

AMENDED IN ASSEMBLY APRIL 6, 2017

CALIFORNIA LEGISLATURE—2017—18 REGULAR SESSION

ASSEMBLY BILL

No. 668

Introduced by Assembly Member Gonzalez Fletcher

February 14, 2017

An act to amend ~~Section 2028 of~~ *Sections 19253 and 19256 of, and to add Chapter 5 (commencing with Section 19400) to Division 19 of, the Elections Code, relating to elections.*

LEGISLATIVE COUNSEL'S DIGEST

AB 668, as amended, Gonzalez Fletcher. ~~Voter qualifications: residence and domicile.~~ *Voting Modernization Bond Act of 2018.*

Existing law, the Voting Modernization Bond Act of 2002, authorizes the Voting Modernization Finance Committee to issue and sell bonds in the amount of \$200,000,000, as specified. Existing law authorizes a county to apply to the Voting Modernization Board for money from the proceeds of the sale of bonds (1) to pay for or purchase new voting systems that are certified or conditionally approved by the Secretary of State, (2) to research and develop new voting systems, or (3) to manufacture the minimum number of voting system units reasonably necessary to test and seek certification or conditional approval of the voting system, or test and demonstrate the capabilities of a voting system in a pilot program.

This bill would enact the Voting Modernization Bond Act of 2018 which, if approved, would authorize the issuance and sale of bonds in the amount of \$450,000,000, as specified, for purposes of assisting counties in the purchase of specified voting equipment and technology. This bill would authorize the Voting Modernization Finance Committee

and the Voting Modernization Board to administer the Voting Modernization Bond Act of 2018.

This bill would provide for submission of the act to the voters at the June 5, 2018, statewide direct primary election.

Existing law describes the domicile of a person for voting purposes as that place in which his or her habitation is fixed, wherein the person has the intention of remaining, and to which, whenever he or she is absent, the person has the intention of returning. Existing law provides that the place where a person’s family is domiciled is his or her domicile, except as specified. Existing law provides that if a person has a family fixed in one place, and he or she does business in another place, the former is his or her place of domicile. However, if the person having a family fixed in one place, has taken up an abode in another place with the intention of remaining and his or her family does not reside with him or her, that abode is the person’s domicile.

This bill would clarify that, for purposes of these provisions, a person may take up an abode at the same place at which he or she does business.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: no.

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

1 SECTION 1. Section 19253 of the Elections Code is amended
2 to read:

3 19253. (a) The Voting Modernization Finance Committee is
4 hereby established for the purpose of authorizing the issuance and
5 sale, pursuant to the State General Obligation Bond Law, of the
6 bonds authorized by this ~~article~~. *article and Chapter 5.*

7 (b) The committee consists of the Controller, the Director of
8 Finance, and the Treasurer, or their designated representatives, all
9 of whom shall serve without compensation, and a majority of
10 whom shall constitute a quorum. The Treasurer shall serve as
11 chairperson of the committee. A majority of the committee may
12 act for the committee.

13 (c) For purposes of this article, the Voting Modernization
14 Finance Committee is “the committee” as that term is used in the
15 State General Obligation Bond Law.

16 SEC. 2. Section 19256 of the Elections Code is amended to
17 read:

1 19256. The Voting Modernization Board is hereby established
2 and designated the “board” for purposes of the State General
3 Obligation Bond Law, and for purposes of administering the Voting
4 Modernization ~~Fund~~. *Fund and the Voting Modernization Fund*
5 *of 2018*. The board consists of five members, three selected by the
6 Governor and two selected by the Secretary of State. The board
7 shall have the authority to reject any application for fund money
8 it deems inappropriate, excessive, or that does not comply with
9 the intent of this ~~article~~. *article or Chapter 5*. A county whose
10 application is rejected shall be allowed to submit an amended
11 application.

12 *SEC. 3. Chapter 5 (commencing with Section 19400) is added*
13 *to Division 19 of the Elections Code, to read:*

14
15 *CHAPTER 5. VOTING MODERNIZATION BOND ACT OF 2018*

16
17 *19400. This chapter shall be known and may be cited as the*
18 *Voting Modernization Bond Act of 2018.*

19 *19401. The State General Obligation Bond Law (Chapter 4*
20 *(commencing with Section 16720) of Part 3 of Division 4 of Title*
21 *2 of the Government Code), except as otherwise provided herein,*
22 *is adopted for the purpose of the issuance, sale, and repayment*
23 *of, and otherwise providing with respect to, the bonds authorized*
24 *to be issued by this chapter, and the provisions of that law are*
25 *included in this chapter as though set out in full.*

26 *19402. For purposes of this chapter, the following definitions*
27 *apply:*

28 (a) *“Ballot on demand system” means a ballot manufacturing*
29 *system, as defined in Section 303.4, that is subject to Sections*
30 *13004 and 13004.5.*

31 (b) *“Board” means the Voting Modernization Board, established*
32 *pursuant to Section 19256.*

33 (c) *“Bond” means a state general obligation bond issued*
34 *pursuant to this chapter adopting the provisions of the State*
35 *General Obligation Bond Law.*

36 (d) *“Bond act” means this chapter authorizing the issuance of*
37 *state general obligation bonds and adopting the State General*
38 *Obligation Bond Law by reference.*

39 (e) *“Committee” means the Voting Modernization Finance*
40 *Committee, established pursuant to Section 19253.*

1 (f) “Electronic poll book” means an electronic list of registered
 2 voters that may be transported to the polling location or vote center
 3 pursuant to Section 2550.

4 (g) “Fund” means the Voting Modernization Fund of 2018,
 5 established pursuant to Section 19403.

6 (h) “Remote accessible vote by mail system” means a system,
 7 as defined in Section 303.3, that is certified pursuant to Chapter
 8 3.5 (commencing with Section 19280) of Division 19.

9 (i) “Vote by mail ballot drop box” means a secure receptacle
 10 established by a county or city and county elections official
 11 whereby a voted vote by mail ballot may be returned to the
 12 elections official from whom it was obtained pursuant to Section
 13 3025.

14 (j) “Voting system” means any voting machine, voting device,
 15 or vote tabulating device that does not use prescored punch card
 16 ballots.

17 19403. (a) The committee may create a debt or debts, liability
 18 or liabilities, of the State of California, in the aggregate amount
 19 of not more than four hundred fifty million dollars (\$450,000,000),
 20 exclusive of refunding bonds, in the manner provided herein for
 21 the purpose of creating a fund to assist counties in the purchase
 22 of items listed in subdivision (d).

23 (b) The proceeds of bonds issued and sold pursuant to this
 24 chapter shall be deposited in the Voting Modernization Fund of
 25 2018, which is hereby established.

26 (c) A county is eligible to apply to the board for fund money if
 27 it meets both of the following requirements:

28 (1) After January 1, 2017, the county has purchased an item
 29 listed in subdivision (d) for which it continues to make payments
 30 on the date that this chapter becomes effective.

31 (2) The county matches fund moneys at one of the following
 32 ratios:

33 (A) If the county conducts an election pursuant to Section 4005
 34 or 4007, one dollar (\$1) of county moneys for every three dollars
 35 (\$3) of fund moneys.

36 (B) If the county does not conduct an election pursuant to
 37 Section 4005 or 4007, one dollar (\$1) of county moneys for every
 38 two dollars (\$2) of fund moneys.

39 (d) Fund moneys shall only be used to purchase the following:

1 (1) Voting systems certified by the Secretary of State that do
2 not use prescored punch card ballots.

3 (2) Electronic poll books.

4 (3) Ballot on demand systems.

5 (4) Vote by mail drop boxes.

6 (5) Remote accessible vote by mail systems.

7 (6) Technology to facilitate electronic connection between
8 polling places, vote centers, and the office of the county elections
9 official or the Secretary of State's office.

10 (e) Any voting system purchased using bond funds that does not
11 require a voter to directly mark on the ballot must produce, at the
12 time the voter votes his or her ballot or at the time the polls are
13 closed, a paper version or representation of the voted ballot or of
14 all the ballots cast on a unit of the voting system. The paper version
15 shall not be provided to the voter but shall be retained by elections
16 officials for use during the 1 percent manual recount or other
17 recount, audit, or contest.

18 19404. The Legislature may amend subdivisions (c) and (d) of
19 Section 19403 and Section 19256 by a statute, passed in each
20 house of the Legislature by rollcall vote entered in the respective
21 journals, by not less than two-thirds of the membership in each
22 house concurring, if the statute is consistent with, and furthers the
23 purposes of, this chapter.

24 19405. (a) All bonds authorized by this chapter, when duly
25 sold and delivered as provided herein, constitute valid and legally
26 binding general obligations of the State of California, and the full
27 faith and credit of the state is hereby pledged for the punctual
28 payment of both principal and interest thereof. The bonds issued
29 pursuant to this chapter shall be repaid within 10 years from the
30 date they are issued.

31 (b) There shall be collected annually, in the same manner and
32 at the same time as other state revenue is collected, a sum of
33 money, in addition to the ordinary revenues of the state, sufficient
34 to pay the principal of, and interest on, the bonds as provided
35 herein. All officers required by law to perform any duty in regard
36 to the collection of state revenues shall collect this additional sum.

37 (c) On the dates on which funds are remitted pursuant to Section
38 16676 of the Government Code for the payment of the then
39 maturing principal of, and interest on, the bonds in each fiscal
40 year, there shall be returned to the General Fund all of the money

1 *in the fund, not in excess of the principal of, and interest on, any*
2 *bonds then due and payable. If the money so returned on the*
3 *remittance dates is less than the principal and interest then due*
4 *and payable, the balance remaining unpaid shall be returned to*
5 *the General Fund out of the fund as soon as it shall become*
6 *available, together with interest thereon from the dates of maturity*
7 *until returned, at the same rate of interest as borne by the bonds,*
8 *compounded semiannually. This subdivision does not grant any*
9 *lien on the fund or the moneys therein to holders of any bonds*
10 *issued under this chapter. However, this subdivision does not apply*
11 *in the case of any debt service that is payable from the proceeds*
12 *of any refunding bonds. For purposes of this subdivision, “debt*
13 *service” means the principal, whether due at maturity, by*
14 *redemption, or acceleration, premium, if any, or interest payable*
15 *on any date to any series of bonds.*

16 *19406. Notwithstanding Section 13340 of the Government*
17 *Code, there is hereby continuously appropriated from the General*
18 *Fund, for purposes of this chapter, a sum of money that will equal*
19 *the sum annually necessary to pay the principal of, and the interest*
20 *on, the bonds issued and sold as provided in this chapter, as that*
21 *principal and interest become due and payable.*

22 *19407. Upon request of the board, supported by a statement*
23 *of its plans and projects approved by the Governor, the committee*
24 *shall determine whether to issue any bonds authorized under this*
25 *chapter in order to carry out the board’s plans and projects and,*
26 *if so, the amount of bonds to be issued and sold. Successive issues*
27 *of bonds may be authorized and sold to carry out these plans and*
28 *projects progressively, and it is not necessary that all of the bonds*
29 *be issued or sold at any one time.*

30 *19408. (a) The committee may authorize the Treasurer to sell*
31 *all or any part of the bonds authorized by this chapter at the time*
32 *or times established by the Treasurer.*

33 *(b) Whenever the committee deems it necessary for an effective*
34 *sale of the bonds, the committee may authorize the Treasurer to*
35 *sell any issue of bonds at less than their par value, notwithstanding*
36 *Section 16754 of the Government Code. However, the discount on*
37 *the bonds shall not exceed 3 percent of the par value thereof.*

38 *19409. Out of the first money realized from the sale of bonds*
39 *as provided by this chapter, there shall be redeposited in the*
40 *General Obligation Bond Expense Revolving Fund, established*

1 by Section 16724.5 of the Government Code, the amount of all
2 expenditures made for purposes specified in that section, and this
3 money may be used for the same purpose and repaid in the same
4 manner whenever additional bond sales are made.

5 19410. Any bonds issued and sold pursuant to this chapter may
6 be refunded in accordance with Article 6 (commencing with Section
7 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the
8 Government Code. The approval of the voters for the issuance of
9 bonds under this chapter includes approval for the issuance of
10 bonds issued to refund bonds originally issued or any previously
11 issued refunding bonds.

12 19411. Notwithstanding any provision of the bond act, if the
13 Treasurer sells bonds under this chapter for which bond counsel
14 has issued an opinion to the effect that the interest on the bonds
15 is excludable from gross income for purposes of federal income
16 tax, subject to any conditions that may be designated, the Treasurer
17 may establish separate accounts for the investment of bond
18 proceeds and for the earnings on those proceeds, and may use
19 those proceeds or earnings to pay any rebate, penalty, or other
20 payment required by federal law or take any other action with
21 respect to the investment and use of bond proceeds required or
22 permitted under federal law necessary to maintain the tax-exempt
23 status of the bonds or to obtain any other advantage under federal
24 law on behalf of the funds of this state.

25 19412. The Legislature hereby finds and declares that,
26 inasmuch as the proceeds from the sale of bonds authorized by
27 this chapter are not “proceeds of taxes” as that term is used in
28 Article XIII B of the California Constitution, the disbursement of
29 these proceeds is not subject to the limitations imposed by Article
30 XIII B.

31 SEC. 4. Section 3 of this act shall take effect upon the approval
32 by the people of the Voting Modernization Bond Act of 2018,
33 submitted to the voters pursuant to Section 5 of this act.

34 SEC. 5. Notwithstanding Section 9040 of the Elections Code,
35 a ballot measure that sets forth the Voting Modernization Bond
36 Act of 2018, as set forth in Section 3 of this act, shall be submitted
37 to the voters at the June 5, 2018, statewide direct primary election.

38 SECTION 1. ~~Section 2028 of the Elections Code is amended~~
39 ~~to read:~~

1 2028. ~~If a person has a family fixed in one place, and he or she~~
2 ~~does business in another place, the former is his or her place of~~
3 ~~domicile. However, if the person has a family fixed in one place,~~
4 ~~has taken up an abode in another place with the intention of~~
5 ~~remaining, and his or her family does not so reside with him or~~
6 ~~her, the person is a domiciliary where he or she has so taken up~~
7 ~~the abode. For purposes of this section, a person may take up an~~
8 ~~abode at the same place at which he or she does business.~~

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