regulation
13 now in force, or that may hereafter be enacted or adopted, means
14 the Franchise Tax Board. No action to which the Franchise Tax
15 Commissioner is a party shall abate by reason hereof but shall
16 continue in the name of the Franchise Tax Board, and the Franchise
17 Tax Board shall be substituted for the Franchise Tax Commissioner
18 by the court wherein the action is pending. The substitution shall
19 not in any way affect the rights of the parties to the action.

20 Notwithstanding any other provision of the law to the contrary,
21 any directive or regulation adopted by the Franchise Tax Board
22 shall take precedence over any directive or regulation adopted by
23 its executive officer.

24 SEC. 262. Section 16304.9 of the Government Code is amended
25 to read:

26 16304.9. (a) Upon the effective date of an act transferring any
27 of the powers or duties of any state officer or agency to another
28 state officer or agency, the Department of Finance shall determine
29 the portion remaining of any appropriation which was intended to
30 be used for the performance of such powers or duties, and shall
31 certify this amount to the State Controller. The State Controller
32 shall thereupon transfer such amount to the state officer or agency
33 to which such powers or duties were transferred.

34 (b) *The Department of Finance shall make the final*
35 *determination of the budgetary and accounting transactions and*
36 *treatments to ensure proper implementation of reorganization,*
37 *mergers, or the elimination of state entities, offices, or agencies.*

38 SEC. 263. Section 18521 of the Government Code is amended
39 to read:

1 18521. “Board” means the agency created by Section 2 of
2 Article VII of the Constitution and includes the “State Personnel
3 Board” provided in Section 2(a) and the “executive officer”
4 provided in Section 2(c) thereof. *The board shall be within the*
5 *Government Operations Agency.*

6 SEC. 264. Section 19815.25 is added to the Government Code,
7 to read:

8 19815.25. The Department of Human Resources, as established
9 on July 1, 2012, is hereby established within the Government
10 Operations Agency.

11 SEC. 265. Section 20002 of the Government Code is amended
12 to read:

13 20002. The Public Employees’ Retirement System created by
14 Chapter 700 of the Statutes of 1931, as amended, is continued in
15 existence under this part. This system is a unit of the ~~State and~~
16 ~~Consumer Services~~ *Government Operations Agency.*

17 SEC. 266. Section 53108.5 of the Government Code is amended
18 to read:

19 53108.5. “Division,” as used in this article, means the Public
20 Safety Communications Division within the ~~California Department~~
21 ~~of Technology Agency.~~

22 SEC. 267. Section 53126.5 of the Government Code is amended
23 to read:

24 53126.5. For purposes of this article, the following definitions
25 apply:

26 (a) “Local public agency” means a city, county, city and county,
27 and joint powers authority that provides a public safety answering
28 point (PSAP).

29 (b) “Nonemergency telephone system” means a system
30 structured to provide access to only public safety agencies such
31 as police and fire, or a system structured to provide access to public
32 safety agencies and to all other services provided by a local public
33 agency such as street maintenance and animal control.

34 (c) “Public Safety Communications Division” means the Public
35 Safety Communications Division within the ~~California Department~~
36 ~~of Technology Agency.~~

37 SEC. 268. Section 63021 of the Government Code is amended
38 to read:

39 63021. (a) There is within the ~~Business, Transportation and~~
40 ~~Housing Agency~~ *Governor’s Office of Business and Economic*

1 *Development* the Infrastructure and Economic Development Bank
2 which shall be responsible for administering this division.

3 (b) The bank shall be under the direction of an executive director
4 appointed by the Governor, and who shall serve at the pleasure of
5 the Governor. The appointment shall be subject to confirmation
6 by the Senate.

7 SEC. 269. Section 63021.5 of the Government Code is amended
8 to read:

9 63021.5. (a) The bank shall be governed and its corporate
10 power exercised by a board of directors that shall consist of the
11 following persons:

12 (1) The Director of Finance or his or her designee.

13 (2) The Treasurer or his or her designee.

14 (3) ~~The Secretary of Business, Transportation and Housing~~
15 *Director of the Governor's Office of Economic and Business*
16 *Development* or his or her designee, who shall serve as chair of
17 the board.

18 (4) An appointee of the Governor.

19 (5) ~~The Secretary of State and Consumer Services Agency~~
20 *Transportation* or his or her designee.

21 (b) Any designated director shall serve at the pleasure of the
22 designating power.

23 (c) Three of the members shall constitute a quorum and the
24 affirmative vote of three board members shall be necessary for
25 any action to be taken by the board.

26 (d) A member of the board shall not participate in any bank
27 action or attempt to influence any decision or recommendation by
28 any employee of, or consultant to, the bank that involves a sponsor
29 of which he or she is a representative or in which the member or
30 a member of his or her immediate family has a personal financial
31 interest within the meaning of Section 87100. For purposes of this
32 section, "immediate family" means the spouse, children, and
33 parents of the member.

34 (e) Except as provided in this subdivision, the members of the
35 board shall serve without compensation, but shall be reimbursed
36 for actual and necessary expenses incurred in the performance of
37 their duties to the extent that reimbursement for these expenses is
38 not otherwise provided or payable by another public agency, and
39 shall receive one hundred dollars (\$100) for each full day of
40 attending meetings of the authority.

1 SEC. 270. Section 65037.1 of the Government Code is
2 repealed.

3 ~~65037.1. The position of the Secretary of Service and~~
4 ~~Volunteering is hereby established in state government in the~~
5 ~~Office of Planning and Research. The secretary shall be appointed~~
6 ~~by, and serve at the pleasure of, the Governor. The appointment~~
7 ~~of the secretary shall be subject to Senate confirmation.~~

8 SEC. 271. Section 31 of the Harbors and Navigation Code is
9 repealed.

10 ~~31. “Commission” means the Boating and Waterways~~
11 ~~Commission.~~

12 SEC. 272. Section 32 of the Harbors and Navigation Code is
13 amended to read:

14 32. “Department” or “*Division*” means the ~~Department~~
15 *Division of Boating and Waterways in the Department of Parks*
16 *and Recreation.*

17 SEC. 273. Section 33 of the Harbors and Navigation Code is
18 amended to read:

19 33. “Director” or “*Deputy director*” means the ~~Director~~ *Deputy*
20 *Director of Boating and Waterways.*

21 SEC. 274. Section 50 of the Harbors and Navigation Code is
22 amended to read:

23 50. (a) The Department of Harbors and Watercraft and its
24 successor, the Department of Navigation and Ocean Development,
25 *and the Department of Boating and Waterways* are continued in
26 existence in the ~~Resources Agency~~ *Department of Parks and*
27 *Recreation* as the ~~Department~~ *Division of Boating and Waterways.*
28 The ~~Department~~ *Division of Boating and Waterways* is the
29 successor to, and is vested with, the powers, functions, and
30 jurisdiction of the following state departments and agencies as
31 hereinafter specified:

32 (a)–

33 (1) All of the powers, functions, and jurisdiction previously
34 vested in the Division of Small Craft Harbors of the Department
35 of Parks and Recreation.

36 (b)–

37 (2) All of the powers, functions, and jurisdiction of the State
38 Lands Commission with respect to the acquisition, construction,
39 development, improvement, maintenance, and operation of small
40 craft harbors.

1 ~~(e)~~

2 (3) All of the powers, functions, and jurisdiction of the
3 Department of Parks and Recreation with respect to boating facility
4 planning, design, and construction, except as specifically provided
5 with respect to boating trails in the California Recreational Trails
6 Act (commencing with Section 5070 of the Public Resources Code)
7 and in Article 2.6 (commencing with Section 68) of this chapter.

8 ~~(d)~~

9 (4) All of the powers, functions, and jurisdiction of the Office
10 of Architecture and Construction in the Department of General
11 Services with respect to boating facility planning and design.

12 ~~(e)~~

13 (5) All of the powers, functions, and jurisdiction of the
14 Department of Water Resources with respect to beach erosion
15 control.

16 ~~(f)~~

17 (6) All of the policymaking and regulatory powers, functions,
18 and jurisdiction of the Harbors and Watercraft Commission as to
19 matters within the jurisdiction of the department.

20 *(b) Regulations adopted by the former Department of Boating*
21 *and Waterways shall remain in effect until revised or repealed by*
22 *the Division of Boating and Waterways.*

23 SEC. 275. Section 50.1 of the Harbors and Navigation Code
24 is amended to read:

25 50.1. (a) Whenever the term “Division of Small Craft
26 Harbors” or the term “Small Craft Harbors Commission” *or the*
27 *term “Department of Boating and Waterways”* is used in any
28 provision of law, it shall be construed as referring to the
29 ~~Department~~ *Division* of Boating and Waterways.

30 ~~Whenever,~~

31 *(b) Whenever,* by any statute now in force or that may be
32 hereafter enacted, any power, function, or jurisdiction, as specified
33 in Section 50, is imposed or conferred upon the State Lands
34 Commission, the Department of Parks and Recreation, the Office
35 of Architecture and Construction in the Department of General
36 Services, or the Department of Water Resources, such power,
37 function, or jurisdiction shall be deemed to be imposed or conferred
38 upon the ~~Department~~ *Division* of Boating and Waterways.

39 ~~Nothing in this~~

1 (c) ~~This section or in~~ and this code ~~shall~~ do not divest the State
2 Lands Commission of jurisdiction with respect to the leasing of
3 state lands, including state lands used for small craft harbors,
4 swamps and overflowed lands, or tide and submerged lands, for
5 the extraction and removal of oil and gas and other minerals.

6 SEC. 276. Section 50.2 of the Harbors and Navigation Code
7 is amended to read:

8 50.2. The ~~department~~ *division* shall be administered by an
9 executive officer known as the *Deputy Director of Boating and*
10 *Waterways*. Any reference to the *Director of Boating and*
11 *Waterways* shall be deemed to refer to the *Deputy Director of*
12 *Boating and Waterways*. The *deputy* director shall be appointed
13 by and hold office at the pleasure of the Governor and shall receive
14 the salary provided for by Chapter 6 (commencing with Section
15 11550) of Part 1 of Division 3 of Title 2 of the Government Code.
16 The appointment of any *deputy* director appointed by the Governor
17 shall be subject to confirmation by the Senate.

18 SEC. 277. Section 65.4 of the Harbors and Navigation Code
19 is repealed.

20 ~~65.4. Any plans for construction of beach erosion control works~~
21 ~~which may in any way affect recreational beaches under the~~
22 ~~ownership or control of the Department of Parks and Recreation~~
23 ~~shall be subject to approval by the Department of Parks and~~
24 ~~Recreation.~~

25 SEC. 278. Chapter 3 (commencing with Section 80) of Division
26 1 of the Harbors and Navigation Code is repealed.

27 SEC. 279. Section 85.2 of the Harbors and Navigation Code
28 is amended to read:

29 85.2. (a) All moneys in the Harbors and Watercraft Revolving
30 Fund are available, upon appropriation by the Legislature, for
31 expenditure by the ~~department~~ *Department of Parks and Recreation*
32 for boating facilities development, boating safety, and boating
33 regulation programs, and for the purposes of Section 656.4,
34 including refunds, and for expenditure for construction of small
35 craft harbor and boating facilities planned, designed, and
36 constructed by the ~~department~~ *division*, as specified in subdivision
37 (c) of Section 50, at sites owned or under the control of the state.

38 (b) (1) The money in the fund is also available, upon
39 appropriation by the Legislature, ~~to the Department of Parks and~~
40 ~~Recreation~~ for the operation and maintenance of units of the state

1 park system that have boating-related activities. Funds appropriated
2 to the Department of Parks and Recreation may also be used for
3 boating safety and enforcement programs for waters under its
4 jurisdiction.

5 (2) The Department of Parks and Recreation shall submit to the
6 Legislature, on or before January 1 of each year, a report describing
7 the allocation and expenditure of funds made available to the
8 Department of Parks and Recreation from the Harbors and
9 Watercraft Revolving Fund and from the Motor Vehicle Fuel
10 Account in the Transportation Tax Fund attributable to taxes
11 imposed on the distribution of motor vehicle fuel used or usable
12 in propelling vessels during the previous fiscal year. The report
13 shall list the special project or use, project location, amount of
14 money allocated or expended, the source of funds allocated or
15 expended, and the relation of the project or use to boating activities.

16 (c) The money in the fund shall also be available, upon
17 appropriation by the Legislature, to the State Water Resources
18 Control Board for boating-related water quality regulatory
19 activities.

20 (d) The money in the fund is also available, upon appropriation
21 by the Legislature, to the Department of Fish and Game for
22 activities addressing the boating-related spread of invasive species.

23 (e) The money in the fund is also available, upon appropriation
24 by the Legislature, to the Department of Food and Agriculture for
25 activities addressing the boating-related spread of invasive species.

26 SEC. 280. Section 1150 of the Harbors and Navigation Code
27 is amended to read:

28 1150. (a) There is in the ~~Business, Transportation and Housing~~
29 *Transportation* Agency a Board of Pilot Commissioners for the
30 Bays of San Francisco, San Pablo, and Suisun, consisting of seven
31 members appointed by the Governor, with the consent of the
32 Senate, as follows:

33 (1) Two members shall be pilots licensed pursuant to this
34 division.

35 (2) Two members shall represent the industry and shall be
36 persons currently engaged as owners, officers, directors, employees,
37 or representatives of a firm or association of firms that is a
38 substantial user of pilotage service in the Bay of San Francisco,
39 San Pablo, Suisun, or Monterey, one of whom shall be engaged
40 in the field of tanker company operations, and one of whom shall

1 be engaged in dry cargo operations. The board of directors of a
2 regional maritime trade association controlled by West Coast vessel
3 operators that specifically represents the owners and operators of
4 vessels or barges engaged in transportation by water of cargo or
5 passengers from or to the Pacific area of the United States shall
6 nominate, rank, and submit to the Governor the names of three
7 persons for each category of industry member to be appointed.

8 (3) Three members shall be public members. Any person may
9 serve as a public member unless otherwise prohibited by law,
10 except that during his or her term of office or within the two years
11 preceding his or her appointment, a public member appointed shall
12 not have (A) any financial or proprietary interest in the ownership,
13 operation, or management of tugs, cargo, or passenger vessels, (B)
14 sailed under the authority of a federal or state pilot license in waters
15 under the jurisdiction of the board, (C) been employed by a
16 company that is a substantial user of pilot services, or (D) been a
17 consultant or other person providing professional services who
18 had received more than 20 percent in the aggregate of his or her
19 income from a company that is a substantial user of pilot services
20 or an association of companies that are substantial users of pilot
21 services. Ownership of less than one-tenth of 1 percent of the stock
22 of a publicly traded corporation is not a financial or proprietary
23 interest in the ownership of tugs, cargo, or passenger vessels.

24 (4) Notwithstanding any other provision of law, this chapter
25 does not prohibit the Governor from notifying the nominating
26 authority identified in paragraph (2) that persons nominated are
27 unacceptable for appointment. Following that notification, the
28 nominating authority shall submit a new list of nominees to the
29 Governor, naming three persons, none of whom were previously
30 nominated, from which the Governor may make the appointment.
31 This process shall be continued until a person nominated by the
32 nominating authority and satisfactory to the Governor has been
33 appointed.

34 (b) Members appointed pursuant to subdivision (a) shall be
35 appointed with staggered terms as follows:

36 (1) Each of the members appointed pursuant to paragraphs (1)
37 and (2) of subdivision (a) shall be appointed for a four-year term,
38 except that the first member appointed after December 31, 2012,
39 to an initial term pursuant to paragraph (1) of subdivision (a) shall
40 be appointed to a term expiring on December 31, 2014, and the

1 first member appointed after December 31, 2012, to an initial term
2 pursuant to paragraph (2) of subdivision (a) shall be appointed to
3 a term expiring on December 31, 2014.

4 (2) Members appointed pursuant to paragraph (3) of subdivision
5 (a) shall be appointed with staggered four-year terms with the
6 initial four-year terms expiring on December 31 of the years 1988,
7 1990, and 1991, respectively.

8 (3) A person shall not be appointed for more than two terms.

9 (4) Vacancies on the board for both expired and unexpired terms
10 shall be filled by the appointing power in the manner prescribed
11 by subdivision (a).

12 (c) A quorum of the board members consists of four members.
13 All actions of the board shall require the vote of four members, a
14 quorum being present.

15 (d) The Secretary of ~~Business, Transportation and Housing~~
16 *Transportation* shall serve as an ex officio member of the board
17 who, without vote, may exercise all other privileges of a member
18 of the board.

19 SEC. 281. Section 18901 of the Health and Safety Code is
20 amended to read:

21 18901. (a) This part shall be known and may be cited as the
22 California Building Standards Law.

23 (b) The California Building Standards Commission shall
24 continue within the ~~State and Consumer Services Agency~~
25 *Department of General Services*.

26 SEC. 282. Section 18917.5 of the Health and Safety Code is
27 amended to read:

28 18917.5. "Secretary" means the Secretary of ~~the State and~~
29 ~~Consumer Services Agency~~ *Government Operations*.

30 SEC. 283. Section 18920 of the Health and Safety Code is
31 amended to read:

32 18920. There is continued in existence in the ~~State and~~
33 ~~Consumer Services~~ *Government Operations* Agency a California
34 Building Standards Commission consisting of the Secretary of
35 ~~State and Consumer Services Agency~~, *Government Operations*
36 and 10 members appointed by the Governor subject to confirmation
37 by the Senate.

38 SEC. 284. Section 18922 of the Health and Safety Code is
39 amended to read:

1 18922. The Secretary of ~~the State and Consumer Services~~
2 ~~Agency Government Operations~~ or the secretary's representative
3 shall serve as the chair of the commission. The commission shall
4 elect a vice chair annually from among its members.

5 SEC. 285. Section 50400 of the Health and Safety Code is
6 amended to read:

7 50400. The Department of Housing and Community
8 Development is hereby continued in existence in the ~~Business,~~
9 ~~Transportation, and Housing~~ *Business and Consumer Services*
10 Agency.

11 SEC. 286. Section 50900 of the Health and Safety Code is
12 amended to read:

13 50900. The California Housing Finance Agency is hereby
14 continued in existence in the ~~Business, Transportation and Housing~~
15 ~~Agency~~ *Department of Housing and Community Development*.
16 The agency constitutes a public instrumentality and a political
17 subdivision of the state, and the exercise by the agency of the
18 powers conferred by this division shall be deemed and held to be
19 the performance of an essential public function.

20 SEC. 287. Section 50901 of the Health and Safety Code is
21 amended to read:

22 50901. The agency shall be administered by a board of directors
23 consisting of 11 voting members, including a chairperson selected
24 by the Governor from among his or her appointees. The ~~State~~
25 ~~Treasurer, the Secretary of the Business, Transportation and~~
26 ~~Housing Agency~~ *Consumer Services*, and the Director of Housing
27 and Community Development, or their designees, shall be
28 members, in addition to six members appointed by the Governor,
29 one member appointed by the Speaker of the Assembly, and one
30 member appointed by the Senate ~~Rules~~ *Committee on Rules*. The
31 Director of Finance, the Director of the State Office of Planning
32 and Research, and the executive director of the agency shall serve
33 as nonvoting ex officio members of the board.

34 SEC. 288. Section 50913 of the Health and Safety Code is
35 amended to read:

36 50913. For its activities under this division, the executive
37 director shall prepare a preliminary budget on or before December
38 1 of each year for the ensuing fiscal year to be reviewed by the
39 Secretary of ~~the Business and Transportation Agency~~ *Consumer*

1 *Services*, the Director of Finance, and the Joint Legislative Budget
2 Committee.

3 SEC. 289. Section 51005 of the Health and Safety Code is
4 amended to read:

5 51005. (a) The agency shall, by November 1 of each year,
6 submit an annual report of its activities under this division for the
7 preceding year to the Governor, the Secretary of ~~the Business and~~
8 ~~Transportation Agency~~ *Consumer Services*, the Director of Housing
9 and Community Development, the Treasurer, the Joint Legislative
10 Budget Committee, the Legislative Analyst, and the Legislature.
11 The report shall set forth a complete operating and financial
12 statement of the agency during the concluded fiscal year. The
13 report shall specify the number of units assisted, the distribution
14 of units among the metropolitan, nonmetropolitan, and rural areas
15 of the state, and shall contain a summary of statistical data relative
16 to the incomes of households occupying assisted units, the monthly
17 rentals charged to occupants of rental housing developments, and
18 the sales prices of residential structures purchased during the
19 previous fiscal year by persons or families of low or moderate
20 income. The report shall also include a statement of
21 accomplishment during the previous year with respect to the
22 agency's progress, priorities, and affirmative action efforts. The
23 agency shall specifically include in its report on affirmative action
24 goals, statistical data on the numbers and percentages of minority
25 sponsors, developers, contractors, subcontractors, suppliers,
26 architects, engineers, attorneys, mortgage bankers or other lenders,
27 insurance agents, and managing agents.

28 (b) The report shall also include specific information evaluating
29 the extent to which the programs administered by the agency have
30 attained the statutory objectives of the agency, including, but not
31 limited to, (1) the primary purpose of the agency in meeting the
32 housing needs of persons and families of low or moderate income
33 pursuant to Section 50950, (2) the occupancy requirements for
34 very low income households established pursuant to Sections
35 50951 and 51226, (3) the elderly and orthopedic disability
36 occupancy requirements established pursuant to Section 51230,
37 (4) the use of surplus moneys pursuant to Section 51007, (5) the
38 metropolitan, nonmetropolitan, and rural goals established pursuant
39 to subdivision (h) of Section 50952, (6) the California Statewide
40 Housing Plan, as required by Section 50154, (7) the statistical and

1 other information developed and maintained pursuant to Section
2 51610, (8) the number of manufactured housing units assisted by
3 the agency, (9) information with respect to the proceeds derived
4 from the issuance of bonds or securities and any interest or other
5 increment derived from the investment of bonds or securities, and
6 the uses for which those proceeds or increments are being made
7 as provided for in Section 51365, including the amount by which
8 each fund balance exceeds indenture requirements, (10) any
9 recommendations described in subdivision (d), (11) any
10 recommendations described in Section 51227, (12) the revenue
11 bonding authority plan adopted pursuant to Section 51004.5, (13)
12 the statistical and other information required to be provided
13 pursuant to Section 50156, (14) an analysis of the agency's
14 compliance with the targeting requirements of subsection (d) of
15 Section 142 of the Internal Revenue Code of 1986 (26 U.S.C. Sec.
16 142) with respect to any issue of bonds subject to those
17 requirements under Section 103 of the Internal Revenue Code of
18 1986 (26 U.S.C. Sec. 103), including the numbers of rental units
19 subject to this reporting requirement by categories based on the
20 number of bedrooms per unit, and (15) the statistical and other
21 information relating to congregate housing for the elderly pursuant
22 to Section 51218.

23 The agency may, at its option, include the information required
24 by this section in a single document or may separately report the
25 statistical portion of the information in a supplement appended to
26 its annual report. This statistical supplement shall be distributed
27 with copies of the agency's annual report, but need not be provided
28 to bond rating agencies, underwriters, investors, developers, or
29 financial institutions.

30 (c) The agency shall cause an audit of its books and accounts
31 with respect to its activities under this division to be made at least
32 once during each fiscal year by an independent certified public
33 accountant and the agency shall be subject to audit by the
34 Department of Finance not more often than once each fiscal year.

35 (d) The agency shall assess any obstacles or problems that it
36 has encountered in meeting its mandate to serve nonmetropolitan
37 and rural metropolitan areas, and recommend legislative and
38 administrative solutions to overcome these obstacles or problems.
39 The agency shall separately assess its progress in meeting the
40 rehabilitation needs of rural areas and the new construction needs

1 of rural areas, and separately assess its progress as to single and
2 multifamily units. The agency shall include in its report a
3 quantification and evaluation of its progress in meeting the housing
4 needs of communities of various sizes in rural areas.

5 (e) By December 1 of each fiscal year, the agency shall
6 ascertain that not less than 25 percent of the total units financed
7 by mortgage loans during the preceding 12 months pursuant to
8 this part were made available to very low income households. If
9 the agency finds that these very low income occupancy goals have
10 not been met, the agency shall immediately notify the Governor,
11 the Speaker of the Assembly, and the Senate Committee on Rules,
12 and shall recommend legislation or other action as may be required
13 to make (1) at least 25 percent of the units so available, and (2) at
14 least 25 percent of the units thereafter financed so available. In
15 housing developments for which the agency provides a construction
16 loan but not a mortgage loan, the agency shall report annually on
17 the percentage of units projected to be made available for
18 occupancy and actually occupied by lower income households.

19 SEC. 290. Section 326.3 of the Penal Code is amended to read:
20 326.3. (a) The Legislature finds and declares all of the
21 following:

22 (1) Nonprofit organizations provide important and essential
23 educational, philanthropic, and social services to the people of the
24 ~~State of California~~ *state*.

25 (2) One of the great strengths of California is a vibrant nonprofit
26 sector.

27 (3) Nonprofit and philanthropic organizations touch the lives
28 of every Californian through service and employment.

29 (4) Many of these services would not be available if nonprofit
30 organizations did not provide them.

31 (5) There is a need to provide methods of fundraising to
32 nonprofit organizations to enable them to provide these essential
33 services.

34 (6) Historically, many nonprofit organizations have used
35 charitable bingo as one of their key fundraising strategies to
36 promote the mission of the charity.

37 (7) Legislation is needed to provide greater revenues for
38 nonprofit organizations to enable them to fulfill their charitable
39 purposes, and especially to meet their increasing social service
40 obligations.

1 (8) Legislation is also needed to clarify that existing law requires
2 that all charitable bingo must be played using a tangible card and
3 that the only permissible electronic devices to be used by charitable
4 bingo players are card-minding devices.

5 (b) Neither the prohibition on gambling in this chapter nor in
6 Chapter 10 (commencing with Section 330) applies to any remote
7 caller bingo game that is played or conducted in a city, county, or
8 city and county pursuant to an ordinance enacted under Section
9 19 of Article IV of the California Constitution, if the ordinance
10 allows a remote caller bingo game to be played or conducted only
11 in accordance with this section, including the following
12 requirements:

13 (1) The game may be conducted only by the following
14 organizations:

15 (A) An organization that is exempted from the payment of the
16 taxes imposed under the Corporation Tax Law by Section 23701a,
17 23701b, 23701d, 23701e, 23701f, 23701g, 23701k, 23701l, or
18 23701w of the Revenue and Taxation Code.

19 (B) A mobilehome park association.

20 (C) A senior citizens organization.

21 (D) Charitable organizations affiliated with a school district.

22 (2) The organization conducting the game shall have been
23 incorporated or in existence for three years or more.

24 (3) The organization conducting the game shall be licensed
25 pursuant to subdivision (l) of Section 326.5.

26 (4) The receipts of the game shall be used only for charitable
27 purposes. The organization conducting the game shall determine
28 the disbursement of the net receipts of the game.

29 (5) The operation of bingo may not be the primary purpose for
30 which the organization is organized.

31 (c) (1) A city, county, or city and county may adopt an
32 ordinance in substantially the following form to authorize remote
33 caller bingo in accordance with the requirements of subdivision
34 (b):

35
36 Sec. __.01. Legislative Authorization.

37 This chapter is adopted pursuant to Section 19 of Article IV of
38 the California Constitution, as implemented by Sections 326.3 and
39 326.4 of the Penal Code.

40 Sec. __.02. Remote Caller Bingo Authorized.

1 Remote Caller Bingo may be lawfully played in the [City,
2 County, or City and County] pursuant to the provisions of Sections
3 326.3 and 326.4 of the Penal Code, and this chapter, and not
4 otherwise.

5 Sec. __.03. Qualified Applicants: Applicants for Licensure.

6 (a) The following organizations are qualified to apply to the
7 License Official for a license to operate a bingo game if the receipts
8 of those games are used only for charitable purposes:

9 (1) An organization exempt from the payment of the taxes
10 imposed under the Corporation Tax Law by Section 23701a,
11 23701b, 23701d, 23701e, 23701f, 23701g, 23701k, 23701l, or
12 23701w of the Revenue and Taxation Code.

13 (2) A mobile home park association of a mobile home park that
14 is situated in the [City, County, or City and County].

15 (3) Senior citizen organizations.

16 (4) Charitable organizations affiliated with a school district.

17 (b) The application shall be in a form prescribed by the License
18 Official and shall be accompanied by a nonrefundable filing fee
19 in an amount determined by resolution of the [Governing Body of
20 the City, County, or City and County] from time to time. The
21 following documentation shall be attached to the application, as
22 applicable:

23 (1) A certificate issued by the Franchise Tax Board certifying
24 that the applicant is exempt from the payment of the taxes imposed
25 under the Corporation Tax Law pursuant to Section 23701a,
26 23701b, 23701d, 23701e, 23701f, 23701g, 23701k, 23701l, or
27 23701w of the Revenue and Taxation Code. In lieu of a certificate
28 issued by the Franchise Tax Board, the License Official may refer
29 to the Franchise Tax Board's Internet Web site to verify that the
30 applicant is exempt from the payment of the taxes imposed under
31 the Corporation Tax Law.

32 (2) Other evidence as the License Official determines is
33 necessary to verify that the applicant is a duly organized mobile
34 home park association of a mobile home park situated in the [City,
35 County, or City and County].

36 Sec. __.04. License Application: Verification.

37 The license shall not be issued until the License Official has
38 verified the facts stated in the application and determined that the
39 applicant is qualified.

40 Sec. __.05. Annual Licenses.

1 A license issued pursuant to this chapter shall be valid until the
2 end of the calendar year, at which time the license shall expire. A
3 new license shall only be obtained upon filing a new application
4 and payment of the license fee. The fact that a license has been
5 issued to an applicant creates no vested right on the part of the
6 licensee to continue to offer bingo for play. The [Governing Body
7 of the City, County, or City and County] expressly reserves the
8 right to amend or repeal this chapter at any time by resolution. If
9 this chapter is repealed, all licenses issued pursuant to this chapter
10 shall cease to be effective for any purpose on the effective date of
11 the repealing resolution.

12 Sec. __.06. Conditions of Licensure.

13 (a) Any license issued pursuant to this chapter shall be subject
14 to the conditions contained in Sections 326.3 and 326.4 of the
15 Penal Code, and each licensee shall comply with the requirements
16 of those provisions.

17 (b) Each license issued pursuant to this chapter shall be subject
18 to the following additional conditions:

19 (1) Bingo games shall not be conducted by any licensee on more
20 than two days during any week, except that a licensee may hold
21 one additional game, at its election, in each calendar quarter.

22 (2) The licensed organization is responsible for ensuring that
23 the conditions of this chapter and Sections 326.3 and 326.4 of the
24 Penal Code are complied with by the organization and its officers
25 and members. A violation of any one or more of those conditions
26 or provisions shall constitute cause for the revocation of the
27 organization's license. At the request of the organization, the
28 [Governing Body of the City, County, or City and County] shall
29 hold a public hearing before revoking any license issued pursuant
30 to this chapter.

31
32 (2) Nothing in this section shall require a city, county, or city
33 and county to use this model ordinance in order to authorize remote
34 caller bingo.

35 (d) It is a misdemeanor for any person to receive or pay a profit,
36 wage, or salary from any remote caller bingo game, provided that
37 administrative, managerial, technical, financial, and security
38 personnel employed by the organization conducting the bingo
39 game may be paid reasonable fees for services rendered from the
40 revenues of bingo games, as provided in subdivision (m), except

1 that fees paid under those agreements shall not be determined as
2 a percentage of receipts or other revenues from, or be dependant
3 on the outcome of, the game.

4 (e) A violation of subdivision (d) shall be punishable by a fine
5 not to exceed ten thousand dollars (\$10,000), which fine shall be
6 deposited in the general fund of the city, county, or city and county
7 that enacted the ordinance authorizing the remote caller bingo
8 game. A violation of any provision of this section, other than
9 subdivision (d), is a misdemeanor.

10 (f) The city, county, or city and county that enacted the
11 ordinance authorizing the remote caller bingo game, or the Attorney
12 General, may bring an action to enjoin a violation of this section.

13 (g) No minors shall be allowed to participate in any remote
14 caller bingo game.

15 (h) A remote caller bingo game shall not include any site that
16 is not located within this state.

17 (i) An organization authorized to conduct a remote caller bingo
18 game pursuant to subdivision (b) shall conduct the game only on
19 property that is owned or leased by the organization, or the use of
20 which is donated to the organization. Nothing in this subdivision
21 shall be construed to require that the property that is owned or
22 leased by, or the use of which is donated to, the organization be
23 used or leased exclusively by, or donated exclusively to, that
24 organization.

25 (j) (1) All remote caller bingo games shall be open to the public,
26 not just to the members of the authorized organization.

27 (2) No more than 750 players may participate in a remote caller
28 bingo game in a single location.

29 (3) If the ~~Governor of California~~ or the ~~President of the United~~
30 ~~States~~ declares a state of emergency in response to a natural disaster
31 or other public catastrophe occurring in California, an organization
32 authorized to conduct remote caller bingo games may, while that
33 declaration is in effect, conduct a remote caller bingo game
34 pursuant to this section with more than 750 participants in a single
35 venue if the net proceeds of the game, after deduction of prizes
36 and overhead expenses, are donated to or expended exclusively
37 for the relief of the victims of the disaster or catastrophe, and the
38 organization gives the California Gambling Control Commission
39 at least 10 days' written notice of the intent to conduct that game.

- 1 (4) An organization authorized to conduct remote caller bingo
2 games shall provide the commission with at least 30 days' advance
3 written notice of its intent to conduct a remote caller bingo game.
4 That notice shall include all of the following:
- 5 (A) The legal name of the organization and the address of record
6 of the agent upon whom legal notice may be served.
 - 7 (B) The locations of the caller and remote players, whether the
8 property is owned by the organization or donated, and if donated,
9 by whom.
 - 10 (C) The name of the licensed caller and site manager.
 - 11 (D) The names of administrative, managerial, technical,
12 financial, and security personnel employed.
 - 13 (E) The name of the vendor and any person or entity maintaining
14 the equipment used to operate and transmit the game.
 - 15 (F) The name of the person designated as having a fiduciary
16 responsibility for the game pursuant to paragraph (2) of subdivision
17 (k).
 - 18 (G) The license numbers of all persons specified in
19 subparagraphs (A) to (F), inclusive, who are required to be licensed.
 - 20 (H) A copy of the local ordinance for any city, county, or city
21 and county in which the game will be played. The commission
22 shall post the ordinance on its Internet Web site.
 - 23 (k) (1) A remote caller bingo game shall be operated and staffed
24 only by members of the authorized organization that organized it.
25 Those members shall not receive a profit, wage, or salary from
26 any remote caller bingo game. Only the organization authorized
27 to conduct a remote caller bingo game shall operate that game, or
28 participate in the promotion, supervision, or any other phase of a
29 remote caller bingo game. Subject to the provisions of subdivision
30 (m), this subdivision shall not preclude the employment of
31 administrative, managerial, technical, financial, or security
32 personnel who are not members of the authorized organization at
33 a location participating in the remote caller bingo game by the
34 organization conducting the game. Notwithstanding any other
35 provision of law, exclusive or other agreements between the
36 authorized organization and other entities or persons to provide
37 services in the administration, management, or conduct of the game
38 shall not be considered a violation of the prohibition against
39 holding a legally cognizable financial interest in the conduct of
40 the remote caller bingo game by persons or entities other than the

1 charitable organization, or other entity authorized to conduct the
2 remote caller bingo games, provided that those persons or entities
3 obtain the gambling licenses, the key employee licenses, or the
4 work permits required by, and otherwise comply with, Chapter 5
5 (commencing with Section 19800) of Division 8 of the Business
6 and Professions Code. Fees to be paid under any such agreements
7 shall be reasonable and shall not be determined as a percentage of
8 receipts or other revenues from, or be dependent on the outcome
9 of, the game.

10 (2) An organization that conducts a remote caller bingo game
11 shall designate a person as having fiduciary responsibility for the
12 game.

13 (l) No individual, corporation, partnership, or other legal entity,
14 except the organization authorized to conduct or participate in a
15 remote caller bingo game, shall hold a legally cognizable financial
16 interest in the conduct of such a game.

17 (m) An organization authorized to conduct a remote caller bingo
18 game pursuant to this section shall not have overhead costs
19 exceeding 20 percent of gross sales, except that the limitations of
20 this section shall not apply to one-time, nonrecurring capital
21 acquisitions. For purposes of this subdivision, “overhead costs”
22 includes, but is not limited to, amounts paid for rent and equipment
23 leasing and the reasonable fees authorized to be paid to
24 administrative, managerial, technical, financial, and security
25 personnel employed by the organization pursuant to subdivision
26 (d). For the purpose of keeping its overhead costs below 20 percent
27 of gross sales, an authorized organization may elect to deduct all
28 or a portion of the fees paid to financial institutions for the use and
29 processing of credit card sales from the amount of gross revenues
30 awarded for prizes. In that case, the redirected fees for the use and
31 processing of credit card sales shall not be included in “overhead
32 costs” as defined in the California Remote Caller Bingo Act.
33 Additionally, fees paid to financial institutions for the use and
34 processing of credit card sales shall not be deducted from the
35 proceeds retained by the charitable organization.

36 (n) No person shall be allowed to participate in a remote caller
37 bingo game unless the person is physically present at the time and
38 place where the remote caller bingo game is being conducted. A
39 person shall be deemed to be physically present at the place where
40 the remote caller bingo game is being conducted if he or she is

1 present at any of the locations participating in the remote caller
2 bingo game in accordance with this section.

3 (o) (1) An organization shall not cosponsor a remote caller
4 bingo game with one or more other organizations unless one of
5 the following is true:

6 (A) All of the cosponsors are affiliated under the master charter
7 or articles and bylaws of a single organization.

8 (B) All of the cosponsors are affiliated through an organization
9 described in paragraph (1) of subdivision (b), and have the same
10 Internal Revenue Service activity code.

11 (2) Notwithstanding paragraph (1), a maximum of 10
12 unaffiliated organizations described in paragraph (1) of subdivision
13 (b) may enter into an agreement to cosponsor a remote caller game,
14 provided that the game shall have not more than 10 locations.

15 (3) An organization shall not conduct remote caller bingo more
16 than two days per week.

17 (4) Before sponsoring or operating any game authorized under
18 paragraph (1) or (2), each of the cosponsoring organizations shall
19 have entered into a written agreement, a copy of which shall be
20 provided to the commission, setting forth how the expenses and
21 proceeds of the game are to be allocated among the participating
22 organizations, the bank accounts into which all receipts are to be
23 deposited and from which all prizes are to be paid, and how game
24 records are to be maintained and subjected to annual audit.

25 (p) The value of prizes awarded during the conduct of any
26 remote caller bingo game shall not exceed 37 percent of the gross
27 receipts for that game. When an authorized organization elects to
28 deduct fees paid for the use and processing of credit card sales
29 from the amount of gross revenues for that game awarded for
30 prizes, the maximum amount of gross revenues that may be
31 awarded for prizes shall not exceed 37 percent of the gross receipts
32 for that game, less the amount of redirected fees paid for the use
33 and processing of credit card sales. Every remote caller bingo game
34 shall be played until a winner is declared. Progressive prizes are
35 prohibited. The declared winner of a remote caller bingo game
36 shall provide his or her identifying information and a mailing
37 address to the onsite manager of the remote caller bingo game.
38 Prizes shall be paid only by check; no cash prizes shall be paid.
39 The organization conducting the remote caller bingo game may
40 issue a check to the winner at the time of the game, or may send

1 a check to the declared winner by United States Postal Service
2 certified mail, return receipt requested. All prize money exceeding
3 state and federal exemption limits on prize money shall be subject
4 to income tax reporting and withholding requirements under
5 applicable state and federal laws and regulations and those reports
6 and withholding shall be forwarded, within 10 business days, to
7 the appropriate state or federal agency on behalf of the winner. A
8 report shall accompany the amount withheld identifying the person
9 on whose behalf the money is being sent. Any game interrupted
10 by a transmission failure, electrical outage, or act of God shall be
11 considered void in the location that was affected. A refund for a
12 canceled game or games shall be provided to the purchasers.

13 (q) (1) The California Gambling Control Commission shall
14 regulate remote caller bingo, including, but not limited to, licensure
15 and operation. The commission shall establish reasonable criteria
16 regulating, and shall require the licensure of, the following:

17 (A) Any person who conducts a remote caller bingo game
18 pursuant to this section, including, but not limited to, an employee,
19 a person having fiduciary responsibility for a remote caller bingo
20 game, a site manager, and a bingo caller.

21 (B) Any person who directly or indirectly manufactures,
22 distributes, supplies, vends, leases, or otherwise provides supplies,
23 devices, services, or other equipment designed for use in the
24 playing of a remote caller bingo game by any nonprofit
25 organization.

26 (C) Beginning January 31, 2009, or a later date as may be
27 established by the commission, all persons described in
28 subparagraph (A) or (B) may submit to the commission a letter of
29 intent to submit an application for licensure. The letter shall clearly
30 identify the principal applicant, all categories under which the
31 application will be filed, and the names of all those particular
32 individuals who are applying. Each charitable organization shall
33 provide an estimate of the frequency with which it plans to conduct
34 remote caller bingo operations, including the number of locations.
35 The letter of intent may be withdrawn or updated at any time.

36 (2) (A) The Department of Justice shall conduct background
37 investigations and conduct field enforcement as it relates to remote
38 caller bingo consistent with the Gambling Control Act (Chapter 5
39 (commencing with Section 19800) of Division 8 of the Business

1 and Professions Code) and as specified in regulations promulgated
2 by the commission.

3 (B) Fees to cover background investigation costs shall be paid
4 and accounted for in accordance with Section 19867 of the
5 Business and Professions Code.

6 (3) (A) Every application for a license or approval shall be
7 *submitted to the department and* accompanied by a nonrefundable
8 fee, the amount of which shall be adopted by the commission by
9 regulation.

10 (B) Fees and revenue collected pursuant to this paragraph shall
11 be deposited in the California Bingo Fund, which is hereby created
12 in the State Treasury. The funds deposited in the California Bingo
13 Fund shall be available, upon appropriation by the Legislature, for
14 expenditure by the commission and the department exclusively
15 for the support of the commission and department in carrying out
16 their duties and responsibilities under this section and Section
17 326.5.

18 (C) A loan is hereby authorized from the Gambling Control
19 Fund to the California Bingo Fund on or after January 1, 2009, in
20 an amount of up to five hundred thousand dollars (\$500,000) to
21 fund operating, personnel, and other startup costs incurred by the
22 commission *and the department* relating to this ~~act~~ *section*. Funds
23 from the California Bingo Fund shall be available to the
24 commission *and the department* upon appropriation by the
25 Legislature in the annual Budget Act. The loan shall be subject to
26 all of the following conditions:

27 (i) The loan shall be repaid to the Gambling Control Fund as
28 soon as there is sufficient money in the California Bingo Fund to
29 repay the amount loaned, but no later than five years after the date
30 of the loan.

31 (ii) Interest on the loan shall be paid from the California Bingo
32 Fund at the rate accruing to moneys in the Pooled Money
33 Investment Account.

34 (iii) The terms and conditions of the loan are approved, prior
35 to the transfer of funds, by the Department of Finance pursuant to
36 appropriate fiscal standards.

37 The commission may assess and *the department may* collect
38 reasonable fees and deposits as necessary to defray the costs of
39 regulation and oversight.

1 (r) The administrative, managerial, technical, financial, and
2 security personnel employed by an organization that conducts
3 remote caller bingo games shall apply for, obtain, and thereafter
4 maintain valid work permits, as defined in Section 19805 of the
5 Business and Professions Code.

6 (s) An organization that conducts remote caller bingo games
7 shall retain records in connection with the remote caller bingo
8 game for five years.

9 (t) (1) All equipment used for remote caller bingo shall be
10 approved in advance by the California Gambling Control
11 Commission pursuant to regulations adopted pursuant to
12 subdivision (r) of Section 19841 of the Business and Professions
13 Code.

14 (2) The California Gambling Control Commission shall monitor
15 operation of the transmission and other equipment used for remote
16 caller bingo, and monitor the game.

17 (u) (1) As used in this section, “remote caller bingo game”
18 means a game of bingo, as defined in subdivision (o) of Section
19 326.5, in which the numbers or symbols on randomly drawn plastic
20 balls are announced by a natural person present at the site at which
21 the live game is conducted, and the organization conducting the
22 bingo game uses audio and video technology to link any of its
23 in-state facilities for the purpose of transmitting the remote calling
24 of a live bingo game from a single location to multiple locations
25 owned, leased, or rented by that organization, or as described in
26 subdivision (o) of this section. The audio or video technology used
27 to link the facilities may include cable, Internet, satellite,
28 broadband, or telephone technology, or any other means of
29 electronic transmission that ensures the secure, accurate, and
30 simultaneous transmission of the announcement of numbers or
31 symbols in the game from the location at which the game is called
32 by a natural person to the remote location or locations at which
33 players may participate in the game. The drawing of each ball
34 bearing a number or symbol by the natural person calling the game
35 shall be visible to all players as the ball is drawn, including through
36 a simultaneous live video feed at remote locations at which players
37 may participate in the game.

38 (2) The caller in the live game must be licensed by the California
39 Gambling Control Commission. A game may be called by a
40 nonlicensed caller if the drawing of balls and calling of numbers

1 or symbols by that person is observed and personally supervised
2 by a licensed caller.

3 (3) Remote caller bingo games shall be played using traditional
4 paper or other tangible bingo cards and daubers, and shall not be
5 played by using electronic devices, except card-minding devices,
6 as described in paragraph (1) of subdivision (p) of Section 326.5.

7 (4) Prior to conducting a remote caller bingo game, the
8 organization that conducts remote caller bingo shall submit to the
9 commission the controls, methodology, and standards of game
10 play, which shall include, but not be limited to, the equipment used
11 to select bingo numbers and create or originate cards, control or
12 maintenance, distribution to participating locations, and distribution
13 to players. Those controls, methodologies, and standards shall be
14 subject to prior approval by the ~~commission~~ *department*, provided
15 that the controls shall be deemed approved by the ~~commission~~
16 *department* after 90 days from the date of submission unless
17 disapproved.

18 (v) A location shall not be eligible to participate in a remote
19 caller bingo game if bingo games are conducted at that location
20 in violation of Section 326.5 or any regulation adopted by the
21 commission pursuant to Section 19841 of the Business and
22 Professions Code, including, but not limited to, a location at which
23 unlawful electronic devices are used.

24 (w) (1) The vendor of the equipment used in a remote caller
25 bingo game shall have its books and records audited at least
26 annually by an independent California certified public accountant
27 and shall submit the results of that audit to the ~~California Gambling~~
28 ~~Control Commission~~ *department* within 120 days after the close
29 of the vendor's fiscal year. In addition, the ~~California Gambling~~
30 ~~Control Commission~~ *department* may audit the books and records
31 of the vendor at any time.

32 (2) An authorized organization that conducts remote caller bingo
33 games shall provide copies of the records pertaining to those games
34 to the ~~California Gambling Control Commission~~ *Department of*
35 *Justice* within 30 days after the end of each calendar quarter. In
36 addition, those records shall be audited by an independent
37 California certified public accountant at least annually and copies
38 of the audit reports shall be provided to the ~~California Gambling~~
39 ~~Control Commission~~ *department* within 120 days after the close
40 of the organization's fiscal year. The audit report shall account for

1 the annual amount of fees paid to financial institutions for the use
2 and processing of credit card sales by the authorized organization
3 and the amount of fees for the use and processing of credit card
4 sales redirected from “overhead costs” and deducted from the
5 amount of gross revenues awarded for prizes.

6 (3) The costs of the licensing and audits required by this section
7 shall be borne by the person or entity required to be licensed or
8 audited. The audit shall enumerate the receipts for remote caller
9 bingo, the prizes disbursed, the overhead costs, and the amount
10 retained by the nonprofit organization. ~~The commission~~ *department*
11 may audit the books and records of an organization that conducts
12 remote caller bingo games at any time.

13 (4) If, during an audit, ~~the commission~~ *department* identifies
14 practices in violation of this section, the license for the audited
15 entity may be suspended pending review and hearing before the
16 commission for a final determination.

17 (5) No audit required to be conducted by ~~the commission~~
18 *department* shall commence before January 1, 2010.

19 (x) (1) The provisions of this section are severable. If any
20 provision of this section or its application is held invalid, that
21 invalidity shall not affect other provisions or applications that can
22 be given effect without the invalid provision or application.

23 (2) Notwithstanding paragraph (1), if paragraph (1) or (3) of
24 subdivision (u), or the application of either of those provisions, is
25 held invalid, this entire section shall be invalid.

26 (y) The commission shall submit a report to the Legislature, on
27 or before January 1, 2012, on the fundraising effectiveness and
28 regulation of remote caller bingo, and other matters that are relevant
29 to the public interest regarding remote caller bingo.

30 (z) The following definitions apply for purposes of this section:

31 (1) “Commission” means the California Gambling Control
32 Commission.

33 (2) “*Department*” means the *Department of Justice*.

34 (2)

35 (3) “Person” includes a natural person, corporation, limited
36 liability company, partnership, trust, joint venture, association, or
37 any other business organization.

38 SEC. 291. Section 326.5 of the Penal Code is amended to read:

39 326.5. (a) Neither the prohibition on gambling in this chapter
40 nor in Chapter 10 (commencing with Section 330) applies to any

1 bingo game that is conducted in a city, county, or city and county
2 pursuant to an ordinance enacted under Section 19 of Article IV
3 of the ~~State~~ *California* Constitution, if the ordinance allows games
4 to be conducted only in accordance with this section and only by
5 organizations exempted from the payment of the bank and
6 corporation tax by Sections 23701a, 23701b, 23701d, 23701e,
7 23701f, 23701g, 23701k, 23701w, and 23701l of the Revenue and
8 Taxation Code and by mobilehome park associations, senior
9 citizens organizations, and charitable organizations affiliated with
10 a school district; and if the receipts of those games are used only
11 for charitable purposes.

12 (b) It is a misdemeanor for any person to receive or pay a profit,
13 wage, or salary from any bingo game authorized by Section 19 of
14 Article IV of the State Constitution. Security personnel employed
15 by the organization conducting the bingo game may be paid from
16 the revenues of bingo games, as provided in subdivisions (j) and
17 (k).

18 (c) A violation of subdivision (b) shall be punishable by a fine
19 not to exceed ten thousand dollars (\$10,000), which fine is
20 deposited in the general fund of the city, county, or city and county
21 that enacted the ordinance authorizing the bingo game. A violation
22 of any provision of this section, other than subdivision (b), is a
23 misdemeanor.

24 (d) The city, county, or city and county that enacted the
25 ordinance authorizing the bingo game may bring an action to enjoin
26 a violation of this section.

27 (e) No minors shall be allowed to participate in any bingo game.

28 (f) An organization authorized to conduct bingo games pursuant
29 to subdivision (a) shall conduct a bingo game only on property
30 owned or leased by it, or property whose use is donated to the
31 organization, and which property is used by that organization for
32 an office or for performance of the purposes for which the
33 organization is organized. Nothing in this subdivision shall be
34 construed to require that the property owned or leased by, or whose
35 use is donated to, the organization be used or leased exclusively
36 by, or donated exclusively to, that organization.

37 (g) All bingo games shall be open to the public, not just to the
38 members of the authorized organization.

39 (h) A bingo game shall be operated and staffed only by members
40 of the authorized organization that organized it. Those members

1 shall not receive a profit, wage, or salary from any bingo game.
2 Only the organization authorized to conduct a bingo game shall
3 operate such a game, or participate in the promotion, supervision,
4 or any other phase of a bingo game. This subdivision does not
5 preclude the employment of security personnel who are not
6 members of the authorized organization at a bingo game by the
7 organization conducting the game.

8 (i) No individual, corporation, partnership, or other legal entity,
9 except the organization authorized to conduct a bingo game, shall
10 hold a financial interest in the conduct of a bingo game.

11 (j) With respect to organizations exempt from payment of the
12 bank and corporation tax by Section 23701d of the Revenue and
13 Taxation Code, all profits derived from a bingo game shall be kept
14 in a special fund or account and shall not be commingled with any
15 other fund or account. Those profits shall be used only for
16 charitable purposes.

17 (k) With respect to other organizations authorized to conduct
18 bingo games pursuant to this section, all proceeds derived from a
19 bingo game shall be kept in a special fund or account and shall not
20 be commingled with any other fund or account. Proceeds are the
21 receipts of bingo games conducted by organizations not within
22 subdivision (j). Those proceeds shall be used only for charitable
23 purposes, except as follows:

24 (1) The proceeds may be used for prizes.

25 (2) (A) Except as provided in subparagraph (B), a portion of
26 the proceeds, not to exceed 20 percent of the proceeds before the
27 deduction for prizes, or two thousand dollars (\$2,000) per month,
28 whichever is less, may be used for the rental of property and for
29 overhead, including the purchase of bingo equipment,
30 administrative expenses, security equipment, and security
31 personnel.

32 (B) For the purposes of bingo games conducted by the Lake
33 Elsinore Elks Lodge, a portion of the proceeds, not to exceed 20
34 percent of the proceeds before the deduction for prizes, or three
35 thousand dollars (\$3,000) per month, whichever is less, may be
36 used for the rental of property and for overhead, including the
37 purchase of bingo equipment, administrative expenses, security
38 equipment, and security personnel. Any amount of the proceeds
39 that is additional to that permitted under subparagraph (A), up to
40 one thousand dollars (\$1,000), shall be used for the purpose of

1 financing the rebuilding of the facility and the replacement of
2 equipment that was destroyed by fire in 2007. The exception to
3 subparagraph (A) that is provided by this subparagraph shall remain
4 in effect only until the cost of rebuilding the facility is repaid, or
5 January 1, 2019, whichever occurs first.

6 (3) The proceeds may be used to pay license fees.

7 (4) A city, county, or city and county that enacts an ordinance
8 permitting bingo games may specify in the ordinance that if the
9 monthly gross receipts from bingo games of an organization within
10 this subdivision exceed five thousand dollars (\$5,000), a minimum
11 percentage of the proceeds shall be used only for charitable
12 purposes not relating to the conducting of bingo games and that
13 the balance shall be used for prizes, rental of property, overhead,
14 administrative expenses, and payment of license fees. The amount
15 of proceeds used for rental of property, overhead, and
16 administrative expenses is subject to the limitations specified in
17 paragraph (2).

18 (l) (1) A city, county, or city and county may impose a license
19 fee on each organization that it authorizes to conduct bingo games.
20 The fee, whether for the initial license or renewal, shall not exceed
21 fifty dollars (\$50) annually, except as provided in paragraph (2).
22 If an application for a license is denied, one-half of any license
23 fee paid shall be refunded to the organization.

24 (2) In lieu of the license fee permitted under paragraph (1), a
25 city, county, or city and county may impose a license fee of fifty
26 dollars (\$50) paid upon application. If an application for a license
27 is denied, one-half of the application fee shall be refunded to the
28 organization. An additional fee for law enforcement and public
29 safety costs incurred by the city, county, or city and county that
30 are directly related to bingo activities may be imposed and shall
31 be collected monthly by the city, county, or city and county issuing
32 the license; however, the fee shall not exceed the actual costs
33 incurred in providing the service.

34 (m) No person shall be allowed to participate in a bingo game,
35 unless the person is physically present at the time and place where
36 the bingo game is being conducted.

37 (n) The total value of prizes available to be awarded during the
38 conduct of any bingo games shall not exceed five hundred dollars
39 (\$500) in cash or kind, or both, for each separate game which is
40 held.

1 (o) As used in this section, “bingo” means a game of chance in
2 which prizes are awarded on the basis of designated numbers or
3 symbols that are marked or covered by the player on a tangible
4 card in the player’s possession and that conform to numbers or
5 symbols, selected at random and announced by a live caller.
6 Notwithstanding Section 330c, as used in this section, the game
7 of bingo includes tangible cards having numbers or symbols that
8 are concealed and preprinted in a manner providing for distribution
9 of prizes. Electronics or video displays shall not be used in
10 connection with the game of bingo, except in connection with the
11 caller’s drawing of numbers or symbols and the public display of
12 that drawing, and except as provided in subdivision (p). The
13 winning cards shall not be known prior to the game by any person
14 participating in the playing or operation of the bingo game. All
15 preprinted cards shall bear the legend, “for sale or use only in a
16 bingo game authorized under California law and pursuant to local
17 ordinance.” Only a covered or marked tangible card possessed by
18 a player and presented to an attendant may be used to claim a prize.
19 It is the intention of the Legislature that bingo as defined in this
20 subdivision applies exclusively to this section and shall not be
21 applied in the construction or enforcement of any other provision
22 of law.

23 (p) (1) Players who are physically present at a bingo game may
24 use hand-held, portable card-minding devices, as described in this
25 subdivision, to assist in monitoring the numbers or symbols
26 announced by a live caller as those numbers or symbols are called
27 in a live game. Card-minding devices may not be used in
28 connection with any game where a bingo card may be sold or
29 distributed after the start of the ball draw for that game. A
30 card-minding device shall do all of the following:

31 (A) Be capable of storing in the memory of the device bingo
32 faces of tangible cards purchased by a player.

33 (B) Provide a means for bingo players to input manually each
34 individual number or symbol announced by a live caller.

35 (C) Compare the numbers or symbols entered by the player to
36 the bingo faces previously stored in the memory of the device.

37 (D) Identify winning bingo patterns that exist on the stored
38 bingo faces.

1 (2) A card-minding device shall perform no functions involving
2 the play of the game other than those described in paragraph (1).
3 Card-minding devices shall not do any of the following:

4 (A) Be capable of accepting or dispensing any coins, currency,
5 or other representative of value or on which value has been
6 encoded.

7 (B) Be capable of monitoring any bingo card face other than
8 the faces of the tangible bingo card or cards purchased by the
9 player for that game.

10 (C) Display or represent the game result through any means,
11 including, but not limited to, video or mechanical reels or other
12 slot machine or casino game themes, other than highlighting the
13 winning numbers or symbols marked or covered on the tangible
14 bingo cards or giving an audio alert that the player's card has a
15 prize-winning pattern.

16 (D) Determine the outcome of any game or be physically or
17 electronically connected to any component that determines the
18 outcome of a game or to any other bingo equipment, including,
19 but not limited to, the ball call station, or to any other card-minding
20 device. No other player-operated or player-activated electronic or
21 electromechanical device or equipment is permitted to be used in
22 connection with a bingo game.

23 (3) (A) A card-minding device shall be approved in advance
24 by the ~~commission~~ *department* as meeting the requirements of this
25 section and any additional requirements stated in regulations
26 adopted by the commission. Any proposed material change to the
27 device, including any change to the software used by the device,
28 shall be submitted to the ~~commission~~ *department* and approved
29 by the ~~commission~~ *department* prior to implementation.

30 (B) In accordance with Chapter 5 (commencing with Section
31 19800) of Division 8 of the Business and Professions Code, the
32 commission shall establish reasonable criteria for, and require the
33 licensure of, any person that directly or indirectly manufactures,
34 distributes, supplies, vends, leases, or otherwise provides
35 card-minding devices or other supplies, equipment, or services
36 related to card-minding devices designed for use in the playing of
37 bingo games by any nonprofit organization.

38 (C) A person or entity that supplies or services any card-minding
39 device shall meet all licensing requirements established by the
40 commission in regulations.

1 (4) The costs of any testing, certification, license, or
2 determination required by this subdivision shall be borne by the
3 person or entity seeking it.

4 (5) On and after January 1, 2010, ~~the commission and the~~
5 Department of Justice may inspect all card-minding devices at any
6 time without notice, and may immediately prohibit the use of any
7 device that does not comply with the requirements of subdivision
8 (r) of Section 19841 of the Business and Professions Code. The
9 Department of Justice may at any time, without notice, impound
10 any device the use of which has been prohibited by the commission.

11 (6) The California Gambling Control Commission shall issue
12 regulations to implement the requirements of this subdivision and
13 may issue regulations regarding the means by which the operator
14 of a bingo game, as required by applicable law, may offer
15 assistance to a player with disabilities in order to enable that player
16 to participate in a bingo game, provided that the means of providing
17 that assistance shall not be through any electronic,
18 electromechanical, or other device or equipment that accepts the
19 insertion of any coin, currency, token, credit card, or other means
20 of transmitting value, and does not constitute or is not a part of a
21 system that constitutes a video lottery terminal, slot machine, or
22 device prohibited by Chapter 10 (commencing with Section 330).

23 (7) The following definitions apply for purposes of this
24 subdivision:

25 (A) “Commission” means the California Gambling Control
26 Commission.

27 (B) “*Department*” means *the Department of Justice*.

28 ~~(B)~~

29 (C) “Person” includes a natural person, corporation, limited
30 liability company, partnership, trust, joint venture, association, or
31 any other business organization.

32 SEC. 292. Section 12101 of the Public Contract Code is
33 amended to read:

34 12101. It is the intent of the Legislature that policies developed
35 by the ~~California Department of Technology Agency~~ and
36 procedures developed by the Department of General Services in
37 accordance with Section 12102 provide for the following:

38 (a) The expeditious and value-effective acquisition of
39 information technology goods and services to satisfy state
40 requirements.

1 (b) The acquisition of information technology goods and services
2 within a competitive framework.

3 (c) The delegation of authority by the Department of General
4 Services to each state agency that has demonstrated to the
5 department's satisfaction the ability to conduct value-effective
6 information technology goods and services acquisitions.

7 (d) The exclusion from state bid processes, at the state's option,
8 of any supplier having failed to meet prior contractual requirements
9 related to information technology goods and services.

10 (e) The review and resolution of protests submitted by any
11 bidders with respect to any information technology goods and
12 services acquisitions.

13 SEC. 293. Section 12103 of the Public Contract Code is
14 amended to read:

15 12103. In addition to the mandatory requirements enumerated
16 in Section 12102, the acquisition policies developed and maintained
17 by the ~~California Department of Technology Agency~~ and
18 procedures developed and maintained by the Department of
19 General Services in accordance with this chapter may provide for
20 the following:

21 (a) Price negotiation with respect to contracts entered into in
22 accordance with this chapter.

23 (b) System or equipment component performance, or availability
24 standards, including an assessment of the added cost to the state
25 to receive contractual guarantee of a level of performance.

26 (c) Requirement of a bond or assessment of a cost penalty with
27 respect to a contract or consideration of a contract offered by a
28 supplier whose performance has been determined unsatisfactory
29 in accordance with established procedures maintained in the State
30 Administrative Manual as required by Section 12102.

31 SEC. 294. Section 12104 of the Public Contract Code is
32 amended to read:

33 12104. (a) (1) Commencing on or before January 1, 2007, the
34 State Contracting Manual shall set forth all procedures and methods
35 that shall be used by the department when seeking to obtain bids
36 for the acquisition of information technology.

37 (2) Revisions to the manual must be publicly announced,
38 including, but not limited to, postings on the department's Internet
39 homepage.

1 (b) The department, in consultation with the ~~California~~
2 ~~Department of Technology Agency~~, shall develop, implement, and
3 maintain standardized methods for the development of information
4 technology requests for proposals.

5 (c) All information technology requests for proposals shall be
6 reviewed by the ~~California Department of Technology Agency~~
7 and the Department of General Services prior to release to the
8 public.

9 SEC. 295. Section 12105 of the Public Contract Code is
10 amended to read:

11 12105. The Department of General Services and the ~~California~~
12 ~~Department of Technology Agency~~ shall coordinate in the
13 development of policies and procedures that implement the intent
14 of this chapter. The ~~California Department of Technology Agency~~
15 shall have the final authority in the determination of any general
16 policy and the Department of General Services shall have the final
17 authority in the determination of any procedures.

18 SEC. 296. Section 12120 of the Public Contract Code is
19 amended to read:

20 12120. The Legislature finds and declares that, with the advent
21 of deregulation in the telecommunications industry, substantial
22 cost savings can be realized by the state through the specialized
23 evaluation and acquisition of alternative telecommunications
24 systems. All contracts for the acquisition of telecommunications
25 services and all contracts for the acquisition of telecommunications
26 goods, whether by lease or purchase, shall be made by, or under
27 the supervision of, the ~~California Department of Technology~~
28 ~~Agency~~. All acquisitions shall be accomplished in accordance with
29 Chapter 3 (commencing with Section 12100), relating to the
30 acquisition of information technology goods and services, except
31 to the extent any directive or provision is uniquely applicable to
32 information technology acquisitions. The ~~agency department~~ shall
33 have responsibility for the establishment of policy and procedures
34 for telecommunications. The ~~agency department~~ shall have
35 responsibility for the establishment of tactical policy and
36 procedures for information technology and telecommunications
37 acquisitions consistent with statewide strategic policy. The Trustees
38 of the California State University and the Board of Governors of
39 the California Community Colleges shall assume the functions of
40 the ~~agency department~~ with regard to acquisition of

1 telecommunications goods and services by the California State
2 University and the California Community Colleges, respectively.
3 The trustees and the board shall each grant to the agency an
4 opportunity to bid whenever the university or the college system
5 solicits bids for telecommunications goods and services.

6 SEC. 297. Section 12121 of the Public Contract Code is
7 amended to read:

8 12121. As used in this chapter:

9 (a) ~~“Agency”~~ *“Department”* means the ~~California Department~~
10 *of Technology Agency*.

11 (b) *“Tactical policy”* means the policies of an organization
12 necessary to direct operational staff in carrying out their day-to-day
13 activities.

14 (c) *“Strategic policy”* means policy which defines the goals and
15 objectives for an organization.

16 SEC. 298. Section 5075.8 of the Public Resources Code is
17 amended to read:

18 5075.8. (a) The department may convene a planning task force
19 in order to facilitate the development of a comprehensive plan for
20 the San Joaquin River Parkway.

21 The task force shall include, but not be limited to, a
22 representative of the following entities:

- 23 (1) State Lands Commission.
- 24 (2) Department of Parks and Recreation.
- 25 (3) Department of Fish and Game.
- 26 (4) State Reclamation Board.
- 27 (5) County of Fresno.
- 28 (6) County of Madera.
- 29 (7) City of Fresno.
- 30 (8) Fresno County and City Chamber of Commerce.
- 31 (9) Fresno Sand and Gravel Producers.
- 32 (10) San Joaquin River Property Owners Association.
- 33 (11) Upper San Joaquin River Association.
- 34 (12) San Joaquin River Parkway and Conservation Trust.
- 35 (13) San Joaquin River Committee.
- 36 ~~(14) Department of Boating and Waterways.~~

37 (b) The plan shall be submitted to the Legislature not later than
38 June 1, 1991.

39 SEC. 299. Section 5099.12 of the Public Resources Code is
40 amended to read:

1 5099.12. Of the annual apportionment of funds received by
2 the director pursuant to this chapter, 60 percent shall be allocated
3 for local governmental agency projects and 40 percent for state
4 agency projects. The state agency share shall be disbursed to the
5 following state agencies in the following percentages: ~~55~~ 60 percent
6 to the Department of Parks and Recreation; 35 percent to the
7 Wildlife Conservation Board or the Department of Fish and Game;
8 *and* 5 percent to the Department of Water Resources; ~~and 5 percent~~
9 ~~to the Department of Boating and Waterways~~. The State Coastal
10 Conservancy established pursuant to Section 31100 is eligible to
11 compete for grants of funds for projects of an outdoor recreational
12 nature from the 6 percent contingency fund established by this
13 section.

14 If either the state or local governmental agencies are unable to
15 utilize their allocation of funds, the director shall allocate the
16 uncommitted funds to those state or local governmental agencies
17 that are in position to take advantage of the funds during the year
18 in which they are allocated. The 60-percent allocation for local
19 governmental agency projects and the 40-percent allocation to
20 state agency projects shall not be computed until the costs of
21 maintaining and keeping up to date the plan required pursuant to
22 Section 5099.2 and an additional 6 percent for deposit to a
23 contingency fund have been deducted.

24 SEC. 300. Section 10002 of the Public Resources Code is
25 amended to read:

26 10002. The Director of Fish and Game shall prepare proposed
27 streamflow requirements, which shall be specified in terms of
28 cubic feet of water per second, for each stream or watercourse
29 identified pursuant to Section 10001. In developing the
30 requirements for each stream, the director shall consult with the
31 Director of Water Resources, ~~the Director of Boating and~~
32 ~~Waterways~~; the Director of Parks and Recreation and with all
33 affected local governments. The Director of Fish and Game may
34 also consult with any private individuals, groups, or organizations
35 as the director deems advisable. Upon completion of the proposed
36 streamflow requirements for any individual stream or watercourse,
37 the Director of Fish and Game shall transmit these proposed
38 requirements to the State Water Resources Control Board. The
39 State Water Resources Control Board shall consider these
40 requirements within a stream as set forth in Section 1257.5 of the

1 Water Code. The Director of Fish and Game shall complete the
2 preparation of proposed requirements for the initial streams not
3 later than July 1, 1989.

4 The Department of Fish and Game may contract for temporary
5 services for purposes of preparing the proposed streamflow
6 requirements.

7 SEC. 301. Section 30404 of the Public Resources Code is
8 amended to read:

9 30404. (a) The commission shall periodically, in the case of
10 the State Energy Resources Conservation and Development
11 Commission, the State Board of Forestry and Fire Protection, the
12 State Water Resources Control Board and the California regional
13 water quality control boards, the State Air Resources Board and
14 air pollution control districts and air quality management districts,
15 the Department of Fish and Game, the Department of Parks and
16 Recreation, ~~the Department of Boating and Waterways,~~ the
17 California Geological Survey and the Division of Oil, Gas, and
18 Geothermal Resources in the Department of Conservation, and
19 the State Lands Commission, and may, with respect to any other
20 state agency, submit recommendations designed to encourage the
21 state agency to carry out its functions in a manner consistent with
22 this division. The recommendations may include proposed changes
23 in administrative regulations, rules, and statutes.

24 (b) Each of those state agencies shall review and consider the
25 commission recommendations and shall, within six months from
26 the date of their receipt, to the extent that the recommendations
27 have not been implemented, report to the Governor and the
28 Legislature its action and reasons therefor. The report shall also
29 include the state agency's comments on any legislation that may
30 have been proposed by the commission.

31 SEC. 302. Section 36300 of the Public Resources Code is
32 amended to read:

33 36300. The Ocean Resources Task Force is hereby created in
34 state government. The task force is composed of the following or
35 their designee: the Secretary ~~of~~ *for* Environmental ~~Affairs~~
36 *Protection*, the Secretary of the *Natural* Resources Agency, the
37 ~~State Director of Public Health Officer Services,~~ the Secretary of
38 ~~the Business, Transportation and Housing Agency,~~ the Chairperson
39 or Executive Officer of the State Lands Commission as determined
40 by the commission, the Chairperson or Executive Director of the

1 California Coastal Commission as determined by the commission,
2 the Chairperson or Executive Officer of the Coastal Conservancy
3 as determined by the conservancy, the Chairperson or Executive
4 Director of the San Francisco Bay Conservation and Development
5 Commission as determined by the commission, the Director of
6 Conservation, the Director of Fish and Game, ~~the Director of~~
7 ~~Boating and Waterways~~, the Director of Parks and Recreation, the
8 ~~Chairperson of the Mining and Geology Board~~ *Office of Mine*
9 *Reclamation*, the Chairperson or Executive Director of the State
10 Water Resources Control Board as determined by the board, the
11 ~~Executive Officer~~ *executive officer* of each California regional
12 water quality control board for a coastal region, the Director of
13 Finance, the Chairperson or Executive Director of the State Energy
14 Resources Conservation and Development Commission as
15 determined by the commission, the Chairperson of the State Air
16 Resources Board, the Chairperson of the Senate Committee on
17 Natural Resources and ~~Wildlife~~ *Water*, the Chairperson of the
18 Assembly Committee *on Natural Resources*, the President of the
19 University of California, the Chancellor of the California State
20 University, and the Director of the California Sea Grant program.

21 SEC. 303. Section 40400 of the Public Resources Code is
22 amended to read:

23 40400. There is in the ~~Natural Resources~~ *California*
24 *Environmental Protection* Agency the Department of Resources
25 Recycling and Recovery. The Department of Resources Recycling
26 and Recovery shall be administered under the control of an
27 executive officer known as the Director of Resources Recycling
28 and Recovery. Any reference in any law or regulation to the State
29 Solid Waste Management Board, the California Waste Management
30 Board, or the California Integrated Waste Management Board shall
31 hereafter apply to the Department of Resources Recycling and
32 Recovery. The Director of Resources Recycling and Recovery
33 shall hear and decide appeals of decisions of the Department of
34 Resources Recycling and Recovery made pursuant to this division.

35 SEC. 304. Section 883 of the Public Utilities Code is amended
36 to read:

37 883. (a) The commission shall, on or before February 1, 2001,
38 issue an order initiating an investigation and opening a proceeding
39 to examine the current and future definitions of universal service.
40 That proceeding shall include public hearings that encourage

- 1 participation by a broad and diverse range of interests from all
2 areas of the state, including, but not limited to, all of the following:
- 3 (1) Consumer groups.
 - 4 (2) Communication service providers, including all providers
5 of high-speed access services.
 - 6 (3) Facilities-based telephone providers.
 - 7 (4) Information service providers and Internet access providers.
 - 8 (5) Rural and urban users.
 - 9 (6) Public interest groups.
 - 10 (7) Representatives of small and large businesses and industry.
 - 11 (8) Local agencies.
 - 12 (9) State agencies, including, but not limited to, all of the
13 following:
 - 14 ~~(A) The Business, Transportation and Housing Agency.~~
 - 15 ~~(B)~~
 - 16 ~~(A) The State and Consumer Services Government Operations~~
17 ~~Agency.~~
 - 18 ~~(C)~~
 - 19 (B) The State Department of Education.
 - 20 ~~(D)~~
 - 21 (C) The State Department of *Public Health Services*.
 - 22 ~~(E)~~
 - 23 (D) The California State Library.
 - 24 (10) Colleges and universities.
 - 25 (b) The objectives of the proceeding set forth in subdivision (a)
26 shall include all of the following:
 - 27 (1) To investigate the feasibility of redefining universal service
28 in light of current trends toward accelerated convergence of voice,
29 video, and data, with an emphasis on the role of basic
30 telecommunications and Internet services in the workplace, in
31 education and workforce training, access to health care, and
32 increased public safety.
 - 33 (2) To evaluate the extent to which technological changes have
34 reduced the relevance of existing regulatory regimes given their
35 current segmentation based upon technology.
 - 36 (3) To receive broad-based input from a cross section of
37 interested parties and make recommendations on whether video,
38 data, and Internet service providers should be incorporated into
39 an enhanced Universal Lifeline Service program, as specified,
40 including relevant policy recommendations regarding regulatory

1 and statutory changes and funding options that are consistent with
2 the principles set forth in subdivision (c) of Section 871.7.

3 (4) To reevaluate prior definitions of basic service in a manner
4 that will, to the extent feasible, effectively incorporate the latest
5 technologies to provide all California residents with all of the
6 following:

7 (A) Improved quality of life.

8 (B) Expanded access to public and private resources for
9 education, training, and commerce.

10 (C) Increased access to public resources enhancing public health
11 and safety.

12 (D) Assistance in bridging the “digital divide” through expanded
13 access to new technologies by low income, disabled, or otherwise
14 disadvantaged Californians.

15 (5) To assess projected costs of providing enhanced universal
16 lifeline service in accordance with the intent of this article, and to
17 delineate the subsidy support needed to maintain the redefined
18 scope of universal service in a competitive market.

19 (6) To design and recommend an equitable and broad-based
20 subsidy support mechanism for universal service in competitive
21 markets in a manner that conforms with subdivision (c) of Section
22 871.7.

23 (7) To develop a process to periodically review and revise the
24 definition of universal service to reflect new technologies and
25 markets consistent with subdivision (c) of Section 871.7.

26 (8) To consider whether similar regulatory treatment for the
27 provision of similar services is appropriate and feasible.

28 (c) In conducting its investigation, the commission shall take
29 into account the role played by a number of diverse but convergent
30 industries and providers, even though many of these entities are
31 not subject to economic regulation by the commission or any other
32 government entity.

33 (d) The recommendations of the commission shall be consistent
34 with state policies for telecommunications as set forth in Section
35 709, and with all of the following principles:

36 (1) Universal service shall, to the extent feasible, be provided
37 at affordable prices regardless of linguistic, cultural, ethnic,
38 physical, financial, and geographic considerations.

39 (2) Consumers shall be provided access to all information
40 needed to allow timely and informed choices about

1 telecommunications products and services that are part of the
2 universal service program and how best to use them.

3 (3) Education, health care, community, and government
4 institutions shall be positioned as early recipients of new and
5 emerging technologies so as to maximize the economic and social
6 benefits of these services.

7 (e) The commission shall complete its investigation and report
8 to the Legislature its findings and recommendations on or before
9 January 1, 2002.

10 SEC. 305. Section 2872.5 of the Public Utilities Code, as
11 amended by Section 64 of Chapter 404 of the Statutes of 2010, is
12 amended to read:

13 2872.5. (a) The commission, in consultation with the ~~California~~
14 ~~Office of Emergency Management Agency Services~~ and the
15 ~~California Department of Technology Agency~~, shall open an
16 investigative proceeding to determine whether standardized
17 notification systems and protocol should be utilized by entities
18 that are authorized to use automatic dialing-announcing devices
19 pursuant to subdivision (e) of Section 2872, to facilitate notification
20 of affected members of the public of local emergencies. The
21 commission shall not establish standards for notification systems
22 or standard notification protocol unless it determines that the
23 benefits of the standards exceed the costs.

24 (b) Before January 1, 2008, the commission shall prepare and
25 submit to the Legislature a report on the results of the proceeding,
26 including recommendations for funding notification systems and
27 any statutory modifications needed to facilitate notification of
28 affected members of the public of local emergencies.

29 SEC. 306. Section 2892 of the Public Utilities Code is amended
30 to read:

31 2892. (a) A provider of commercial mobile radio service, as
32 defined in Section 216.8, shall provide access for end users of that
33 service to the local emergency telephone systems described in the
34 Warren-911-Emergency Assistance Act (Article 6 (commencing
35 with Section 53100) of Chapter 1 of Part 1 of Division 2 of Title
36 5 of the Government Code). “911” shall be the primary access
37 number for those emergency systems. A provider of commercial
38 mobile radio service, in accordance with all applicable Federal
39 Communication Commission orders, shall transmit all “911” calls
40 from technologically compatible commercial mobile radio service

1 communication devices without requiring user validation or any
2 similar procedure. A provider of commercial mobile radio service
3 may not charge any airtime, access, or similar usage charge for
4 any “911” call placed from a commercial mobile radio service
5 telecommunications device to a local emergency telephone system.

6 (b) A “911” call from a commercial mobile radio service
7 telecommunications device may be routed to a public safety
8 answering point other than the Department of the California
9 Highway Patrol only if the alternate routing meets all of the
10 following requirements:

11 (1) The “911” call originates from a location other than from a
12 freeway, as defined in Section 23.5 of the Streets and Highways
13 Code, under the jurisdiction of the Department of the California
14 Highway Patrol.

15 (2) The alternate routing is economically and technologically
16 feasible.

17 (3) The alternate routing will benefit public safety and reduce
18 burdens on dispatchers for the Department of the California
19 Highway Patrol.

20 (4) The Department of the California Highway Patrol, the
21 ~~California Department of Technology Agency~~, and the proposed
22 alternate public safety answering point, in consultation with the
23 wireless industry, providers of “911” selective routing service, and
24 local law enforcement officials, determine that it is in the best
25 interest of the public and will provide more effective emergency
26 service to the public to route “911” calls that do not originate from
27 a freeway, as defined in Section 23.5 of the Streets and Highways
28 Code, under the jurisdiction of the Department of the California
29 Highway Patrol to another public safety answering point.

30 SEC. 307. Section 2892.1 of the Public Utilities Code is
31 amended to read:

32 2892.1. (a) For purposes of this section, “telecommunications
33 service” means voice communication provided by a telephone
34 corporation as defined in Section 234, voice communication
35 provided by a provider of satellite telephone services, voice
36 communication provided by a provider of mobile telephony service,
37 as defined in Section 2890.2, and voice communication provided
38 by a commercially available facilities-based provider of voice
39 communication services utilizing voice over Internet Protocol or
40 any successor protocol.

1 (b) The commission, in consultation with the ~~California Office~~
2 ~~of Emergency Management Agency Services~~ and the ~~California~~
3 ~~Department of Technology Agency~~, shall open an investigative or
4 other appropriate proceeding to identify the need for
5 telecommunications service systems not on the customer's premises
6 to have backup electricity to enable telecommunications networks
7 to function and to enable the customer to contact a public safety
8 answering point operator during an electrical outage, to determine
9 performance criteria for backup systems, and to determine whether
10 the best practices recommended by the Network Reliability and
11 Interoperability Council in December 2005, for backup systems
12 have been implemented by telecommunications service providers
13 operating in California. If the commission determines it is in the
14 public interest, the commission shall, consistent with subdivisions
15 (c) and (d), develop and implement performance reliability
16 standards.

17 (c) The commission, in developing any standards pursuant to
18 the proceeding required by subdivision (b), shall consider current
19 best practices and technical feasibility for establishing battery
20 backup requirements.

21 (d) The commission shall not implement standards pursuant to
22 the proceeding required by subdivision (b) unless it determines
23 that the benefits of the standards exceed the costs.

24 (e) The commission shall determine the feasibility of the use of
25 zero greenhouse gas emission fuel cell systems to replace diesel
26 backup power systems.

27 (f) Before January 1, 2008, the commission shall prepare and
28 submit to the Legislature a report on the results of the proceeding.

29 SEC. 308. Section 7718 of the Public Utilities Code is amended
30 to read:

31 7718. (a) The Railroad Accident Prevention and Immediate
32 Deployment Force is hereby created in the California
33 Environmental Protection Agency. The force shall be responsible
34 for providing immediate onsite response capability in the event of
35 large-scale releases of toxic materials resulting from surface
36 transportation accidents and for implementing the state hazardous
37 materials incident prevention and immediate deployment plan.
38 This force shall act cooperatively and in concert with existing local
39 emergency response units. The force shall consist of representatives
40 of all of the following:

- 1 (1) Department of Fish and Game.
 2 (2) California Environmental Protection Agency.
 3 (3) State Air Resources Board.
 4 (4) California Integrated Waste Management Board.
 5 (5) California regional water quality control boards.
 6 (6) Department of Toxic Substances Control.
 7 (7) Department of Pesticide Regulation.
 8 (8) Office of Environmental Health Hazard Assessment.
 9 (9) State Department of *Public Health Services*.
 10 (10) Department of the California Highway Patrol.
 11 (11) Department of Food and Agriculture.
 12 (12) Department of Forestry and Fire Protection.
 13 (13) Department of Parks and Recreation.
 14 ~~(14) Department of Boating and Waterways.~~
 15 ~~(15) California~~
 16 (14) Public Utilities Commission.
 17 ~~(16)~~
 18 (15) Any other potentially affected state, local, or federal
 19 agency.
 20 ~~(17) California~~
 21 (16) *Office of Emergency Management Agency Services*.
 22 (b) The California Environmental Protection Agency shall
 23 develop a state railroad accident prevention and immediate
 24 deployment plan in cooperation with the State Fire Marshal,
 25 affected businesses, and all of the entities listed in paragraphs (1)
 26 to (17), inclusive, of subdivision (a).
 27 (c) The plan specified in subdivision (b) shall be a
 28 comprehensive set of policies and directions that every potentially
 29 affected state agency and business shall follow if there is a railroad
 30 accident to minimize the potential damage to the public health and
 31 safety, property, and the environment that might result from
 32 accidents involving railroad activities in the state.
 33 SEC. 309. Section 185020 of the Public Utilities Code is
 34 amended to read:
 35 185020. (a) There is ~~in state government~~ *the Transportation*
 36 *Agency* a High-Speed Rail Authority.
 37 (b) (1) The authority is composed of nine members as follows:
 38 (A) Five members appointed by the Governor.
 39 (B) Two members appointed by the Senate Committee on Rules.
 40 (C) Two members appointed by the Speaker of the Assembly.

1 (2) For the purposes of making appointments to the authority,
2 the Governor, the Senate Committee on Rules, and the Speaker of
3 the Assembly shall take into consideration geographical diversity
4 to ensure that all regions of the state are adequately represented.

5 (c) Except as provided in subdivision (d), and until their
6 successors are appointed, members of the authority shall hold
7 office for terms of four years. A vacancy shall be filled by the
8 appointing power making the original appointment, by appointing
9 a member to serve the remainder of the term.

10 (d) (1) On and after January 1, 2001, the terms of all persons
11 who are then members of the authority shall expire, but those
12 members may continue to serve until they are reappointed or until
13 their successors are appointed. In order to provide for evenly
14 staggered terms, persons appointed or reappointed to the authority
15 after January 1, 2001, shall be appointed to initial terms to expire
16 as follows:

17 (A) Of the five persons appointed by the Governor, one shall
18 be appointed to a term which expires on December 31, 2002, one
19 shall be appointed to a term which expires on December 31, 2003,
20 one shall be appointed to a term which expires on December 31,
21 2004, and two shall be appointed to terms which expires on
22 December 31, 2005.

23 (B) Of the two persons appointed by the Senate Committee on
24 Rules, one shall be appointed to a term which expires on December
25 31, 2002, and one shall be appointed to a term which expires on
26 December 31, 2004.

27 (C) Of the two persons appointed by the Speaker of the
28 Assembly, one shall be appointed to a term which expires on
29 December 31, 2003, and one shall be appointed to a term which
30 expires on December 31, 2005.

31 (2) Following expiration of each of the initial terms provided
32 for in this subdivision, the term shall expire every four years
33 thereafter on December 31.

34 (e) Members of the authority are subject to the Political Reform
35 Act of 1974 (Title 9 (commencing with Section 81000)).

36 (f) From among its members, the authority shall elect a
37 chairperson, who shall preside at all meetings of the authority, and
38 a vice chairperson to preside in the absence of the chairperson.
39 The chairperson shall serve a term of one year.

1 (g) Five members of the authority constitute a quorum for taking
2 any action by the authority.

3 SEC. 310. Section 41030 of the Revenue and Taxation Code
4 is amended to read:

5 41030. The ~~California Department of Technology Agency~~ shall
6 determine annually, on or before October 1, a surcharge rate that
7 it estimates will produce sufficient revenue to fund the current
8 fiscal year's 911 costs. The surcharge rate shall be determined by
9 dividing the costs (including incremental costs) the ~~California~~
10 ~~Department of Technology Agency~~ estimates for the current fiscal
11 year of 911 plans approved pursuant to Section 53115 of the
12 Government Code, less the available balance in the State
13 Emergency Telephone Number Account in the General Fund, by
14 its estimate of the charges for intrastate telephone communications
15 services and VoIP service to which the surcharge will apply for
16 the period of January 1 to December 31, inclusive, of the next
17 succeeding calendar year, but in no event shall such surcharge rate
18 in any year be greater than three-quarters of 1 percent nor less than
19 one-half of 1 percent.

20 SEC. 311. Section 41031 of the Revenue and Taxation Code
21 is amended to read:

22 41031. The ~~California Department of Technology Agency~~ shall
23 make its determination of the surcharge rate each year no later
24 than October 1 and shall notify the board of the new rate, which
25 shall be fixed by the board to be effective with respect to charges
26 made for intrastate telephone communication services and VoIP
27 service on or after January 1 of the next succeeding calendar year.

28 SEC. 312. Section 41032 of the Revenue and Taxation Code
29 is amended to read:

30 41032. Immediately upon notification by the ~~California~~
31 ~~Department of Technology Agency~~ and fixing the surcharge rate,
32 the board shall each year no later than November 15 publish in its
33 minutes the new rate, and it shall notify by mail every service
34 supplier registered with it of the new rate.

35 SEC. 313. Section 41136.1 of the Revenue and Taxation Code
36 is amended to read:

37 41136.1. For each fiscal year, moneys in the State Emergency
38 Telephone Number Account not appropriated for a purpose
39 specified in Section 41136 shall be held in trust for future
40 appropriation for upcoming, planned "911" emergency telephone

1 number projects that have been approved by the ~~California~~
2 ~~Department of Technology Agency~~, even if the projects have not
3 yet commenced.

4 SEC. 314. Section 41137 of the Revenue and Taxation Code
5 is amended to read:

6 41137. The ~~California Department of Technology Agency~~ shall
7 pay, from funds appropriated from the State Emergency Telephone
8 Number Account by the Legislature, as provided in Section 41138,
9 bills submitted by service suppliers or communications equipment
10 companies for the installation and ongoing costs of the following
11 communication services provided local agencies by service
12 suppliers in connection with the “911” emergency telephone
13 number system:

- 14 (a) A basic system.
- 15 (b) A basic system with telephone central office identification.
- 16 (c) A system employing automatic call routing.
- 17 (d) Approved incremental costs that have been concurred in by
18 the ~~California Department of Technology Agency~~.

19 SEC. 315. Section 41137.1 of the Revenue and Taxation Code
20 is amended to read:

21 41137.1. The ~~California Department of Technology Agency~~
22 shall pay, from funds appropriated from the State Emergency
23 Telephone Number Account by the Legislature, as provided in
24 Section 41138, claims submitted by local agencies for approved
25 incremental costs and for the cost of preparation of final plans
26 submitted to the ~~California Department of Technology Agency~~
27 for approval on or before October 1, 1978, as provided in Section
28 53115 of the Government Code.

29 SEC. 316. Section 41138 of the Revenue and Taxation Code
30 is amended to read:

31 41138. (a) It is the intent of the Legislature that the
32 reimbursement rates for “911” emergency telephone number
33 equipment shall not exceed specified amounts negotiated with
34 each interested supplier and approved by the ~~California Department~~
35 ~~of Technology Agency~~. The ~~California Technology Agency~~
36 ~~department~~ shall negotiate supplier pricing to ensure cost
37 effectiveness and the best value for the “911” emergency telephone
38 number system. The ~~California Technology Agency department~~
39 shall pay those bills as provided in Section 41137 only under the
40 following conditions:

1 (1) The ~~California Technology Agency~~ *department* shall have
2 received the local agency's "911" emergency telephone number
3 system plan by July 1 of the prior fiscal year and approved the
4 plan by October 1 of the prior fiscal year.

5 (2) The Legislature has appropriated in the Budget Bill an
6 amount sufficient to pay those bills.

7 (3) The ~~California Technology Agency~~ *department* has reviewed
8 and approved each line item of a request for funding to ensure the
9 necessity of the proposed equipment or services and the eligibility
10 for reimbursement.

11 (4) The amounts to be paid do not exceed the pricing submitted
12 by the supplier and approved by the ~~California Technology Agency~~
13 *department*. Extraordinary circumstances may warrant spending
14 in excess of the established rate, but shall be preapproved by the
15 ~~California Technology Agency~~ *department*. In determining the
16 reimbursement rate, the ~~California Technology Agency~~ *department*
17 shall utilize the approved pricing submitted by the supplier
18 providing the equipment or service.

19 (b) Nothing in this section shall be construed to limit an agency's
20 ability to select a supplier or procure telecommunications
21 equipment as long as the supplier's pricing is preapproved by the
22 ~~California Department of Technology Agency~~. Agencies shall be
23 encouraged to procure equipment on a competitive basis. Any
24 amount in excess of the pricing approved by the ~~California~~
25 ~~Technology Agency~~ *department* shall not be reimbursed.

26 SEC. 317. Section 41139 of the Revenue and Taxation Code
27 is amended to read:

28 41139. From funds appropriated by the Legislature from the
29 Emergency Telephone Number Account, the ~~California Department~~
30 ~~of Technology Agency~~ shall begin paying bills as provided in
31 Sections 41137, 41137.1, and 41138 in the 1977-78 fiscal year
32 for plans submitted by local agencies by July 1, 1976, to the
33 ~~California Technology Agency~~ *which department that the*
34 ~~California Technology Agency~~ *department* has approved.

35 SEC. 318. Section 41140 of the Revenue and Taxation Code
36 is amended to read:

37 41140. The ~~California Department of Technology Agency~~ shall
38 reimburse local agencies, from funds appropriated from the
39 Emergency Telephone Number Account by the Legislature, for
40 amounts not previously compensated for by another governmental

1 agency, which have been paid by agencies for approved
2 incremental costs or to service suppliers or communication
3 equipment companies for the following communications services
4 supplied in connection with the “911” emergency telephone
5 number, provided local agency plans had been approved by the
6 ~~California Technology Agency~~ department:

- 7 (a) A basic system.
- 8 (b) A basic system with telephone central office identification.
- 9 (c) A system employing automatic call routing.
- 10 (d) Approved incremental costs.

11 SEC. 319. Section 41141 of the Revenue and Taxation Code
12 is amended to read:

13 41141. Claims for reimbursement shall be submitted by local
14 agencies to the ~~California Department of Technology Agency~~,
15 which shall determine payment eligibility and shall reduce the
16 claim for charges that exceed the approved incremental costs,
17 approved contract amounts, or the established tariff rates for costs.
18 No claim shall be paid until funds are appropriated by the
19 Legislature.

20 SEC. 320. Section 41142 of the Revenue and Taxation Code
21 is amended to read:

22 41142. Notwithstanding any other provision of this article, if
23 the Legislature fails to appropriate an amount sufficient to pay
24 bills submitted to the ~~California Department of Technology Agency~~
25 by service suppliers or communications equipment companies for
26 the installation and ongoing communications services supplied
27 local agencies in connection with the “911” emergency telephone
28 number system, and to pay claims of local agencies which, prior
29 to the effective date of this part, paid amounts to service suppliers
30 or communications equipment companies for the installation and
31 ongoing expenses in connection with the “911” emergency
32 telephone number system, the obligation of service suppliers and
33 local agencies to provide “911” emergency telephone service shall
34 terminate and service shall not again be required until the
35 Legislature has appropriated an amount sufficient to pay those
36 bills or claims. Nothing in this part shall preclude local agencies
37 from purchasing or acquiring any communication equipment from
38 companies other than the telephone service suppliers.

39 SEC. 321. Section 1500 of the Vehicle Code is amended to
40 read:

1 1500. There is in the ~~Business, Transportation and Housing~~
2 *Transportation* Agency the Department of Motor Vehicles.

3 SEC. 322. Section 1505 of the Vehicle Code is amended to
4 read:

5 1505. The director, with the approval of the Governor and the
6 Secretary of ~~the Business, Transportation and Housing Agency~~,
7 shall organize the department in ~~such a manner as~~ *that* he or she
8 may deem necessary to conduct the work of the department.

9 SEC. 323. Section 2100 of the Vehicle Code is amended to
10 read:

11 2100. There is in the ~~Business, Transportation and Housing~~
12 *Transportation* Agency the Department of the California Highway
13 Patrol.

14 SEC. 324. Section 2109 of the Vehicle Code is amended to
15 read:

16 2109. The commissioner shall organize the department with
17 the approval of the Governor and the Secretary of ~~the Business,~~
18 ~~Transportation and Housing Agency~~ and may arrange and classify
19 the work of the department and may, with the approval of the
20 Governor and the Secretary of ~~the Business, Transportation and~~
21 ~~Housing Agency~~, create or abolish divisions thereof.

22 SEC. 325. Section 2901 of the Vehicle Code is amended to
23 read:

24 2901. The Governor may appoint a highway safety
25 representative who shall serve in the ~~Business, Transportation and~~
26 ~~Housing Transportation~~ Agency and who shall, in consultation
27 with the Governor and Secretary of ~~the Business, Transportation~~
28 ~~and Housing Agency Transportation~~, prepare the California Traffic
29 Safety Program. The Governor is responsible for the administration
30 of the program, and has final approval of all phases of the program,
31 and may take all action necessary to secure the full benefits
32 available to the program under the Federal Highway Safety Act
33 of 1966, and any amendments thereto. The highway safety
34 representative serves at the pleasure of the secretary.

35 SEC. 326. Section 2902 of the Vehicle Code is amended to
36 read:

37 2902. To the maximum extent permitted by federal law and
38 regulations and the laws of this state, the Governor may delegate
39 to the Secretary of ~~the Business and Transportation Agency~~ and
40 the highway safety representative ~~any power or the~~ authority

1 necessary to administer the program, and the secretary and the
2 representative may exercise ~~such power or~~ *this* authority once
3 delegated.

4 SEC. 327. Section 11910 of the Water Code is amended to
5 read:

6 11910. There shall be incorporated in the planning and
7 construction of each project those features (including, but not
8 limited to, additional storage capacity) that the department, after
9 giving full consideration to any recommendations which may be
10 made by the Department of Fish and Game, the Department of
11 Parks and Recreation, ~~the Department of Boating and Waterways,~~
12 any federal agency, and any local governmental agency with
13 jurisdiction over the area involved, determines necessary or
14 desirable for the preservation of fish and wildlife, and necessary
15 or desirable to permit, on a year-round basis, full utilization of the
16 project for the enhancement of fish and wildlife and for recreational
17 purposes to the extent that those features are consistent with other
18 uses of the project, if any. It is the intent of the Legislature that
19 there shall be full and close coordination of all planning for the
20 preservation and enhancement of fish and wildlife and for
21 recreation in connection with state water projects by and between
22 the Department of Water Resources, the Department of Parks and
23 Recreation, ~~the Department of Boating and Waterways,~~ the
24 Department of Fish and Game, and all appropriate federal and
25 local agencies.

26 SEC. 328. Section 11910.1 of the Water Code is amended to
27 read:

28 11910.1. In furtherance of the policies specified in Section
29 11910, the Department of Fish and Game, the Department of Parks
30 and Recreation, ~~the Department of Boating and Waterways,~~ and
31 other governmental agencies shall submit their recommendations
32 or comments on reconnaissance studies or feasibility reports of
33 the Department of Water Resources relating to any project or
34 feature of a project within 60 days following receipt of a formal
35 request for review from the Department of Water Resources.

36 SEC. 329. (a) Except as provided for in subdivision (b), the
37 provisions of this plan shall become operative on July 1, 2013.

38 (b) A state agency, department, or entity may take actions prior
39 to July 1, 2013, that are necessary to ensure that the provisions of
40 the plan become operative on July 1, 2013, and are implemented

1 in a timely fashion. These actions may include, but are not limited
2 to, reassignment of duties between state agencies, departments, or
3 entities, activities included in Section 12080.3 of the Government
4 Code, actions relating to planning for the changes provided for in
5 the plan, and the expenditure of funds necessary for the transfer
6 of authority and responsibilities accomplished by the plan.

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