

**CALIFORNIA STATE ARCHIVES
SECRETARY OF STATE**

**Proposed
AMENDMENTS TO
CONSTITUTION**

**PROPOSITIONS AND
PROPOSED LAWS**

Together With Arguments

**To Be Submitted to the Electors
of the State of California at the**

**GENERAL ELECTION
TUESDAY, NOV. 6, 1962**

**Compiled by A. C. MORRISON, Legislative Counsel
Distributed by FRANK M. JORDAN, Secretary of State**

Part II — Appendix

FOR BONDS TO PROVIDE STATE COLLEGE, JUNIOR COLLEGE AND UNIVERSITY FACILITIES; TO PROVIDE FACILITIES TO CARE FOR MENTALLY RETARDED AND MENTALLY ILL AND TO PROVIDE NARCOTICS CONTROL, CORRECTIONAL AND FOREST FIRE FIGHTING FACILITIES. (This act provides for a bond issue of two hundred seventy million dollars (\$270,000,000). Eighty percent (80%) of the total amount of the bond issue will be used for the building construction, equipment and site acquisition needs for the California State Colleges, the public junior colleges, and the University of California.)

1A

AGAINST BONDS TO PROVIDE STATE COLLEGE, JUNIOR COLLEGE AND UNIVERSITY FACILITIES; TO PROVIDE FACILITIES TO CARE FOR MENTALLY RETARDED AND MENTALLY ILL AND TO PROVIDE NARCOTICS CONTROL, CORRECTIONAL AND FOREST FIRE FIGHTING FACILITIES. This act provides for a bond issue of two hundred seventy million dollars (\$270,000,000). Eighty percent (80%) of the total amount of the bond issue will be used for the building construction, equipment and site acquisition needs for the California State Colleges, the public junior colleges, and the University of California.)

This proposed law, by act of the Legislature passed at the 1962 Third Extraordinary Session, is submitted to the people in accordance with the provisions of Article XVI of the Constitution.

(This proposed law does not expressly amend any existing law; therefore the provisions thereof are printed in **BLACK-FACED TYPE** to indicate that they are **NEW**.)

PROPOSED LAW

Section 1. The purpose of this act is to provide the necessary funds to meet the building construction, equipment and site acquisition needs for California State Colleges, public junior colleges, the University of California, facilities for the mentally ill and retarded, narcotics control and correctional institutions, conservation camps, and forestry fire-fighting facilities. The bond proceeds shall be used only for the purposes specified by this section. Not less than eighty percent (80%) of the total amount of bonds authorized to be issued under this act shall be used for the building construction, equipment and site acquisition needs of the California State Colleges, public junior colleges, and the University of California. At least twenty million dollars (\$20,000,000) of the bonds authorized to be issued under this act shall be used only for building construction, equipment and site acquisition for public junior colleges.

Sec. 2. Bonds in the total amount of two hundred seventy million dollars (\$270,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in Section 1 of this act. Said bonds shall be known and designated as State Construction Program bonds and, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and inter-

est on said bonds as said principal and interest become due and payable.

Sec. 3. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, such sum in addition to the ordinary revenues of the State as shall be required to pay the principal and interest on said bonds maturing in said year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum.

Sec. 4. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this act, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this act, as said principal and interest become due and payable.

(b) The sum of seventy-five thousand dollars (\$75,000) to be used as a revolving fund to pay the expenses incurred by the State Treasurer in preparing and advertising the sale or prior redemption of bonds issued pursuant to this act, to defray expenses incurred by the State Construction Program Committee pursuant to Government Code Section 16758, and for the payment of legal services upon approval of the State Board of Control, pursuant to Government Code Section 16760.

(c) Such sum as is necessary to carry out the provisions of Section 7 of this act, which sum is appropriated without regard to fiscal years.

Sec. 5. The proceeds of bonds issued and sold pursuant to this act, together with interest earned thereon, if any, shall be deposited in the State Construction Program Fund. The money in the fund derived from the sale of bonds authorized by this act may be expended

only for the purposes specified in this act and only pursuant to appropriation heretofore or hereafter made by the Legislature in the manner hereinafter prescribed.

Sec. 6. A section shall be included in the Budget Bill for each fiscal year bearing the caption State Construction Bond Act Program. Said section shall contain proposed appropriations for the program contemplated by this act. No funds derived from the bonds authorized by this act may be expended pursuant to an appropriation unless the appropriation is contained in said section of the Budget Act of 1962 or in said section of any subsequent budget act. For this purpose this act may be cited as the State Construction Program Bond Act of 1962. The Department of Finance, which is hereby designated as the board for the purposes of this act, shall annually total the Budget Act appropriations referred to in this section and, pursuant to Section 16730 of the Government Code, request the State Construction Program Committee to cause bonds to be issued and sold in quantities sufficient to carry out the projects for which such appropriations were made.

Sec. 7. For the purposes of carrying out the provisions of this act the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this act. Any amounts withdrawn shall be deposited in the State Construction Program Fund. Any moneys made available under this section to the board shall be returned by the board to the General

Fund from moneys received from the sale of bonds sold for the purpose of carrying out this act, together with interest at the rate of interest fixed in the bonds so sold.

Sec. 8. The bonds authorized by this act shall be prepared, executed, issued, sold, paid and redeemed as provided in the State General Obligation Bond Law (Chapter 4 of Part 3, Division 4, Title 2 of the Government Code), and all of the provisions of said law are applicable to said bonds and to this act, and are hereby incorporated in this act as though set forth in full herein.

Sec. 9. The State Construction Program Committee is hereby created. The committee shall consist of the Governor, the State Controller, the State Treasurer, the Director of Finance, and the Director of Public Works. For the purpose of this act the State Construction Program Committee shall be "the committee" as that term is used in the State General Obligation Bond Law.

Sec. 10. Out of the first money realized from the sale of bonds issued pursuant to this act there shall be redeposited to the credit of the appropriation made by subdivision (b) of Section 4 of this act such sums as have been expended for the purposes specified in said subdivision (b) of Section 4. The amounts so redeposited may be used for the same purposes whenever additional sales of bonds are made pursuant to this act. When all the bonds authorized by this act have been sold, the unexpended and unobligated balance of the appropriation made by subdivision (b) of Section 4 of this act, shall revert to the General Fund.

Part I—Arguments

FOR BONDS TO PROVIDE STATE COLLEGE, JUNIOR COLLEGE AND UNIVERSITY FACILITIES; TO PROVIDE FACILITIES TO CARE FOR MENTALLY RETARDED AND MENTALLY ILL AND TO PROVIDE NARCOTICS CONTROL, CORRECTIONAL AND FOREST FIRE FIGHTING FACILITIES. (This act provides for a bond issue of two hundred seventy million dollars (\$270,000,000). Eighty percent (80%) of the total amount of the bond issue will be used for the building construction, equipment and site acquisition needs for the California State Colleges, the public junior colleges, and the University of California.)

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AGAINST BONDS TO PROVIDE STATE COLLEGE, JUNIOR COLLEGE AND UNIVERSITY FACILITIES; TO PROVIDE FACILITIES TO CARE FOR MENTALLY RETARDED AND MENTALLY ILL AND TO PROVIDE NARCOTICS CONTROL, CORRECTIONAL AND FOREST FIRE FIGHTING FACILITIES. (This act provides for a bond issue of two hundred seventy million dollars (\$270,000,000). Eighty percent (80%) of the total amount of the bond issue will be used for the building construction, equipment and site acquisition needs for the California State Colleges, the public junior colleges, and the University of California.)

For Full Text of Measure, See Page 1, Part II

Analysis by the Legislative Counsel *

This measure would authorize the issuance and sale of state bonds not exceeding the sum of \$270,000,000 to provide the necessary funds to meet the State's building construction, equipment and site acquisition needs for the California State Colleges, public junior colleges, the University of California, facilities for the mentally ill and retarded, narcotics control and correctional institutions, conservation camps, and forestry fire-fighting facilities. Not less than 80 percent of the total amount of the bonds authorized to be issued must be used to meet the State's building construction, equipment and site acquisition needs for the California State Colleges, public junior colleges, and the University of California. Not less than \$20,000,000 of the bonds authorized must be used to meet the State's building construction, equipment and site acquisition needs for public junior colleges.

The measure provides that the bonds are to be general obligations of the State for the payment of which the full faith and credit of the State is pledged, and it annually appropriates from the General Fund the sum necessary to make the principal and interest payments on the bonds as they become due.

The bonds are to be issued only for projects for which funds are appropriated in any year by the Legislature in a separate section of the Budget Act. The Department of Finance is required to total the appropriations made in such separate section of the Budget Act annually and to request the State Construction Program Committee, consisting of the Governor, the State Controller, the State Treasurer, the Director of Finance, and the Director of Public

Works, to have sufficient bonds issued and sold to carry out such projects.

Argument in Favor of Proposition No. 1A

A YES VOTE ON PROPOSITION 1A is a vote to assure an opportunity for all qualified California students to attend college and university. Without these funds an increasingly smaller proportion of our high school graduates will be able to go to college.

During the next four years California's Junior Colleges, State Colleges and Universities will face the greatest growth in enrollment that has ever confronted any system of higher education. At the University level alone, we must provide each year for the next three years enough University classrooms to handle the equivalent of the present enrollment of Princeton University. And new classroom requirements at our State Colleges and Junior Colleges will be even greater.

Eighty percent of the funds in the bond issue will be devoted to facilities for higher education. The remaining twenty percent includes funds to construct facilities to treat the mentally retarded and the mentally ill. There are presently 2,000 severely retarded children seeking admission to state institutions for which none are available. The twenty percent includes facilities to confine and rehabilitate narcotic users, because of increased penalties for narcotic offenders passed by the 1961 Legislature. Also included are additional facilities to relieve dangerous overcrowding in our prisons.

Proposition 1A is a new act tightly drawn to include only essential needs. There have been deliberate distortions concerning the purposes of this bond issue. It has been falsely reported that it contains \$4,000,000 for a basket

* Section 3565 of the Elections Code requires the Legislative Counsel to prepare an impartial analysis of measures appearing on the ballot.

ball pavilion. It has been falsely reported that it contains funds to build housing for college officials. It has been falsely reported that it contains funds for swine pens at the University of California Davis campus. It has been falsely reported that it contains funds for state office buildings. These reports are untrue.

Since eighty percent of the funds are allocated to higher education and twenty percent to other specific needs, there is no "blank check" possibility. The purposes for which funds must be used are clearly stated. None will be used to pay for facilities already constructed—all will be used for new construction.

The single object of this measure is to provide funds to meet the state's most critical building needs as specified in Section 1 of the act.

Proposition 1A provides a means for repaying the cost of the new facilities over a long period of time by those generations which will be using them. It will not necessitate an increase in taxes. Only through Proposition 1A can we be assured that the state will continue to lead the nation in higher education.

Proposition 1A will help continue the economic growth in California, creating and supporting new jobs and higher personal income for our citizens. Industrial leaders state that many new plants locate in our state because of the educational system which provides the necessary highly trained personnel.

The passage of Proposition 1A means that we will have taken one of the most essential steps in assuring continued growth and prosperity for California, in keeping California first both educationally and economically.

HUGO FISHER
State Senator, 40th District
THOMAS M. REES
Member of the Assembly, 59th District
JEROME R. WALDIE
Member of the Assembly, 10th District

Argument Against Proposition No. 1A

This proposal in its essence is still the "blank check" \$270,000,000 proposition heavily rejected at the June 5th election. Although lists of indicated purposes for which the funds would be expended have been promulgated, the measure itself contains no specific language as to actual projects. Just the general statement is made that 80 percent of the funds shall be used for state-controlled college and university level construction and \$20,000,000 for public (local district) junior colleges. The only major deletion was just the authority to finance with bond funds some of the prior indebtedness of these local junior college districts.

Despite the strong rejection of this almost identical measure on June 5th, when voters

registered their demand for an end to lavish and unnecessarily expensive construction schools of higher education, not the slightest indication has been given that any attempt is contemplated to give California what it must have if taxpayers are to be able to meet the critical problems at college and university levels.

The public is conscious of the problems—the urgent need to provide proper facilities for many thousands of additional students in our tax-supported institutions. The taxpaying public wants to meet these problems, but they know that unless a rigid program of economy is achieved, which can still provide fully adequate structures, grave difficulties impend. Even the most casual survey shows on campus after campus, that structures for state institutions of higher learning have been far more lavish and expensive than buildings of private nontax-supported universities for identical purposes.

The voters understood what they were asked. And yet sponsors of these bonds on the June 5th ballot continue to argue it was overwhelmingly defeated only because the "voters didn't understand it."

This bond issue, by its references, even includes such items as a four million dollar gymnasium center at U.C.L.A. to seat 13,500 spectators for a basketball game; \$60,000 homes, with an extra \$15,000 in furnishings, for presidents of Humboldt and Los Angeles Colleges, and \$230,000 to "replace swine sheep barns" at the Davis campus.

We know this kind of lavish spending of tax money is why the voters are worried. And they have reason to worry.

Between 1948 and 1958, state college enrollment increased only 100 percent. But state college tax operating expenditures rose 347 percent and its capital outlay costs rocketed 1,575 percent—an increase of almost 16 times.

Specifically again included in the \$270,000,000 bond proposal—the identical amount asked in June—is \$20,000,000 for junior colleges. If this is approved—(and sponsors refused to place this item before the voters in a separate bond measure)—this will be only the entering wedge that is forecast to early turn into a vastly costly state-controlled junior college system, a system entirely beyond the control of authority of local junior college districts and school boards which now govern these schools.

We strongly urge a NO vote.

**PROPERTY OWNERS TAX
ASSOCIATION OF CALIFORNIA**
PAUL SHEEDY
Executive Vice President
MELVIN HORTON
Secretary

CERTIFICATE OF SECRETARY OF STATE

State of California, Department of State
Sacramento, California

I, Frank M. Jordan, Secretary of State of the State of California, do hereby certify that the foregoing measures will be submitted to the electors of the State of California at the GENERAL ELECTION to be held throughout the State on the sixth day of November, 1962, and that the foregoing pamphlet is correct.

I, Frank M. Jordan, Secretary of State of the State of California, do hereby further certify that the foregoing provisions in the supplement to pamphlet are true and correct copies of the State General Obligation Bond Law incorporated by reference in Proposition No. 1A as set forth in Part II—the Appendix to the pamphlet.

Witness my hand and the Great Seal of the State, at office in Sacramento, California, the fifth day of September, A.D. 1962.



Frank M. Jordan
Secretary of State

