

**Assembly Constitutional Amendment**

**No. 33**

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**Introduced by Assembly Member Silva**

February 19, 2010

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Assembly Constitutional Amendment No. 33—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Sections 8 and 10 of Article II thereof, and by amending Section 1 of Article XVI thereof, relating to bond measures.

LEGISLATIVE COUNSEL'S DIGEST

ACA 33, as introduced, Silva. State general obligation bond measures: vote.

Under existing law, the issuance of state general obligation bonds must be approved by a majority of the people voting at a statewide general or primary election at which the bond measure was placed on the ballot. A state general obligation bond measure may be proposed to the voters either through the initiative process or upon passage by a  $\frac{2}{3}$  vote of the Members of the Legislature.

This measure would instead require that a ballot measure for the issuance of state general obligation bonds be approved by  $\frac{2}{3}$  of the voters who vote on the measure, whether placed on the ballot by the initiative process or by the Legislature.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

1 *Resolved by the Assembly, the Senate concurring,* That the  
2 Legislature of the State of California at its 2009–10 Regular  
3 Session, commencing on the first day of December 2008,

1 two-thirds of the membership of each house concurring, hereby  
2 proposes to the people of the State of California that the  
3 Constitution of the State be amended as follows:

4 First—That Section 8 of Article II thereof is amended to read:

5 SEC. 8. (a) The initiative is the power of the electors to  
6 propose statutes and amendments to the Constitution and to adopt  
7 or reject them.

8 (b) An initiative measure may be proposed by presenting to the  
9 Secretary of State a petition that sets forth the text of the proposed  
10 statute or amendment to the Constitution and is certified to have  
11 been signed by electors equal in number to 5 percent in the case  
12 of a statute, and 8 percent in the case of an amendment to the  
13 Constitution, of the votes for all candidates for Governor at the  
14 last gubernatorial election.

15 (c) The Secretary of State shall then submit the measure at the  
16 next general election held at least 131 days after it qualifies or at  
17 any special statewide election held prior to that general election.  
18 The Governor may call a special statewide election for the measure.

19 (d) An initiative measure embracing more than one subject may  
20 not be submitted to the electors or have any effect.

21 (e) An initiative measure may not include or exclude any  
22 political subdivision of the State from the application or effect of  
23 its provisions based upon approval or disapproval of the initiative  
24 measure, or based upon the casting of a specified percentage of  
25 votes in favor of the measure, by the electors of that political  
26 subdivision.

27 (f) An initiative measure may not contain alternative or  
28 cumulative provisions wherein one or more of those provisions  
29 would become law depending upon the casting of a specified  
30 percentage of votes for or against the measure.

31 (g) *An initiative measure shall be approved by a majority of the*  
32 *voters who vote on the initiative measure, except that an initiative*  
33 *measure that would authorize the issuance of state general*  
34 *obligation bonds shall be approved by two-thirds of the voters*  
35 *who vote on the initiative measure.*

36 Second—That Section 10 of Article II thereof is amended to  
37 read:

38 SEC. 10. (a) An initiative statute or referendum approved by  
39 ~~a majority of votes thereon~~ *the voters* takes effect the day after the  
40 election unless the measure provides otherwise. If a referendum

1 petition is filed against a part of a statute the remainder shall not  
2 be delayed from going into effect.

3 (b) If provisions of ~~2~~ *two* or more measures approved at the  
4 same election conflict, those of the measure receiving the highest  
5 affirmative vote shall prevail.

6 (c) The Legislature may amend or repeal referendum statutes.  
7 It may amend or repeal an initiative statute by another statute that  
8 becomes effective only when approved by the electors unless the  
9 initiative statute permits amendment or repeal without their  
10 approval.

11 (d) Prior to circulation of an initiative or referendum petition  
12 for signatures, a copy shall be submitted to the Attorney General  
13 who shall prepare a title and summary of the measure as provided  
14 by law.

15 (e) The Legislature shall provide the manner in which petitions  
16 shall be circulated, presented, and certified, and measures submitted  
17 to the electors.

18 Third—That Section 1 of Article XVI thereof is amended to  
19 read:

20 SECTION 1. The Legislature shall not, in any manner create  
21 any debt or debts, liability or liabilities, which shall, singly or in  
22 the aggregate with any previous debts or liabilities, exceed the  
23 sum of three hundred thousand dollars (\$300,000), except in case  
24 of war to repel invasion or suppress insurrection, unless the same  
25 shall be authorized by law for some single object or work to be  
26 distinctly specified therein which law shall provide ways and  
27 means, exclusive of loans, for the payment of the interest of such  
28 debt or liability as it falls due, and also to pay and discharge the  
29 principal of such debt or liability within 50 years of the time of  
30 the contracting thereof, and shall be irrevocable until the principal  
31 and interest thereon shall be paid and discharged, and such law  
32 may make provision for a sinking fund to pay the principal of such  
33 debt or liability to commence at a time after the incurring of such  
34 debt or liability of not more than a period of one-fourth of the time  
35 of maturity of such debt or liability; but no such law shall take  
36 effect unless it has been passed by a two-thirds vote of all the  
37 ~~members~~ *Members* elected to each house of the Legislature and  
38 until, at a general election or at a direct primary, it shall have been  
39 submitted to the people and shall have ~~received a majority~~ *been*  
40 *approved by at least two-thirds* of all the votes cast for and against

1 it at such election; and all moneys raised by authority of such law  
2 shall be applied only to the specific object therein stated or to the  
3 payment of the debt thereby created. Full publicity as to matters  
4 to be voted upon by the people is afforded by the setting out of the  
5 complete text of the proposed laws, together with the arguments  
6 for and against them, in the ballot pamphlet mailed to each elector  
7 preceding the election at which they are submitted, and the only  
8 requirement for publication of such law shall be that it be set out  
9 at length in ballot pamphlets which the Secretary of State shall  
10 cause to be printed. The Legislature may, at any time after the  
11 approval of such law by the people, reduce the amount of the  
12 indebtedness authorized by the law to an amount not less than the  
13 amount contracted at the time of the reduction, or it may repeal  
14 the law if no debt shall have been contracted in pursuance thereof.

15 Notwithstanding any other provision of this Constitution,  
16 Members of the Legislature who are required to meet with the  
17 State Allocation Board shall have equal rights and duties with the  
18 nonlegislative members to vote and act upon matters pending or  
19 coming before such board for the allocation and apportionment of  
20 funds to school districts for school construction purposes or  
21 purposes related thereto.

22 Notwithstanding any other provision of this ~~constitution~~  
23 *Constitution*, or of any bond act to the contrary, if any general  
24 obligation bonds of the State heretofore or hereafter authorized by  
25 vote of the people have been offered for sale and not sold, the  
26 Legislature may raise the maximum rate of interest payable on all  
27 general obligation bonds authorized but not sold, whether or not  
28 such bonds have been offered for sale, by a statute passed by a  
29 two-thirds vote of all ~~members~~ *Members* elected to each house  
30 thereof.

31 The provisions of Senate Bill No. 763 of the 1969 Regular  
32 Session, which authorize an increase of the state general obligation  
33 bond maximum interest rate from 5 percent to an amount not in  
34 excess of 7 percent and eliminate the maximum rate of interest  
35 payable on notes given in anticipation of the sale of such bonds,  
36 are hereby ratified.

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