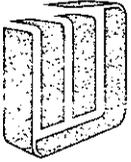


FILED by order
of the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held APR 14 1992 9-18
Herbert E. Duff
Executive Secretary



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

March 30, 1992

(Executive Comm.--Information)

To: Board of Directors (Special Comm. on Legislation--Information)

From: General Manager

Subject: Assembly Bill 24 (Filante-Marin & Sonoma Counties)--State Bonds for Reclamation Projects Amended to be for Flood Control and Clean Water Projects

Report

AB 24, introduced by Assemblyman Bill Filante, originally authorized a \$200 million general obligation bond issue for loans to local agencies for the construction of water reclamation projects. The bill was later amended to add \$400 million in general obligation bonds for international border region cleanup, clean water facility grants, and groundwater cleanup and recharge facility loans. By letter of February 22, 1991, the General Manager sought, and obtained, at your Board's March 1991 Board meeting, support for the passage of AB 24 as it was then constituted.

AB 24 has recently been amended by deleting all previous language and providing for two general obligation bond issues. The Water Resources Bond Law of 1992 would authorize a \$200 million general obligation bond issue for loans and grants for flood control and flood control prevention projects and some small public drinking water system upgrades to ensure compliance with safe drinking water statutes (no project to exceed \$5 million in total design and construction costs). The Clean Water Bond Law of 1992 would provide \$350 million in general obligation bond proceeds to primarily fund eligible water pollution control facilities including reclamation, water reuse and water recycling, and agricultural drainage projects. The bill also allocates portions of its proceeds for funding of state or local participation in federal pollution control programs, monies for wastewater treatment facilities and to correct conditions of pollution in some specified waterways.

Because AB 24 has been entirely rewritten and now has as its primary focus flood control and pollution control, the General Manager has determined it appropriate to take a neutral position on this bill, neither supporting nor opposing it.

March 30, 1992

Board Committee Assignments

This letter is referred for information to:

The Executive Committee because it involves legislation which might affect the District pursuant to Administrative Code Section 2417(a); and

The Special Committee on Legislation because it involves a legislative matter that may affect the District pursuant to Administrative Code Section 2581(a).

Recommendation

For information only.


Carl Boronkay

AMENDED IN SENATE FEBRUARY 14, 1992

AMENDED IN ASSEMBLY JANUARY 29, 1992

AMENDED IN ASSEMBLY AUGUST 26, 1991

AMENDED IN ASSEMBLY MAY 15, 1991

AMENDED IN ASSEMBLY APRIL 2, 1991

CALIFORNIA LEGISLATURE—1991-92 REGULAR SESSION

ASSEMBLY BILL

No. 24

Introduced by Assembly Members Filante, Cortese, Costa,
Kelley, and Peace

December 3, 1990

An act to add Chapter 6.6 (commencing with Section 13186), Chapter 18 (commencing with Section 14100), Chapter 20 (commencing with Section 14200), and Chapter 21 (commencing with Section 14250) to Division 7 of the Water Code, relating to financing water programs; 24 (commencing with Section 14950) and Chapter 25 (commencing with Section 15000) to Division 7 of the Water Code, relating to public facilities and financing water programs by providing the funds necessary therefor through the issuance and sale of bonds of the State of California, and by providing for the handling and disposition of those funds, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 24, as amended, Filante. Water: state bonds.

(1) Under existing law, various bond acts have been approved by the voters to provide funds for water programs.

This bill would enact the Water Resources Bond Law of 1992, which, if adopted, would authorize, for purposes of

financing prescribed flood control and safe drinking water programs, the issuance of bonds in the amount of \$200,000,000, pursuant to the State General Obligation Bond Law.

The bill would enact the Clean Water Bond Law of 1992, which, if adopted, would authorize, for purposes of financing prescribed water pollution control and reclamation programs, the issuance of bonds in the amount of \$350,000,000, pursuant to the State General Obligation Bond Law.

(2) The California Safe Drinking Water Bond Law of 1976 provided for the issuance of state bonds and for the expenditure of the proceeds for state loans and grants for the construction, improvement, or rehabilitation of domestic water systems.

The bill would revise the method of calculating the rate of interest to reduce that rate on loans under that bond law, as prescribed.

(3) Existing law authorizes the State Public Works Board to acquire and construct public buildings, charge and collect rentals for the use of public buildings, and issue certificates or revenue bonds to obtain funds to pay the cost of public buildings.

This bill would authorize the board to construct a plant industry laboratory for the Department of Food and Agriculture. The bill would continuously appropriate financing proceeds for these purposes.

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

(1) Under existing law, funds have been appropriated by the Legislature for purposes of funding specified costs of pollution control facilities in the international border region.

This bill would enact a framework for the International Border Wastewater and Toxics Cleanup Bond Law of 1992, which, if adopted, would authorize, for purposes of financing a specified wastewater and toxics cleanup program in the international border region, the issuance of bonds in the amount of \$150,000,000, pursuant to the State General Obligation Bond Law.

(2) Under existing law, various bond acts have been approved by the voters to provide funds for the planning, research, development, and construction of treatment works

and wa

This :
Bond L
purpose
issuanc
of bond

(3) F
1988 pr
specific
program

This
Bond L
purpose
program
Obligat

(4) F
of 1986
provide
and cor
and gre

This L
and Wa
would a
Obligat
for purp

acquisit
ground
program

The i
authoriz
Water C
Bond L
be used
conditie

(5) F
or sold p
be made
would be
of the st

Vote:

safe drinking water amount of \$200,000,000, Bond Law.

Bond Law of 1992, purposes of financing reclamation programs, 50,000,000, pursuant to.

Bond Law of 1976 bonds and for the grants for the sanitation of domestic

calculating the rate of that bond law, as

Public Works Board, charge and collect and issue certificates or the cost of public

to construct a plant ment of Food and ously appropriate

it is to take effect

been appropriated by ing specified costs of tional border region for the International Bond Law of 1992, purposes of financing up program in the nee of bonds in the the State General

and acts have been ads for the planning, n of treatment works

and water reclamation facilities.

This bill would enact a framework for the Water Recycling Bond Law of 1992 which, if adopted, would authorize, for purposes of financing a water recycling program, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$200,000,000.

(3) The Clean Water and Water Reclamation Bond Law of 1988 provides for the issuance of state bonds to finance a specified water pollution control and water reclamation program.

This bill would enact a framework for the Clean Water Bond Law of 1992 which, if adopted, would authorize, for purposes of financing a specified water pollution control program, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$50,000,000.

(4) The Water Conservation and Water Quality Bond Law of 1986 and the Water Conservation Bond Law of 1988 provide for the issuance of state bonds to aid in the acquisition and construction of specified water conservation programs and groundwater recharge facilities.

This bill would enact a framework for the Water Quality and Water Conservation Bond Law of 1992 which, if adopted, would authorize the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$200,000,000, for purposes of financing a specified program to aid in the acquisition and construction of groundwater treatment and groundwater recharge facilities and water conservation programs.

The bill would authorize specified proceeds of bonds authorized to be issued under the Water Conservation and Water Quality Bond Law of 1986 and the Water Conservation Bond Law of 1988 which are unobligated on June 2, 1992, to be used for loans in accordance with specified terms and conditions of this bond act.

(5) The bill would provide that no bonds would be issued or sold pursuant to its provisions, that no appropriation would be made for any purpose in the bill, that no portion of the bill would be submitted to the voters, and that no debt or liability of the state would be created by the bill.

Vote: majority 2/3. Appropriation: no yes. Fiscal committee:

yes. State-mandated local program: no.

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

1 SECTION 1. Chapter 6.6 (commencing with Section
2 SECTION 1. Chapter 24 (commencing with Section
3 14950) is added to Division 7 of the Water Code, to read:

4
5 CHAPTER 24. WATER RESOURCES BOND LAW OF 1992

6
7 Article 1. General Provisions

8
9 14950. This chapter shall be known and may be cited
10 as the Water Resources Bond Law of 1992.

11 14951. The Legislature finds and declares that the
12 purpose of this chapter is to provide funding for flood
13 control projects, urban creeks projects, and safe drinking
14 water projects.

15 14952. Unless the context otherwise requires, the
16 following definitions govern the construction of this
17 chapter:

18 (a) "Committee" means the Water Resources Finance
19 Committee created pursuant to Section 14997.4.

20 (b) "Department" means the Department of Water
21 Resources.

22 (c) "Fund" means the Water Resources Bond Fund of
23 1992 created pursuant to Section 14953.

24 14954. The proceeds of bonds issued and sold
25 pursuant to this chapter shall be deposited in the Water
26 Resources Bond Fund of 1992, which is hereby created.

27
28 Article 2. Flood Control Program

29
30 14955. Unless the context requires otherwise, the
31 following definition governs the construction of this
32 article:

33 "Public agency" means any city, county, city and
34 county, district, or joint powers authority.

35 14956. There is hereby created in the fund, for the
36 purpose of implementing this article, both of the

1 following ac
2 (a) The i
3 (b) The
4 14957. T
5 the account
6 Governmen
7 regard to fis
8 follows:
9 (a) One
10 thousand d
11 Account, fo
12 (1) The
13 prevention
14 authorized
15 (Chapter 1
16 Chapter 2 (c
17 Division 6),
18 (commenci
19 6), and the
20 Prevention
21 12850) of Pa
22 to local a.
23 subdivision
24 and 12866.4.
25 (2) Expe
26 with Sectio
27 (3) The
28 exceed seve
29 (b) Five
30 Creeks Acc
31 (1) Gran
32 organizatio
33 lands that c
34 areas, in acc
35 (2) The c
36 the followin
37 (A) Adm.
38 exceed 5 pe
39 (B) Prov.
40 local agenci

o.

do enact as follows:

amencing with Section

amencing with Section

e Water Code, to read:

ES BOND LAW OF 1992

Provisions

own and may be cited

v of 1992.

and declares that the

vide funding for flood

ects, and safe drinking

erwise requires, the

construction of this

ter Resources Finance

ection 14997.4.

Department of Water

resources Bond Fund of

14953.

ds issued and sold

eposited in the Water

ch is hereby created.

ol Program.

quires otherwise, the

construction of this

ty, county, city and

thority.

l in the fund, For the

article, both of the

1 following accounts:

2 (a) The Flood Control Account.

3 (b) The Urban Creeks Account.

4 14957. There is hereby transferred from the fund to

5 the accounts and, notwithstanding Section 13340 of the

6 Government Code, continuously appropriated without

7 regard to fiscal years, from the accounts, the amounts as

8 follows:

9 (a) One hundred forty-seven million, five hundred

10 thousand dollars (\$147,500,000) to the Flood Control

11 Account, for all of the following purposes:

12 (1) The nonfederal costs of flood control and flood

13 prevention projects as are now or may hereafter be

14 authorized under the State Water Resources Law of 1945

15 (Chapter 1 (commencing with Section 12570) and

16 Chapter 2 (commencing with Section 12639) of Part 6 of

17 Division 6), the Flood Control Law of 1946 (Chapter 3

18 (commencing with Section 12800) of Part 6 of Division

19 6), and the California Watershed Protection and Flood

20 Prevention Law (Chapter 4 (commencing with Section

21 12850) of Part 6 of Division 6), including credits and loans

22 to local agencies under Sections 12585.3, 12585.4,

23 subdivision (d) of Section 12585.5, and Sections 12866.3

24 and 12866.4.

25 (2) Expenditures under Chapter 3.5 (commencing

26 with Section 12840) of Part 6 of Division 6.

27 (3) The department's administrative costs, not to

28 exceed seven hundred thousand dollars (\$700,000).

29 (b) Five million dollars (\$5,000,000) to the Urban

30 Creeks Account for both of the following purposes:

31 (1) Grants to public agencies and nonprofit

32 organizations for the acquisition or restoration of natural

33 lands that contain urban streams, creeks, and riparian

34 areas, in accordance with Section 7048.

35 (2) The costs incurred by the department for both of

36 the following:

37 (A) Administering paragraph (1), in an amount not to

38 exceed 5 percent of the amount in the account.

39 (B) Providing planning and design assistance to the

40 local agencies and nonprofit organizations, in an amount

1 not to exceed 15 percent of the amount available for
2 grants in any fiscal year.

3 14958. The Legislature may amend this article by
4 either of the following methods:

5 (a) By statute, passed in each house of the Legislature
6 by rollcall vote entered in the journal, two-thirds of the
7 membership concurring, if the statute is consistent with
8 the purposes of this article.

9 (b) By a statute that becomes effective only when
10 approved by the voters.

11

12 Article 3. California Safe Drinking Water Program

13

14 14965. The Legislature hereby finds and declares all
15 of the following:

16 (a) The State Department of Health Services has
17 discovered toxic contaminants in many of California's
18 public drinking water systems.

19 (b) Many of the contaminants in California's drinking
20 water supplies are known to cause, or are suspected of
21 causing, cancer, birth defects, and other serious illnesses.

22 (c) It is unlikely that the toxic contamination
23 problems of small public water systems can be solved
24 without financial assistance from the State of California.

25 14966. The Legislature further finds and declares that
26 the protection of the health, safety, and welfare of the
27 people of California requires that water supplied for
28 domestic purposes be at all times pure, wholesome, and
29 potable. It is in the interest of the people what the State
30 of California provide technical and financial assistance to
31 ensure a safe, dependable, and potable supply of water
32 for domestic purposes and that water is available in
33 adequate quantity at sufficient pressure for health,
34 cleanliness, and other domestic purposes.

35 14967. The Legislature further finds and declares that
36 it is the intent of the Legislature to provide for the
37 upgrading of existing public water supply systems to
38 ensure that all domestic water supplies meet safe
39 drinking water standards established under Chapter 7
40 (commencing with Section 4010) of Part 1 of Division 5

1 of the He
2 capacity
3 costs wou
4 system.
5 14968.
6 regional
7 often mo
8 solutions
9 single sm
10 of the pe
11 consolida
12 small wa
13 address t.
14 14969.
15 following
16 article:
17 (a) "A
18 applies f
19 (b) "C
20 achieves
21 (c) "F
22 awarded
23 (d) "I
24 Health S
25 (e) "F
26 construc
27 water sy
28 Section
29 this artic
30 (f) "F
31 county,
32 operates.
33 (g) "I
34 system"
35 piped w
36 Chapter
37 Division
38 amende
39 (h) "
40 standa

the amount available for
 amend this article by
 house of the Legislature
 journal, two-thirds of the
 statute is consistent with
 es effective only when
 nking Water Program
 y finds and declares all
 of Health Services has
 n many of California's
 in California's drinking
 se, or are suspected of
 l other serious illnesses.
 toxic contamination
 systems can be solved
 the State of California.
 finds and declares that
 ty, and welfare of the
 at water supplied for
 pure, wholesome, and
 people what the State
 l financial assistance to
 otable supply of water
 water is available in
 pressure for health,
 rposes.
 finds and declares that
 e to provide for the
 er supply systems to
 supplies meet safe
 ed under Chapter 7
 of Part 1 of Division 5

1 of the Health and Safety Code, but that any additional
 2 capacity be financed by other sources unless excessive
 3 costs would be incurred by later expansion of the water
 4 system.
 5 14968. The Legislature further finds and declares that
 6 regional solutions to water contamination problems are
 7 often more effective, efficient, and economical than
 8 solutions designed to address solely the problems of a
 9 single small public water system, and it is in the interest
 10 of the people of the State of California to encourage the
 11 consolidation of the management and the facilities of
 12 small water systems to enable those systems to better
 13 address their water contamination problems.
 14 14969. Unless the context requires otherwise, the
 15 following definitions govern the construction of this
 16 article:
 17 (a) "Applicant" means any person or entity that
 18 applies for funding under this article.
 19 (b) "Cost-effective project" means a project that
 20 achieves an acceptable result at the most reasonable cost.
 21 (c) "Funding" means a loan or a grant, or both,
 22 awarded under this article.
 23 (d) "Health services" means the State Department of
 24 Health Services.
 25 (e) "Project" means proposed facilities for the
 26 construction, improvement, or rehabilitation of a public
 27 water system, and may include all items set forth in
 28 Section 14976 as necessary to carry out the purposes of
 29 this article.
 30 (f) "Public agency" means any city, county, city and
 31 county, district, or joint powers authority, which owns,
 32 operates, or controls a public water system.
 33 (g) "Public water system" or "public water supply
 34 system" means a system for the provision to the public of
 35 piped water for human consumption, as defined in
 36 Chapter 7 (commencing with Section 4010) of Part 1 of
 37 Division 5 of the Health and Safety Code, as it may be
 38 amended from time to time.
 39 (h) "Safe drinking water standards" means those
 40 standards established pursuant to Chapter 7

1 (commencing with Section 4010) of Part 1 of Division 5
2 of the Health and Safety Code, as they may now or
3 hereafter be amended.

4 (i) "Supplier" means any person, partnership,
5 corporation, association, public agency, or other entity
6 which owns or operates a public water system.

7 14970. The Safe Drinking Water Account is hereby
8 created in the fund for the purpose of implementing this
9 article.

10 14971. Forty-seven million five hundred thousand
11 dollars (\$47,500,000) is hereby transferred from the fund
12 to the Safe Drinking Water Account and,
13 notwithstanding Section 13340 of the Government Code,
14 is hereby continuously appropriated without regard to
15 fiscal years, for the design and construction of projects for
16 public water systems that will enable suppliers to meet
17 safe drinking water standards.

18 14971.2. The department and health services shall
19 jointly establish criteria to be met to be eligible for
20 consideration for funding under this article. Except as
21 provided in subdivision (b) of Section 14974, the criteria
22 shall include all of the following:

23 (a) All preliminary design work for a specific project
24 that will enable the applicant to supply water that meets
25 safe drinking water standards, including a cost estimate
26 for the project, has been completed.

27 (b) The applicant has the authority to enter into
28 contracts and incur debt on behalf of the community to
29 be served and owns the public water system or has the
30 right to operate the public water system under a lease
31 with a term of at least 20 years, unless otherwise
32 authorized by the department. If the proposed project is
33 funded by a loan under this article, the department may
34 require the applicant to secure a lease for the full term
35 of the loan if the loan exceeds 20 years.

36 (c) The applicant has applied for all necessary
37 permits.

38 (d) The applicant holds all necessary water rights.

39 (e) The applicant has completed a preliminary review
40 as required by the California Environmental Quality Act

1 (Divi.
2 Public
3 pursu
4 with
5 (f)
6 data
7 proje
8 under
9 (g)
10 secur
11 149
12 be el
13 rules
14 149
15 heari.
16 from
17 proje
18 In c
19 impro
20 is ne
21 water
22 healt.
23 servic
24 syste
25 healt.
26 shall
27 critic
28 (b.
29 fundi
30 at the
31 list is
32 consi
33 of coi
34 consi
35 eithe
36 (c,
37 provi
38 servi
39 Bonc
40 Secti

t 1 of Division 5
ay may now or

2, partnership,
or other entity
system.

ccount is hereby
plementing this

ndred thousand
ed from the fund
Account and,
overnment Code,
without regard to
ion of projects for
uppliers to meet

th services shall
o be eligible for
article. Except as
14974, the criteria

a specific project
water that meets
ig a cost estimate

ity to enter into
the community to
system or has the
em under a lease
unless otherwise
proposed project is
e department may
e for the full term
rs.

for all necessary

ry water rights.
preliminary review
mental Quality Act

1 (Division 13 (commencing with Section 21000) of the
2 Public Resources Code) and the guidelines adopted
3 pursuant thereto, and has included plans for compliance
4 with that act in its preliminary plans for the project.

5 (f) The applicant has assembled sufficient financial
6 data to establish its ability to complete the proposed
7 project and the amount of debt financing it can
8 undertake.

9 (g) The applicant has made reasonable efforts to
10 secure federal or other financial assistance for the project.

11 14972. Health services shall notify suppliers that may
12 be eligible for funding pursuant to this article and the
13 rules and regulations adopted by the department.

14 14973. (a) Health services, after public notice and
15 hearing and with the advice of the department, shall,
16 from time to time, adopt a priority list of proposed
17 projects to be considered for funding under this article.

18 In doing so, health services shall determine if
19 improvement or rehabilitation of a public water system
20 is necessary to provide pure, wholesome, and potable
21 water in adequate quantity at sufficient pressure for
22 health, cleanliness, and other domestic purposes. Health
23 services shall adopt criteria for placing public water
24 systems on a priority list for funding based upon the
25 health effects of the current water quality. First priority
26 shall be given to public water systems with the most
27 critical public health problems.

28 (b) Consideration of an applicant's eligibility for
29 funding shall initially be based on the priority list in effect
30 at the time the application is received. If a new priority
31 list is adopted during the time the application is under
32 consideration, but before the applicant receives a letter
33 of commitment, the department and health services may
34 consider the applicant's eligibility for funding based on
35 either the old or new priority list.

36 (c) Notwithstanding subdivision (a) or any other
37 provision of law, the priority list adopted by health
38 services pursuant to the California Safe Drinking Water
39 Bond Law of 1988 (Chapter 16 (commencing with
40 Section 14000)) in effect on November 3, 1992, may, at

1 the option of health services, be utilized upon voter
2 approval of this chapter until health services adopts a
3 new priority list.

4 14974. (a) The department and health services shall
5 determine, based on the application submitted, whether
6 a particular applicant meets the criteria to be eligible for
7 consideration for project design and construction
8 funding.

9 (b) If the applicant does not meet the criteria, it may
10 be considered for planning and preliminary engineering
11 study funding. Applicants successfully completing a study
12 are eligible for consideration for project design and
13 construction funding after their study is completed and
14 they have met the criteria to be eligible for consideration
15 for project design and construction funding.

16 14975. (a) The department shall not approve an
17 application for funding of project design and construction
18 or planning and preliminary engineering studies, unless
19 health services certifies, in writing, that the proposed
20 study or project is necessary to enable the applicant to
21 meet safe drinking water standards, and is reviewed for
22 consistency with an adopted countywide consolidation
23 plan, if any. Health services may refuse to certify a study
24 or project if it determines that the purposes of this article
25 may more economically and efficiently be met by means
26 other than the proposed study or project. The
27 department, upon the recommendation of health
28 services, may make reasonable allowance for future
29 water supply needs and may provide for additional
30 capacity when excessive costs would be incurred by later
31 enlargement. Health services may limit funding to costs
32 necessary to enable suppliers to meet primary drinking
33 water standards, as defined in Chapter 7 (commencing
34 with Section 4010) of Part 1 of Division 5 of the Health
35 and Safety Code.

36 (b) With respect to applications for funding of project
37 design and construction, health services shall also certify,
38 in writing, all of the following:

39 (1) Upon completion of the project, the applicant will
40 be able to supply water that meets safe drinking water

1 standards.

2 (2) The project is c

3 (3) If the entire pro
4 article, health service
5 eligible for funding.

6 14976. Project desi
7 for funding under this

8 department with the
9 include any of the fol

10 (a) Reasonable
11 improvement, or reha

12 water system, whic
13 treatment works, and

14 system, if necessary
15 article.

16 (b) Reasonable cos
17 of water systems, inclu

18 facility fees, connecti
19 (c) Reasonable co

20 water rights, or water
21 (d) Operation and

22 extent they are used
23 completed project. A

24 costs shall be the res
25 not be considered as

26 (e) Reasonable co
27 funding under this ar

28 department entered
29 project under this ar

30 14977. Upon rece
31 pursuant to this artic

32 the applicant impro
33 development distrib

34 will conserve water
35 improvements may

36 leak detection and
37 replacement, mete

38 physical improveme
39 distribution and ir

40 devices and fixtures

1 standards.

2 (2) The project is cost-effective.

3 (3) If the entire project is not to be funded under this
4 article, health services shall specify which costs are
5 eligible for funding.

6 14976. Project design and construction costs eligible
7 for funding under this article shall be established by the
8 department with the advice of health services and may
9 include any of the following:

10 (a) Reasonable costs for the construction,
11 improvement, or rehabilitation of facilities of the public
12 water system, which may include water supply,
13 treatment works, and all or part of a water distribution
14 system, if necessary to carry out the purposes of this
15 article.

16 (b) Reasonable costs associated with the consolidation
17 of water systems, including, but not limited to, reasonable
18 facility fees, connection fees, or similar charges.

19 (c) Reasonable costs of purchasing water systems,
20 water rights, or watershed lands.

21 (d) Operation and maintenance costs only to the
22 extent they are used in the startup and testing of the
23 completed project. All other operation and maintenance
24 costs shall be the responsibility of the supplier and shall
25 not be considered as part of the project costs.

26 (e) Reasonable costs of establishing eligibility for
27 funding under this article that were incurred before the
28 department entered into a commitment to fund the
29 project under this article.

30 14977. Upon receipt of an application for funding
31 pursuant to this article, the department shall propose to
32 the applicant improvements to the applicant's water
33 development distribution and utilization system which
34 will conserve water in a cost-effective manner. These
35 improvements may include, but need not be limited to,
36 leak detection and repair programs, valve repair and
37 replacement, meter calibration and replacement,
38 physical improvements to achieve corrosion control,
39 distribution and installation of water conservation
40 devices and fixtures, and other capital improvements

1 which can be demonstrated to conserve water in a
 2 cost-effective manner. The department, health services,
 3 and the applicant may agree to include these capital
 4 improvements in the grant or loan. Failure by the
 5 applicant to include water conservation capital
 6 improvements in the application shall not be sufficient
 7 cause for the department to deny funding.

8 14978. (a) Project design and construction costs and
 9 planning and preliminary engineering studies may be
 10 funded under this article by loans, or, in the case of public
 11 agencies, by grants or by a combination of grants and
 12 loans.

13 (b) A single application for funding shall be filed.

14 (c) The department shall determine what portion of
 15 the full costs the public agency is capable of repaying and
 16 authorize funding in the form of a loan for that amount.
 17 The department shall authorize a grant only to the extent
 18 that the department finds that the public agency is
 19 unable to repay the full costs of a loan.

20 (d) At the request of the department, the Public
 21 Utilities Commission shall submit comments concerning
 22 the ability of suppliers subject to its jurisdiction to finance
 23 the project from other sources and to repay the loan.

24 14979. Not more than 50 percent of the proceeds of
 25 the bonds authorized to be issued under this article shall
 26 be used for grants. This amount shall include grants for
 27 all purposes authorized by this article. A grant may be
 28 made by the department only upon the specific approval
 29 of the Legislature.

30 14980. Loans for project design and construction shall
 31 be repaid over a term not longer than the useful life of
 32 the project constructed or 35 years, whichever is shorter.

33 14981. (a) The maximum amount of a grant
 34 permitted under this article for the design and
 35 construction of a single project is four hundred thousand
 36 dollars (\$400,000), except that the maximum amount is
 37 six hundred thousand dollars (\$600,000) for a grant for
 38 construction of a new water system to a public agency
 39 which has a population of less than 3,500 and is outside of
 40 any urbanized area designated by the United States

1 Bureau of the Census
 2 maximum amount of
 3 for the design and co
 4 million dollars (\$5,00

5 (b) A single entit
 6 than one design a
 7 proposed project cor
 8 water system. In th
 9 grant permitted is
 10 (\$300,000) for each
 11 one million five hu
 12 for each entity. T
 13 permitted is five m
 14 water system, up to
 15 (\$10,000,000) for eac

16 (c) If a project is
 17 more separate pub
 18 amount of a grant p
 19 hundred thousand
 20 system, not to excee
 21 dollars (\$1,500,000)
 22 maximum amount of
 23 that includes the co
 24 public water system.
 25 for each water syste
 26 (\$10,000,000) for ea

27 (d) Total funding
 28 and construction co
 29 a grant, or both, m
 30 (\$5,000) per serv
 31 authorized by the L
 32 preclude funding p.
 33 dollars (\$5,000) per
 34 for costs that excee
 35 other sources.

36 14982. An applic
 37 funding under this
 38 an additional study
 39 connection with the
 40 additional study c

1 Bureau of the Census from the 1990 federal census. The
2 maximum amount of a loan permitted under this article
3 for the design and construction of a single project is five
4 million dollars (\$5,000,000).

5 (b) A single entity may apply for funding for more
6 than one design and construction project if each
7 proposed project concerns a separate identifiable public
8 water system. In that case, the maximum amount of a
9 grant permitted is three hundred thousand dollars
10 (\$300,000) for each water system, up to a maximum of
11 one million five hundred thousand dollars (\$1,500,000)
12 for each entity. The maximum amount of a loan
13 permitted is five million dollars (\$5,000,000) for each
14 water system, up to a maximum of ten million dollars
15 (\$10,000,000) for each entity.

16 (c) If a project includes the consolidation of two or
17 more separate public water systems, the maximum
18 amount of a grant permitted under this article is three
19 hundred thousand dollars (\$300,000) for each water
20 system, not to exceed one million five hundred thousand
21 dollars (\$1,500,000) for each consolidated project. The
22 maximum amount of a loan permitted for a single project
23 that includes the consolidation of two or more separate
24 public water systems is five million dollars (\$5,000,000)
25 for each water system, not to exceed ten million dollars
26 (\$10,000,000) for each consolidated project.

27 (d) Total funding under this article of project design
28 and construction costs, whether in the form of a loan or
29 a grant, or both, may not exceed five thousand dollars
30 (\$5,000) per service connection unless otherwise
31 authorized by the Legislature. This subdivision does not
32 preclude funding projects that exceed the five thousand
33 dollars (\$5,000) per service connection limit if funding
34 for costs that exceed that amount can be obtained from
35 other sources.

36 14982. An applicant which has executed a contract for
37 funding under this article may not apply for funding for
38 an additional study or project pursuant to this article in
39 connection with the same public water system unless the
40 additional study or project is necessitated by safe

1 drinking water standard violations that came into
2 existence after the initial contract was entered into or
3 resulted from a change in safe drinking water standards
4 occurring after the initial contract was entered into.

5 14985. (a) The department may enter into contracts
6 to make grants or loans, or both, to public agencies, and
7 loans to other suppliers, for the purposes set forth in this
8 article. Any contract entered into pursuant to this section
9 shall include only terms and conditions consistent with
10 this article and the rules and regulations adopted under
11 this article.

12 (b) The contract shall include all of the following
13 terms and conditions that are applicable:

14 (1) An estimate of the reasonable cost of the project or
15 study.

16 (2) An agreement by the department to loan or grant,
17 or loan and grant, to the applicant an amount which
18 equals the portion of the costs found by the department
19 to be eligible for a loan or grant. The agreement may
20 provide for disbursement of funds during the progress of
21 the study or construction, or following completion of the
22 study or construction, as agreed by the parties.

23 (3) An agreement by the applicant to proceed
24 expeditiously with the project or study.

25 (4) An agreement by the applicant to commence
26 operation of the project upon completion of the project,
27 and to properly operate and maintain the project in
28 accordance with the applicable provisions of law.

29 (5) In the case of a loan, an agreement by the
30 applicant to repay the state, over a period not to exceed
31 the useful life of the project or 35 years, whichever is
32 shorter, or, in the case of a study, over a period not to
33 exceed five years, all of the following:

34 (A) The amount of the loan.

35 (B) The administrative fee specified in subdivision (a)
36 of Section 14988.

37 (C) Interest on the principal, which is the amount of
38 the loan plus the administrative fee.

39 (6) In the case of a project grant, an agreement by the
40 supplier to operate and maintain the water system for a

1 period of 20 years, or
2 department.

3 (c) The contract n
4 terms and conditions:

5 (1) An agreement
6 structure which prov
7 and operation of the p
8 for the repair and rep
9 where appropriate. T
10 for the repayment of
11 administrative fees, an

12 (2) If the entire pr
13 pursuant to this artic
14 provision requiring th
15 project or obtain func

16 (d) The departme
17 provide security for le

18 14986. All funding
19 expended by the app
20 execution of the cor
21 three-year period may
22 the department until i
23 contract, not includin

24 14987. The depart
25 interest rate for loans
26 percent of the avera
27 earned by the Pooled
28 three fiscal years im
29 which the departmen
30 commitment to fund t
31 to this article shall ca
32 the fiscal year in whic
33 loan, as of the date o
34 interest rate set for ea
35 the repayment perioo
36 shall not be deferred.

37 Notwithstanding S
38 established in this sec
39 for the full term of a
40 Safe Drinking Water

that came into
entered into or
water standards
entered into.

er into contracts
lic agencies, and
s set forth in this
nt to this section
consistent with
s adopted under

of the following
e:
of the project or

to loan or grant,
amount which
the department
agreement may
the progress of
mpletion of the
parties.
nt to proceed

to commence
of the project,
the project in
s of law.
ement by the
d not to exceed
s, whichever is
period not to

subdivision (a)
the amount of
ement by the
r system for a

1 period of 20 years, unless otherwise authorized by the
2 department.

3 (c) The contract may include any of the following
4 terms and conditions:

5 (1) An agreement by the supplier to adopt a fee
6 structure which provides for the proper maintenance
7 and operation of the project and includes a sinking fund
8 for the repair and replacement of the facilities in cases
9 where appropriate. The fee structure shall also provide
10 for the repayment of the amount of the loan and of the
11 administrative fees, and for the payment of interest.

12 (2) If the entire project or study is not being funded
13 pursuant to this article, the department may include a
14 provision requiring the applicant to share the cost of the
15 project or obtain funding from other sources.

16 (d) The department may require applicants to
17 provide security for loan contracts.

18 14986. All funding received under this article shall be
19 expended by the applicant within three years of the
20 execution of the contract with the department. The
21 three-year period may be extended with the approval of
22 the department until five years after the date the original
23 contract, not including amendments, was executed.

24 14987. The department shall annually establish the
25 interest rate for loans made pursuant to this article at 50
26 percent of the average of the annual rates of return
27 earned by the Pooled Money Investment Account for the
28 three fiscal years immediately preceding the year in
29 which the department sends the applicant a letter or
30 commitment to fund the project. All loans made pursuant
31 to this article shall carry the interest rate established for
32 the fiscal year in which the funds are committed to the
33 loan, as of the date of the letter of commitment. The
34 interest rate set for each loan shall be applied throughout
35 the repayment period of the loan. Interest on the loan
36 shall not be deferred.

37 Notwithstanding Section 13867, the interest rate
38 established in this section shall be applied retroactively
39 for the full term of all loans issued under the California
40 Safe Drinking Water Bond Law of 1976 (Chapter 10.5

1 (commencing with Section 13850)) from the date of
2 issuance.

3 14988. (a) For the purposes of administering this
4 article, the total expenditures of the department and
5 health services may not exceed 5 percent of the total
6 amount authorized to be deposited in the account. The
7 department shall establish a reasonable schedule of
8 administrative fees for loans, which shall be paid by the
9 applicant to reimburse the state for the costs of the state
10 administration of this article. The costs of issuance of the
11 bonds, including interest on loans made pursuant to
12 Section 14997.12 or 14997.14, shall not be charged to the
13 department's and health services' 5 percent allowance
14 for administering this article.

15 (b) Charges incurred by the Attorney General in
16 protecting the state's interests in the use and repayment
17 of grant and loan funds under this article shall be paid
18 from the proceeds of bond sales under this article. These
19 charges shall not be paid from funds allocated for
20 administrative purposes, but shall be treated as a
21 program expense not to exceed one-half of 1 percent of
22 the total amount of the bonds authorized to be sold under
23 this article.

24 14989. (a) As approved annually by the Legislature
25 in the Budget Act, the department may expend money
26 repaid to the state pursuant to any contract executed
27 under subdivision (a) of Section 14985 as necessary for
28 the administration of contracts entered into by the
29 department under this article, but those expenditures
30 may not in any year exceed 1.5 percent of the amount of
31 principal and interest projected to be paid to the state in
32 that year pursuant to this article.

33 (b) Charges incurred by the Attorney General in
34 protecting the state's interest in the use of funds and
35 repayment of funds under this article shall be paid by the
36 department from these funds, but those charges may not
37 exceed one-half of 1 percent of the amount of principal
38 and interest projected to be paid to the state in that year
39 pursuant to this article.

40 (c) Any of these sums approved by the Legislature,

1 but unexpended
2 year, shall auto

3 14990. Exce
4 repaid to the
5 under subdivis
6 in the Gene
7 reimbursemen
8 principal and i
9 article which

10 14991. Not
11 the proceeds o
12 the California
13 (Chapter 10.5
14 California Sa
15 (Chapter 10.2
16 California Sa
17 (Chapter 10.7
18 the California
19 (Chapter 16
20 are unobligate
21 loans and gra
22 terms, conditi

23 14992. (a)
24 hearing, and
25 shall adopt ru
26 the purposes
27 California ar
28 supplies of pu

29 (b) Notwit
30 provision of
31 inconsistent
32 1992, may, at
33 upon voter
34 implementing

35 14993. The
36 report on a
37 contracts en
38 report shall b
39 or, if it is not
40 The report sl

from the date of administering this department and percent of the total in the account. The nable schedule of shall be paid by the he costs of the state ts of issuance of the made pursuant to be charged to the percent allowance

orney General in use and repayment article shall be paid this article. These funds allocated for be treated as a half of 1 percent of ed to be sold under

by the Legislature ay expend money contract executed 5 as necessary for ered into by the hose expenditures t. of the amount of paid to the state in

orney General in use of funds and shall be paid by the e charges may not ount of principal state in that year the Legislature,

1 but unexpended by the department at the end of any
2 year, shall automatically revert to the General Fund.

3 14990. Except as provided in Section 14989, all money
4 repaid to the state pursuant to any contract executed
5 under subdivision (a) of Section 14985 shall be deposited
6 in the General Fund and shall be applied as a
7 reimbursement to the General Fund on account of
8 principal and interest on bonds issued for purposes of this
9 article which has been paid from the General Fund.

10 14991. Notwithstanding any other provision of law,
11 the proceeds of any bonds authorized to be issued under
12 the California Safe Drinking Water Bond Law of 1976
13 (Chapter 10.5 (commencing with Section 13850)), the
14 California Safe Drinking Water Bond Law of 1984
15 (Chapter 10.2 (commencing with Section 13810)), the
16 California Safe Drinking Water Bond Law of 1986
17 (Chapter 10.7 (commencing with Section 13895)), and
18 the California Safe Drinking Water Bond Law of 1988
19 (Chapter 16 (commencing with Section 14000)) which
20 are unobligated on November 3, 1992, shall be used for
21 loans and grants to applicants in accordance with the
22 terms, conditions, and purposes of this article.

23 14992. (a) The department, after public notice and
24 hearing, and with the concurrence of health services,
25 shall adopt rules and regulations necessary to carry out
26 the purposes of this article to ensure that the people of
27 California are efficiently and economically provided
28 supplies of pure, wholesome, and potable domestic water.

29 (b) Notwithstanding subdivision (a) or any other
30 provision of law, existing rules and regulations not
31 inconsistent with this article in effect on November 3,
32 1992, may, at the option of the department, be utilized
33 upon voter approval of this article for purposes of
34 implementing this article.

35 14993. The department shall prepare an annual
36 report on all grant commitments made, or grant
37 contracts entered into, pursuant to this article. The
38 report shall be filed with the Legislature if it is in session
39 or, if it is not in session, with the Joint Rules Committee.
40 The report shall be filed on or before March 31 of each

1 year for grant commitments made, or grant contracts
2 entered into, by the department during the previous
3 calendar year.

4 14994. Applications for funding under this article shall
5 be made in the form and with the supporting material
6 prescribed by the department and health services.

7 14995. The Legislature may amend this article by
8 either of the following methods:

9 (a) By statute, passed in each house of the Legislature
10 by rollcall vote entered in the journal, two-thirds of the
11 membership concurring, if the statute is consistent with
12 the purposes of this article.

13 (b) By a statute that becomes effective only when
14 approved by the voters.

15
16 Article 3. Fiscal Provisions
17

18 14997. Bonds in the total amount of two hundred
19 million dollars (\$200,000,000), exclusive of refunding
20 bonds, or so much thereof as is necessary, may be issued
21 and sold to provide a fund to be used for carrying out the
22 purposes expressed in this chapter and to be used to
23 reimburse the General Obligation Bond Expense
24 Revolving Fund pursuant to Section 16724.5 of the
25 Government Code. The bonds, when sold, shall be and
26 constitute a valid and binding obligation of the State of
27 California, and the full faith and credit of the State of
28 California is hereby pledged for the punctual payment of
29 both principal of, and interest on, the bonds as the
30 principal and interest become due and payable.

31 14997.2. The bonds authorized by this chapter shall be
32 prepared, executed, issued, sold, paid, and redeemed as
33 provided in the State General Obligation Bond Law
34 (Chapter 4 (commencing with Section 16720) of Part 3 of
35 Division 4 of Title 2 of the Government Code), and all of
36 the provisions of that law apply to the bonds and to this
37 chapter and are hereby incorporated in this chapter as
38 though set forth in full in this chapter.

39 14997.4. (a) Solely for the purpose of authorizing the
40 issuance and sale, pursuant to the State General

1 Obligation Bond L.
2 chapter, the Water
3 hereby created. For

4 Resources Finance (C
5 term is used in the
6 The committee con

7 the Treasurer, the
8 Water Resources,
9 Services, or their d

10 of the committee r

11 (b) For purposes
12 Law, the departme

13 14997.6. The co
14 not it is necessary c

15 pursuant to this cha
16 specified in Section.

17 amount of bonds to
18 of bonds may be at

19 actions progressive
20 bonds authorized t

21 14997.8. There s
22 same manner and a

23 is collected, in add
24 state, a sum in an

25 of, and interest on,
26 all officers charged

27 collection of the r
28 every act which is

29 sum.

30 14997.10. Notw
31 Government Code

32 the General Fund
33 of this chapter, an

34 following:

35 (a) The sum anr
36 and interest on, b

37 chapter, as the pr
38 payable.

39 (b) The sum w
40 provisions of Sec.

or grant contracts during the previous year under this article shall supporting material health services. end this article by

of the Legislature al, two-thirds of the is consistent with

ffective only when

sions

it of two hundred usive of refunding ary, may be issued for carrying out the and to be used to Bond Expense on 16724.5 of the sold, shall be and ion of the State of dit of the State of nctual payment of the bonds as the d payable.

his chapter shall be and redeemed as gation Bond Law 16720) of Part 3 of t Code), and all of bonds and to this in this chapter as

of authorizing the e State General

1 Obligation Bond Law, of the bonds authorized by this
2 chapter, the Water Resources Finance Committee is
3 hereby created. For purposes of this chapter, the Water
4 Resources Finance Committee is the "committee" as that
5 term is used in the State General Obligation Bond Law.
6 The committee consists of the Governor, the Controller,
7 the Treasurer, the Director of Finance, the Director of
8 Water Resources, and the State Director of Health
9 Services, or their designated representatives. A majority
10 of the committee may act for the committee.

11 (b) For purposes of the State General Obligation Bond
12 Law, the department is designated the "board."

13 14997.6. The committee shall determine whether or
14 not it is necessary or desirable to issue bonds authorized
15 pursuant to this chapter in order to carry out the actions
16 specified in Sections 14957, 14971, and 14988 and, if so, the
17 amount of bonds to be issued and sold. Successive issues
18 of bonds may be authorized and sold to carry out those
19 actions progressively, and it is not necessary that all of the
20 bonds authorized to be issued be sold at any one time.

21 14997.8. There shall be collected each year and in the
22 same manner and at the same time as other state revenue
23 is collected, in addition to the ordinary revenues of the
24 state, a sum in an amount required to pay the principal
25 of, and interest on, the bonds each year. It is the duty of
26 all officers charged by law with any duty in regard to the
27 collection of the revenue to do and perform each and
28 every act which is necessary to collect that additional
29 sum.

30 14997.10. Notwithstanding Section 13340 of the
31 Government Code, there is hereby appropriated from
32 the General Fund in the State Treasury, for the purposes
33 of this chapter, an amount that will equal the total of the
34 following:

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

39 (b) The sum which is necessary to carry out the
40 provisions of Section 14997.12, appropriated without

1 regard to fiscal years.
 2 14997.12. For the purposes of carrying out this
 3 chapter, the Director of Finance may authorize the
 4 withdrawal from the General Fund of an amount or
 5 amounts not to exceed the amount of the unsold bonds
 6 which have been authorized to be sold for the purpose of
 7 carrying out this chapter. Any amounts withdrawn shall
 8 be deposited in the fund. Any money made available
 9 under this section shall be returned to the General Fund,
 10 plus the interest that the amounts would have earned in
 11 the Pooled Money Investment Account, from money
 12 received from the sale of bonds for the purpose of
 13 carrying out this chapter.
 14 14997.14. The department may request the Pooled
 15 Money Investment Board to make a loan from the Pooled
 16 Money Investment Account, in accordance with Section
 17 16312 of the Government Code, for the purposes of
 18 carrying out this chapter. The amount of the request shall
 19 not exceed the amount of the unsold bonds which the
 20 committee has, by resolution, authorized to be sold for
 21 the purpose of carrying out this chapter. The department
 22 shall execute any documents required by the Pooled
 23 Money Investment Board to obtain and repay the loan.
 24 Any amounts loaned shall be deposited in the fund to be
 25 allocated by the department in accordance with this
 26 chapter.
 27 14997.16. All money deposited in the fund which is
 28 derived from premium and accrued interest on bonds
 29 sold shall be reserved in the fund and shall be available
 30 for transfer to the General Fund as a credit to
 31 expenditures for bond interest.
 32 14997.18. The bonds may be refunded in accordance
 33 with Article 6 (commencing with Section 16780) of the
 34 State General Obligation Bond Law. Approval by the
 35 voters of the state for the issuance of the bonds shall
 36 include the approval of the issuance of any bonds issued
 37 to refund any bonds originally issued or any previously
 38 issued refunding bonds.
 39 14997.20. Notwithstanding any provision of this
 40 chapter or the State General Obligation Bond Law, if the

1 Treasurer sells bo
 2 is a bond counsel
 3 the bonds is exclu
 4 purposes, subject
 5 may maintain se
 6 bond proceeds a
 7 proceeds, and the
 8 those proceeds or
 9 other payment re
 10 other action with
 11 bond proceeds re
 12 so as to maintain
 13 to obtain any ot
 14 behalf of the fun
 15 14997.22. The
 16 that, inasmuch a
 17 authorized by thi
 18 that term is use
 19 Constitution, the
 20 subject to the lin
 21 SEC. 2. Chapt
 22 is added to Divis
 23
 24 CHAPTER 25.
 25
 26 Article
 27
 28 15000. This ch
 29 as the Clean Wat
 30 15001. The Le
 31 (a) Clean wate
 32 and welfare.
 33 (b) Clean wat
 34 environment an
 35 agriculture, main
 36 recreation.
 37 (c) California's
 38 rivers, coastline,
 39 pollution, which
 40 impede economic

carrying out this may authorize the of an amount or of the unsold bonds sold for the purpose of mts withdrawn shall money made available to the General Fund, would have earned in count, from money for the purpose of

request the Pooled oan from the Pooled rdance with Section or the purposes of t of the request shall ld bonds which the rized to be sold for er. The department red by the Pooled and repay the loan. ed in the fund to be cordance with this

the fund which is l interest on bonds d shall be available d as a credit to

ided in accordance ction 16780) of the . Approval by the of the bonds shall of any bonds issued or any previously

provision of this n Bond Law, if the

1 Treasurer sells bonds pursuant to this chapter and there
2 is a bond counsel opinion to the effect that the interest on
3 the bonds is excluded from gross income for federal tax
4 purposes, subject to designated conditions, the Treasurer
5 may maintain separate accounts for the investment of
6 bond proceeds and the investment earnings on those
7 proceeds, and the Treasurer may use or direct the use of
8 those proceeds or earnings to pay any rebate, penalty, or
9 other payment required under federal law, or to take any
10 other action with respect to the investment and use of
11 bond proceeds required or desirable under federal laws
12 so as to maintain the tax-exempt status of those bonds and
13 to obtain any other advantage under federal law on
14 behalf of the funds of this state.

15 14997.22. The Legislature hereby finds and declares
16 that, inasmuch as the proceeds from the sale of bonds
17 authorized by this chapter are not "proceeds of taxes" as
18 that term is used in Article XIII B of the California
19 Constitution, the disbursement of these proceeds is not
20 subject to the limitations imposed by that article.

21 SEC. 2. Chapter 25 (commencing with Section 15000)
22 is added to Division 7 of the Water Code, to read:

23
24 CHAPTER 25. CLEAN WATER BOND LAW OF 1992

25
26 Article 1. General Provisions

27
28 15000. This chapter shall be known and may be cited
29 as the Clean Water Bond Law of 1992.

30 15001. The Legislature finds and declares as follows:

31 (a) Clean water is essential to the public health, safety,
32 and welfare.

33 (b) Clean water fosters the beauty of California's
34 environment and the expansion of industry and
35 agriculture, maintains fish and wildlife, and supports
36 recreation.

37 (c) California's abundant lakes and ponds, streams and
38 rivers, coastline, and groundwater are threatened with
39 pollution, which could threaten public health and
40 impede economic and social growth if left unchecked.

1 (d) The state's growing population has increasing
2 needs for clean water supplies and adequate treatment
3 facilities.

4 (e) It is of paramount importance that the limited
5 water resources of the state be protected from pollution,
6 conserved, and reclaimed whenever possible to ensure
7 continued economic, community, and social growth.

8 (f) The chief cause of water pollution is the discharge
9 of inadequately treated wastes into the waters of the
10 state.

11 (g) Municipalities have the primary responsibility to
12 construct, operate, and maintain pollution control
13 facilities, and to carry out other activities necessary to
14 cleanse our waters.

15 (h) Rising costs of construction and technological
16 changes have pushed the cost of constructing pollution
17 control facilities beyond the reach of local agencies alone.

18 (i) Because water knows no political boundaries, it is
19 desirable for the state to contribute to the construction of
20 these facilities and to carry out other necessary activities
21 in order to meet its obligations to protect and promote
22 the health, safety, and welfare of its people and
23 environment.

24 (j) It is the intent of this chapter to provide necessary
25 funds to ensure the full participation by the state under
26 the Federal Water Pollution Control Act (33 U.S.C. Sec.
27 1251 et seq.).

28 15002. Unless the context requires otherwise, the
29 following definitions govern the construction of this
30 chapter:

31 (a) "Board" or "state board" means the State Water
32 Resources Control Board.

33 (b) "Committee" means the Clean Water Finance
34 Committee created by Section 15023.

35 (c) "Eligible project" means a project or activity
36 described in paragraphs (1), (2), (3), or (4) of
37 subdivision (a) of Section 13480 which is all of the
38 following:

39 (1) Necessary to prevent water pollution or to reclaim
40 water.

1 (2) Eligible
2 federal assista

3 (3) Certifie
4 over other eli.
5 water quality.

6 (d) "Feder
7 municipality,
8 state, from th
9 projects pursu
10 Act.

11 (e) "Feder
12 Sec. 1251 et se
13 supplementar

14 (f) "Fund"
15 Fund created

16 (g) "Munic
17 Federal Wate

18 the state or
19 subdivision th

20 under Section
21 States Code.

22 (h) "Small
23 population o

24 isolated and
25 encompassing

26 hardship as d
27 (i) "Treatr
28 Federal Wate

29
30

31 Artic.
32

33 15005. (a)
34 pursuant to t

35 State Clean V
36 (b) There

37 following acc
38 (1) The St.

39 (2) The Cl
40 (3) The Sn

(4) The 1

on has increasing
adequate treatment.

that the limited
ed from pollution,
possible to ensure
social growth.

on is the discharge
the waters of the

v responsibility to
pollution control
ities necessary to

nd technological
tructing pollution
al agencies alone.

l boundaries, it is
he construction of
ecessary activities
ect and promote
its people and

rovide necessary
y the state under
ct (33 U.S.C. Sec.

s otherwise, the
struction of this

the State Water

Water Finance

ject or activity
(3), or (4) of
ch is all of the

ion or to reclaim

1 (2) Eligible for State Revolving Fund Loan Account or
2 federal assistance.

3 (3) Certified by the state board as entitled to priority
4 over other eligible projects and complies with applicable
5 water quality standards, policies, and plans.

6 (d) "Federal assistance" means money provided to a
7 municipality, either directly or through allocation by the
8 state, from the federal government to construct eligible
9 projects pursuant to the Federal Water Pollution Control
10 Act.

11 (e) "Federal Water Pollution Control Act" (33 U.S.C.
12 Sec. 1251 et seq.) includes any acts amendatory thereof or
13 supplementary thereto.

14 (f) "Fund" means the 1992 State Clean Water Bond
15 Fund created by Section 15005.

16 (g) "Municipality" has the same meaning as in the
17 Federal Water Pollution Control Act and also includes
18 the state or any agency, department, or political
19 subdivision thereof, and applicants eligible for assistance
20 under Sections 1329 and 1330 of Title 33 of the United
21 States Code.

22 (h) "Small community" means a municipality with a
23 population of 10,000 persons or less, or a reasonably
24 isolated and divisible segment of a larger municipality
25 encompassing 10,000 persons or less, with a financial
26 hardship as determined by the state board.

27 (i) "Treatment works" has the same meaning as in the
28 Federal Water Pollution Control Act.

29

30 Article 2. Clean Water Bond Program

31

32 15005. (a) The proceeds of the bonds issued and sold
33 pursuant to this chapter shall be deposited in the 1992
34 State Clean Water Bond Fund, which is hereby created.

35 (b) There is hereby created in the fund all of the
36 following accounts:

37 (1) The State Revolving Fund Loan Account.

38 (2) The Clean Water Construction Grant Account.

39 (3) The Small Communities Assistance Account.

40 (4) The International Water Pollution Control

1 Account.
2 15006. (a) The state board may adopt rules and
3 regulations necessary to carry out this chapter.

4 (b) As appropriated annually by the Legislature in the
5 Budget Act, the state board may, by contract or
6 otherwise, undertake plans, surveys, research,
7 development, and studies necessary or desirable to carry
8 out this division, and may prepare recommendations
9 with regard thereto, including the preparation of
10 comprehensive statewide or areawide studies and reports
11 on the collection, treatment, and disposal of waste under
12 a comprehensive cooperative plan.

13 (c) As appropriated annually by the Legislature in the
14 Budget Act, the state board may expend bond funds
15 necessary for administration of this chapter.

16 (d) Not more than 5 percent of the money deposited
17 in the fund may be used for purposes of subdivisions (b)
18 and (c).

19 15007. There is hereby transferred from the fund to
20 the accounts and, notwithstanding Section 13340 of the
21 Government Code, continuously appropriated without
22 regard to fiscal years from the accounts, the amounts as
23 follows:

24 (a) Two hundred ninety-four million dollars
25 (\$294,000,000) to the State Revolving Fund Loan Account
26 for loans to municipalities to aid in construction or
27 implementation of eligible projects, including
28 reclamation, water reuse and water recycling,
29 agricultural drainage, and nonpoint source projects, and
30 for the purposes described in subdivisions (b) and (c) of
31 Section 15006.

32 (b) Twenty-one million dollars (\$21,000,000) to the
33 Clean Water Construction Grant Account for grants to
34 the Cities of Los Angeles and San Diego to supplement
35 federal construction grants awarded to those cities. The
36 state board may transfer any unused money in the Clean
37 Water Construction Grant Account to the State
38 Revolving Fund Loan Account if federal construction
39 grants are not awarded to these cities and, when
40 transferred, the money may be used for any of the

1 purposes specific
2 (c) Twenty m
3 Communities C
4 communities fo
5 works. If, in the j
6 in the Small Co
7 expended within
8 transfer the mor
9 Account to be us
10 subdivision (a).

11 (d) Fifteen r.
12 International W
13 allocation as follo
14 (1) At least s
15 dollars (\$7,500,00
16 the New River, t
17 (2) The balan
18 associated with
19 Mexico.

20 15008. For pu
21 15007, the state b
22 under contract v
23 implementation

24 15009. For pu
25 15007, the state b
26 Los Angeles and
27 in amounts whic
28 project cost w.
29 construction gran

30 15010. For pu
31 15007, the state
32 communities so
33 grant pays for a
34 percent of the eli
35 design, and cc
36 determined in ac
37 regulations. The t
38 subdivision (c) o
39 may not exceed
40 dollars (\$3,500,00

adopt rules and
chapter.
Legislature in the
by contract or
veys, research,
r desirable to carry
recommendations
e preparation of
studies and reports
osal of waste under
Legislature in the
pend bond funds
chapter.
e money deposited
of subdivisions (b)
d from the fund to
ection 13340 of the
ropriated without
nts, the amounts as
million dollars
Fund Loan Account
in construction or
projects, including
water recycling,
source projects, and
sions (b) and (c) of
\$21,000,000) to the
ccount for grants to
iego to supplement
to those cities. The
money in the Clean
unt to the State
ederal construction
cities and, when
sed for any of the

1 purposes specified in subdivision (a).
2 (c) Twenty million dollars (\$20,000,000) to the Small
3 Communities Grant Account for grants to small
4 communities for construction of eligible treatment
5 works. If, in the judgment of the state board, the money
6 in the Small Communities Grant Account will not be
7 expended within a reasonable time, the state board may
8 transfer the money to the State Revolving Loan Fund
9 Account to be used for any of the purposes specified in
10 subdivision (a).
11 (d) Fifteen million dollars (\$15,000,000) to the
12 International Water Pollution Control Account for
13 allocation as follows:
14 (1) At least seven million five hundred thousand
15 dollars (\$7,500,000) to correct conditions of pollution in
16 the New River, the Alamo River, and the Salton Sea.
17 (2) The balance to correct conditions of pollution
18 associated with sewage flows originating in Tijuana,
19 Mexico.
20 15008. For purposes of subdivision (a) of Section
21 15007, the state board may make loans to municipalities
22 under contract with them to aid in the construction or
23 implementation of eligible projects.
24 15009. For purposes of subdivision (b) of Section
25 15007, the state board may make grants to the Cities of
26 Los Angeles and San Diego under contracts with them,
27 in amounts which do not exceed 12½ percent of the
28 project cost which is eligible under the federal
29 construction grants.
30 15010. For purposes of subdivision (c) of Section
31 15007, the state board may make grants to small
32 communities so that any combined federal and state
33 grant pays for an amount which does not exceed 97½
34 percent of the eligible cost of necessary studies, planning,
35 design, and construction of the eligible project
36 determined in accordance with applicable state law and
37 regulations. The total amount of grants made pursuant to
38 subdivision (c) of Section 15007, for any single project,
39 may not exceed three million five hundred thousand
40 dollars (\$3,500,000).

1 15011. For purposes of subdivision (d) of Section
 2 15007, the state board may contract with any public
 3 agency. The state board may transfer the money in the
 4 International Water Pollution Control Account which is
 5 not encumbered by July 1, 1995, to the State Revolving
 6 Fund Loan Account, and, when transferred, the money
 7 may be used for any of the purposes specified in
 8 subdivision (a) of Section 15007.

9 15012. Any contract entered into pursuant to this
 10 chapter for loans or grants may include provisions
 11 determined by the state board and shall include, in
 12 substance, all of the following provisions:

13 (a) An estimate of the reasonable cost of the project.

14 (b) A description of the type of assistance being
 15 offered.

16 (c) An agreement by the state board to pay to the
 17 public entity, during the progress of the project or
 18 following completion, as agreed upon by the parties, the
 19 amount specified in the contract determined pursuant to
 20 applicable federal and state laws and regulations.

21 (d) An agreement by the public entity to proceed
 22 expeditiously with, and complete, the project, commence
 23 operation of the project upon completion, properly
 24 operate and maintain the project in accordance with
 25 applicable provisions of law, and provide for payment of
 26 the public entity's share of the cost of the project.

27 15013. All contracts entered into pursuant to this
 28 chapter for loans or grants are subject to both of the
 29 following requirements:

30 (a) Public entities seeking assistance shall
 31 demonstrate, to the satisfaction of the state board, that an
 32 adequate opportunity for public participation regarding
 33 the project has been provided.

34 (b) Any election held with respect to the project shall
 35 include the entire municipality except that, if the
 36 municipality proposes to accept the assistance on behalf
 37 of a specified portion, or portions, of the municipality, the
 38 election shall be held in that portion or portions of the
 39 municipality only.

40 15014. Any loan made pursuant to subdivision (a) of

1 Section 15007 shall be
 2 with an interest rate
 3 (b) of Section 1348
 4 15015. Except a
 5 no money deposit
 6 provision of law re
 7 loans financed by t
 8 by this chapter shall

9
 10 Artic.

11
 12 15020. Bonds in
 13 fifty million dollars
 14 bonds, or so much i
 15 and sold to provide
 16 purposes expressec
 17 reimburse the G
 18 Revolving Fund p
 19 Government Code.
 20 constitute a valid a
 21 California, and the
 22 California is hereby
 23 both principal of,
 24 principal and inter.

25 15022. The bond
 26 prepared, executed
 27 provided in the S
 28 (Chapter 4 (comm
 29 Division 4 of Title 2
 30 the provisions of th
 31 chapter and are he
 32 though set forth in

33 15023. (a) Sole
 34 issuance and sale
 35 Obligation Bond L
 36 chapter, the Clean
 37 created. For purpo
 38 Finance Committe
 39 used in the State
 40 committee consists

on (d) of Section
t with any public
the money in the
l Account which is
he State Revolving
ferred, the money
poses specified in

pursuant to this
include provisions
l shall include, in
ons:
cost of the project.
f assistance being

ward to pay to the
of the project or
by the parties, the
mined pursuant to
regulations.

entity to proceed
project, commence
pletion, properly
accordance with
ide for payment of
f the project.

pursuant to this
ect to both of the
assistance shall
tate board, that an
icipation regarding

to the project shall
cept that, if the
sistance on behalf
e municipality, the
or portions of the
subdivision (a) of

1 Section 15007 shall be for a period not to exceed 20 years,
2 with an interest rate set in accordance with subdivision
3 (b) of Section 13480.
4 15015. Except as expressly provided in this chapter,
5 no money deposited in the fund pursuant to any
6 provision of law requiring repayments to the state for
7 loans financed by the proceeds of the bonds authorized
8 by this chapter shall be transferred to the General Fund.
9

10 Article 3. Fiscal Provisions
11

12 15020. Bonds in the total amount of three hundred
13 fifty million dollars (\$350,000,000), exclusive of refunding
14 bonds, or so much thereof as is necessary, may be issued
15 and sold to provide a fund to be used for carrying out the
16 purposes expressed in this chapter and to be used to
17 reimburse the General Obligation Bond Expense
18 Revolving Fund pursuant to Section 16724.5 of the
19 Government Code. The bonds, when sold, shall be and
20 constitute a valid and binding obligation of the State of
21 California, and the full faith and credit of the State of
22 California is hereby pledged for the punctual payment of
23 both principal of, and interest on, the bonds as the
24 principal and interest become due and payable.

25 15022. The bonds authorized by this chapter shall be
26 prepared, executed, issued, sold, paid, and redeemed as
27 provided in the State General Obligation Bond Law
28 (Chapter 4 (commencing with Section 16720) of Part 3 of
29 Division 4 of Title 2 of the Government Code), and all of
30 the provisions of that law apply to the bonds and to this
31 chapter and are hereby incorporated in this chapter as
32 though set forth in full in this chapter.

33 15023. (a) Solely for the purpose of authorizing the
34 issuance and sale, pursuant to the State General
35 Obligation Bond Law, of the bonds authorized by this
36 chapter, the Clean Water Finance Committee is hereby
37 created. For purposes of this chapter, the Clean Water
38 Finance Committee is the "committee" as that term is
39 used in the State General Obligation Bond Law. The
40 committee consists of the Governor, the Controller, the

1 Treasurer, the Director of Finance, and the executive
2 director of the state board, or their designated
3 representatives. A majority of the committee may act for
4 the committee.

5 (b) For purposes of the State General Obligation Bond
6 Law, the state board is designated the "board."

7 15024. The committee shall determine whether or
8 not it is necessary or desirable to issue bonds authorized
9 pursuant to this chapter in order to carry out the actions
10 specified in Sections 15006 and 15007, and, if so, the
11 amount of bonds to be issued and sold. Successive issues
12 of bonds may be authorized and sold to carry out those
13 actions progressively, and it is not necessary that all of the
14 bonds authorized to be issued be sold at any one time.

15 15025. There shall be collected each year and in the
16 same manner and at the same time as other state revenue
17 is collected, in addition to the ordinary revenues of the
18 state, a sum in an amount required to pay the principal
19 of, and interest on, the bonds each year. It is the duty of
20 all officers charged by law with any duty in regard to the
21 collection of the revenue to do and perform each and
22 every act which is necessary to collect that additional
23 sum.

24 15026. Notwithstanding Section 13340 of the
25 Government Code, there is hereby appropriated from
26 the General Fund in the State Treasury, for the purposes
27 of this chapter, an amount that will equal the total of the
28 following:

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

33 (b) The sum which is necessary to carry out the
34 provisions of Section 15027, appropriated without regard
35 to fiscal years.

36 15027. For the purposes of carrying out this chapter,
37 the Director of Finance may authorize the withdrawal
38 from the General Fund of an amount or amounts not to
39 exceed the amount of the unsold bonds which have been
40 authorized to be sold for the purpose of carrying out this

1 chapter. Any a
2 the fund. Any
3 shall be return
4 that the amou
5 Money Investm
6 the sale of bor
7 chapter.

8 15028. The
9 Money Investm
10 Money Investm
11 16312 of the C
12 carrying out thi
13 not exceed the
14 committee has,
15 the purpose of c
16 shall execute a
17 Money Investm
18 Any amounts lo
19 allocated by th
20 chapter.

21 15029. All n
22 derived from p
23 sold shall be res
24 for transfer to
25 expenditures fo
26 15030. The i
27 with Article 6
28 State General C
29 voters of the st
30 include the app.
31 to refund any b
32 issued refunding

33 15031. Notwi
34 or the State C
35 Treasurer sells b
36 is a bond counse
37 the bonds is exc
38 purposes, subject
39 may maintain se
40 bond proceeds

e, and the executive
or their designated
committee may act for

General Obligation Bond
the "board."

determine whether or
issue bonds authorized
carry out the actions
5007 and, if so, the
sold. Successive issues
old to carry out those
necessary that all of the
old at any one time.

each year and in the
as other state revenue
inary revenues of the
l to pay the principal
year. It is the duty of
duty in regard to the
and perform each and
collect that additional

on 13340 of the
y appropriated from
sury, for the purposes
equal the total of the

to pay the principal of,
sold pursuant to this
rest become due and

ry to carry out the
riated without regard

ying out this chapter,
orize the withdrawal
unt or amounts not to
onds which have been
se of carrying out this

1 chapter. Any amounts withdrawn shall be deposited in
2 the fund. Any money made available under this section
3 shall be returned to the General Fund, plus the interest
4 that the amounts would have earned in the Pooled
5 Money Investment Account, from money received from
6 the sale of bonds for the purpose of carrying out this
7 chapter.

8 15028. The state board may request the Pooled
9 Money Investment Board to make a loan from the Pooled
10 Money Investment Account, in accordance with Section
11 16312 of the Government Code, for the purposes of
12 carrying out this chapter. The amount of the request shall
13 not exceed the amount of the unsold bonds which the
14 committee has, by resolution, authorized to be sold for
15 the purpose of carrying out this chapter. The state board
16 shall execute any documents required by the Pooled
17 Money Investment Board to obtain and repay the loan.
18 Any amounts loaned shall be deposited in the fund to be
19 allocated by the state board in accordance with this
20 chapter.

21 15029. All money deposited in the fund which is
22 derived from premium and accrued interest on bonds
23 sold shall be reserved in the fund and shall be available
24 for transfer to the General Fund as a credit to
25 expenditures for bond interest.

26 15030. The bonds may be refunded in accordance
27 with Article 6 (commencing with Section 16780) of the
28 State General Obligation Bond Law. Approval by the
29 voters of the state for the issuance of the bonds shall
30 include the approval of the issuance of any bonds issued
31 to refund any bonds originally issued or any previously
32 issued refunding bonds.

33 15031. Notwithstanding any provision of this chapter
34 or the State General Obligation Bond Law, if the
35 Treasurer sells bonds pursuant to this chapter and there
36 is a bond counsel opinion to the effect that the interest on
37 the bonds is excluded from gross income for federal tax
38 purposes, subject to designated conditions, the Treasurer
39 may maintain separate accounts for the investment of
40 bond proceeds and the investment earnings on those

1 proceeds, and the Treasurer may use or direct the use of
 2 those proceeds or earnings to pay any rebate, penalty, or
 3 other payment required under federal law, or to take any
 4 other action with respect to the investment and use of
 5 bond proceeds required or desirable under federal laws
 6 so as to maintain the tax-exempt status of those bonds and
 7 to obtain any other advantage under federal law on
 8 behalf of the funds of this state.

9 15032. The Legislature hereby finds and declares
 10 that, inasmuch as the proceeds from the sale of bonds
 11 authorized by this chapter are not "proceeds of taxes" as
 12 that term is used in Article XIII B of the California
 13 Constitution, the disbursement of these proceeds is not
 14 subject to the limitations imposed by that article.

15 SEC. 3. The State Public Works Board may construct
 16 a plant industry laboratory facility in Sacramento for the
 17 Department of Food and Agriculture.

18 SEC. 4. (a) The State Public Works Board may issue
 19 revenue bonds, negotiable notes, or negotiable bond
 20 anticipation notes pursuant to Chapter 5 (commencing
 21 with Section 15830) of Part 10b of Division 3 of Title 2 of
 22 the Government Code to finance the construction for a
 23 plant industry laboratory facility in Sacramento.

24 (b) The amount of revenue bonds, negotiable notes, or
 25 negotiable bond anticipation notes to be sold shall equal
 26 the cost of construction. The additional amount may
 27 include interest and a reasonably required reserve fund.

28 (c) Authorized costs of construction shall not exceed
 29 fifteen million dollars (\$15,000,000) based on the Lee
 30 Saylor Cost Index of 452.

31 (d) The State Public Works Board may authorize the
 32 augmentation of the amount authorized by this section
 33 subject to the limitations specified in Section 13332.11 of
 34 the Government Code.

35 (e) Notwithstanding Section 13340 of the Government
 36 Code, funds derived from the interim and permanent
 37 financing or refinancing of the plant industry laboratory
 38 facility in Sacramento are hereby continuously
 39 appropriated for such purposes.

40 SEC. 5. The Director of Food and Agriculture may

1 lease the plant indu
 2 Public Works Boar

3 SEC. 6. Section
 4 adoption by the vot
 5 of 1992, as set forth

6 SEC. 7. Section
 7 adoption by the vo
 8 1992, as set forth in

9 SEC. 8. (a) No
 10 3529, 3560, 3578, an
 11 other provisions of
 12 be submitted to ti
 13 general election.

14 (b) The Secretar
 15 of Sections 1 and 2
 16 general election ba
 17 any statutory tim
 18 submission of state
 19 statewide election.

20 (c) Notwithstanc
 21 Code, the Attorney
 22 the Secretary of Si
 23 contained in Section
 24 after the effective c

25 (d) Notwithstanc
 26 Code, the Legislativ
 27 analysis of the bond
 28 this act within five a
 29 and the analysis s
 30 committee.

31 (e) The Secretar
 32 pamphlet mailed
 33 Elections Code, the
 34 of that code regar
 35 Sections 1 and 2 of

36 If that inclusion is
 37 shall publish a supp
 38 the bond act to be m
 39 supplemental ballot
 40 ballot pamphlet, the

use or direct the use of any rebate, penalty, or other law, or to take any investment and use of funds under federal laws and the proceeds of those bonds and under federal law on

the Board may find and declares from the sale of bonds "proceeds of taxes" as defined in Article 13, Section 1 of the California Constitution. The proceeds of these bonds is not to be used for the purpose of that article. The Board may construct a bond in Sacramento for the purpose of the

Public Works Board may issue a negotiable bond pursuant to Chapter 5 (commencing with Section 13332) of Title 2 of the California Code of Regulations for a bond in Sacramento.

Such bonds, negotiable notes, or other securities to be sold shall equal in value to the additional amount may be required reserve fund. The amount shall not exceed the amount based on the Lee

The Board may authorize the construction of the project authorized by this section in Section 13332.11 of the California Code of Regulations.

Section 40 of the Government Code shall be amended to read: "The State shall acquire and maintain a permanent and permanent industry laboratory facility in the State by continuously

and Agriculture may

1 lease the plant industry laboratory facility from the State
2 Public Works Board.

3 SEC. 6. Section 1 of this act shall take effect upon the
4 adoption by the voters of the Water Resources Bond Law
5 of 1992, as set forth in Section 1 of this act.

6 SEC. 7. Section 2 of this act shall take effect upon the
7 adoption by the voters of the Clean Water Bond Law of
8 1992, as set forth in Section 2 of this act.

9 SEC. 8. (a) Notwithstanding Sections 3525, 3528,
10 3529, 3560, 3578, and 10218 of the Elections Code or any
11 other provisions of law, Sections 1 and 2 of this act shall
12 be submitted to the voters at the November 3, 1992,
13 general election.

14 (b) The Secretary of State shall ensure the placement
15 of Sections 1 and 2 of this act on the November 3, 1992
16 general election ballot, in substantial compliance with
17 any statutory time requirements applicable to the
18 submission of statewide measures to the voters at a
19 statewide election.

20 (c) Notwithstanding Section 3531 of the Elections
21 Code, the Attorney General shall prepare and return to
22 the Secretary of State a ballot title for the bond acts
23 contained in Sections 1 and 2 of this act within two days
24 after the effective date of this act.

25 (d) Notwithstanding Section 3572 of the Elections
26 Code, the Legislative Analyst shall prepare an impartial
27 analysis of the bond acts contained in Sections 1 and 2 of
28 this act within five days after the effective date of this act,
29 and the analysis shall not be submitted to a review
30 committee.

31 (e) The Secretary of State shall include, in the ballot
32 pamphlet mailed pursuant to Section 3578 of the
33 Elections Code, the information specified in Section 3570
34 of that code regarding the bond acts contained in
35 Sections 1 and 2 of this act.

36 If that inclusion is not possible, the Secretary of State
37 shall publish a supplemental ballot pamphlet regarding
38 the bond act to be mailed with the ballot pamphlet. If the
39 supplemental ballot pamphlet cannot be mailed with the
40 ballot pamphlet, the supplemental ballot pamphlet shall,

1
2
3
4
5
6
7

1 notwithstanding Section 3578 of that code, be mailed at
2 least 14 days before the election.

3 SEC. 9. (a) Notwithstanding any other provision of
4 law, all ballots of the election shall have printed thereon
5 and in a square thereof, the following:

6 (1) "Water Resources Bond Act of 1992," and in the
7 same square under those words, the following in 8-point
8 type: "This act provides for a bond issue of two hundred
9 million dollars (\$200,000,000) to provide funds for a flood
10 control program and for the improvement of public
11 water systems to meet safe drinking water standards and
12 reduces the interest rate for loans made under the
13 California Safe Drinking Water Bond Law of 1976."

14 (2) "Clean Water Bond Act of 1992," and in the same
15 square under those words, the following in 8-point type:
16 "This act provides for a bond issue of three hundred fifty
17 million dollars (\$350,000,000) to provide funds for eligible
18 projects necessary to correct or prevent conditions of
19 water pollution or to reclaim water."

20 (b) Opposite the square, there shall be left spaces in
21 which the voters may place a cross in the manner
22 required by law to indicate whether they vote for or
23 against the act.

24 (c) Where the voting of the election is done by means
25 of voting machines used pursuant to law in the manner
26 that carries out the intent of this section, the use of the
27 voting machines and the expression of the voters' choice
28 by means thereof are in compliance with the provisions
29 of this section.

30 SEC. 10. This act is an urgency statute necessary for
31 the immediate preservation of the public peace, health,
32 or safety within the meaning of Article IV of the
33 Constitution and shall go into immediate effect. The facts
34 constituting the necessity are:

35 In order to provide for a plant industry laboratory and
36 for financing at the earliest possible time for urgently
37 needed water projects, facilities, and programs, thereby
38 protecting the public health and safety, it is necessary
39 that this act take effect immediately.

that code, be mailed at

any other provision of
all have printed thereon
wing:

ct of 1992," and in the
the following in 8-point
d issue of two hundred
provide funds for a flood
improvement of public
ng water standards and
oans made under the
Bond Law of 1976."

1992," and in the same
llowing in 8-point type:
e of three hundred fifty
provide funds for eligible
prevent conditions of
er."

e shall be left spaces in
cross in the manner
ether they vote for or

ection is done by means
t to law in the manner
section, the use of the
on of the voters' choice
ace with the provisions

y statute necessary for
e public peace, health,
of Article IV of the
mediate effect. The facts

industry laboratory and
ible time for urgently
and programs, thereby
safety, it is necessary
tely.

1
2
3
4
5
6
7

All matter omitted in this version of the
bill appears in the bill as amended in the
Assembly, January 29, 1992 (J.R. 11).