



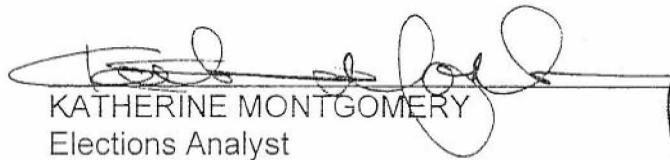
**DEBRA BOWEN** | SECRETARY OF STATE  
STATE OF CALIFORNIA | ELECTIONS

1500 11th Street, 5th Floor | Sacramento, CA 95814 | Tel (916) 657-2166 | Fax (916) 653-3214 | www.sos.ca.gov

September 12, 2007

TO: ALL COUNTY CLERKS/REGISTRARS OF VOTERS/PROPONENT  
(07140)

FROM:

  
KATHERINE MONTGOMERY  
Elections Analyst

SUBJECT: **INITIATIVE #1271**

Pursuant to Elections Code section 336, we transmit herewith a copy of the Title and Summary prepared by the Attorney General on a proposed initiative measure entitled:

**CHILDREN'S HOSPITAL BOND ACT.  
GRANT PROGRAM. STATUTE.**

The proponent of the above-named measure is:

Diana S. Dooley  
1215 K Street, Suite 1930  
Sacramento, CA 95814

(916) 552-7111

#1271

CHILDREN'S HOSPITAL BOND ACT.  
GRANT PROGRAM. STATUTE.

CIRCULATING AND FILING SCHEDULE

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1. Minimum number of signatures required: ..... 433,971  
California Constitution, Article II, Section 8(b)
  
2. Official Summary Date: ..... Wednesday, 09/12/07
  
3. Petitions Sections:
  - a. First day Proponent can circulate Sections for  
signatures (Elec. Code § 336) ..... Wednesday, 09/12/07
  
  - b. Last day Proponent can circulate and file with the county.  
All sections are to be filed at the same time within each  
county. (Elec. Codes §§ 336, 9030(a)) ..... Monday, 02/11/08\*
  
  - c. Last day for county to determine total number of  
signatures affixed to petitions and to transmit total  
to the Secretary of State (Elec. Code § 9030(b))..... Monday, 02/25/08  
  
(If the Proponent files the petition with the county on a date prior to  
02/11/08, the county has eight working days from the filing of the petition  
to determine the total number of signatures affixed to the petition and to  
transmit the total to the Secretary of State) (Elec. Code § 9030(b)).
  
  - d. Secretary of State determines whether the total number  
of signatures filed with all county clerks/registrar's of  
voters meets the minimum number of required signatures  
and notifies the counties ..... Wednesday, 03/05/08\*\*
  
  - e. Last day for county to determine total number of qualified  
voters who signed the petition, and to transmit certificate  
with a blank copy of the petition to the Secretary of State  
(Elec. Code § 9030(d)(e)) ..... Thursday, 04/17/08

\* Date adjusted for official deadline, which falls on a weekend (Elec. Code § 15).

\*\*Date varies based on the date of county receipt.

INITIATIVE #1271

Circulating and Filing Schedule continued:

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(If the Secretary of State notifies the county to determine the number of qualified voters who signed the petition on a date other than 03/05/08, the last day is no later than the thirtieth working day after the county's receipt of notification). (Elec. Code § 9030(d)(e)).

- f. If the signature count is more than 477,369 or less than 412,273 then the Secretary of State certifies the petition as qualified or failed, and notifies the counties. If the signature count is between 412,273 and 477,369 inclusive, then the Secretary of State notifies the counties using the random sampling technique to determine the validity of **all** signatures (Elec. Code §§ 9030(f)(g), 9031(a)) ..... Sunday, 04/27/08\*
  
- g. Last day for county to determine actual number of all qualified voters who signed the petition, and to transmit certificate with a blank copy of the petition to the Secretary of State. (Elec. Code § 9031(b)(c)). ..... Monday, 06/09/08

(If the Secretary of State notifies the county to determine the number of qualified voters who have signed the petition on a date other than 04/27/08, the last day is no later than the thirtieth working day after the county's receipt of notification.) (Elec. Code § 9031(b)(c).)

- h. Secretary of State certifies whether the petition has been signed by the number of qualified voters required to declare the petition sufficient (Elec. Code §§ 9031(d), 9033) ..... Friday, 06/13/08\*

\*Date varies based on the date of county receipt.

## IMPORTANT POINTS

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- California law prohibits the use of signatures, names and addresses gathered on initiative petitions for any purpose other than to qualify the initiative measure for the ballot. This means that the petitions cannot be used to create or add to mailing lists or similar lists for any purpose, including fundraising or requests for support. Any such misuses constitutes a crime under California law. Elections Code section 18650; *Bilofsky v. Deukmejian* (1981) 124 Cal.App.3d 825, 177 Cal.Rptr. 621; 63 Ops.Cal.Atty.Gen. 37 (1980).
- Please refer to Elections Code sections 100, 101, 104, 9001, 9008, 9009, 9021, and 9022 for appropriate format and type consideration in printing, typing and otherwise preparing your initiative petition for circulation and signatures. Please send a copy of the petition after you have it printed. This copy is not for our review or approval, but to supplement our file.
- Your attention is directed to the campaign disclosure requirements of the **Political Reform Act of 1974**, Government Code section 81000 et seq.
- When writing or calling state or county elections officials, provide the official title of the initiative which was prepared by the Attorney General. Use of this title will assist elections officials in referencing the proper file.
- When a petition is presented to the county elections official for filing by someone other than the proponent, the required authorization shall include the name or names of the persons filing the petition.
- When filing the petition with the county elections official, please provide a blank petition for elections official use.

EDMUND G. BROWN JR.  
Attorney General

State of California  
DEPARTMENT OF JUSTICE



1300 I STREET, SUITE 125  
P.O. BOX 944255  
SACRAMENTO, CA 94244-2550

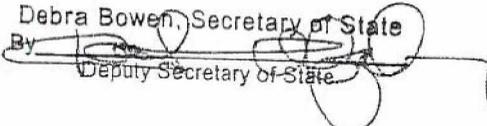
Public: (916) 445-9555  
Telephone: (916) 445-1968  
Facsimile: (916) 324-8835  
E-Mail: Toni.Melton@doj.ca.gov

September 12, 2007

**FILED**  
In the office of the Secretary of State  
of the State of California

SEP 12 2007

Debra Bowen  
Secretary of State  
1500 - 11<sup>th</sup> Street, 5<sup>th</sup> Floor  
Sacramento, CA 95814

By  Debra Bowen, Secretary of State  
Deputy Secretary of State

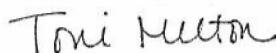
RE: Title and Summary for Initiative No. 07-0034  
TITLE: CHILDREN'S HOSPITAL BOND ACT. GRANT PROGRAM. STATUTE.

Dear Ms. Bowen:

Pursuant to the provisions in sections 336 and 9004 of the Elections Code, enclosed please find a copy of the Title and Summary issued for Initiative Number 07-0034 and text of the proposed measure.

Should you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,



TONI MELTON  
Initiative Secretary

For EDMUND G. BROWN JR.  
Attorney General

Enclosures

**Proponent's public information:**

Diana S. Dooley  
President & CEO  
California Children's Hospital Association  
1215 K Street, Suite 1930  
Sacramento, CA 95814  
Telephone: 916 552 7111  
Facsimile: 916 552 7119

Date: September 12, 2007  
Initiative No. 07-0034

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

CHILDREN'S HOSPITAL BOND ACT. GRANT PROGRAM. STATUTE.

Authorizes \$980,000,000 in bonds, to be repaid from state's General Fund, to fund the construction, expansion, remodeling, renovation, furnishing and equipping of children's hospitals. Designates that 80 percent of bond proceeds go to hospitals that focus on children with illnesses such as leukemia, cancer, heart defects, diabetes, sickle cell anemia and cystic fibrosis. Requires that qualifying children's hospitals provide comprehensive services to a high volume of children eligible for governmental programs and meet other requirements. Designates that 20 percent of bond proceeds go to University of California general acute care hospitals.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: State costs of about \$2 billion over 30 years to pay off both the principal (\$980 million) and the interest (\$1 billion) costs of the bond. Payments of about \$67 million per year. (Initiative 07-0034.)

CALIFORNIA

children's

HOSPITAL  
ASSOCIATION

July 23, 2007

1215 K STREET SUITE 1030

SACRAMENTO, CA 95814

T 916.552.7111

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www.cchs.org

Initiative Coordinator  
Office of the Attorney General  
State of California  
PO Box 994255  
Sacramento, CA 94244-25550

RECEIVED

JUL 24 2007

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Re: Request for Title and Summary for Proposed Initiative

Dear Sir or Madam:

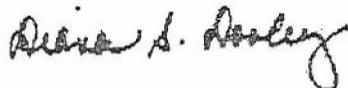
Pursuant to Article II, Section 10(d) of the California Constitution, I am submitting the attached proposed initiative measure to your office and request that you prepare a title and summary of the measure as provided by law.

Included with this submission is the required proponent affidavit signed by the proponent of this measure pursuant to section 9608 of the California Elections Code. My address as registered to vote is provided on Attachment 'A' to this letter.

Also enclosed please find the \$200 filing fee required pursuant to Elections Code section 9004.

Thank you for your time and attention to this important matter.

Very truly yours,



Diana S. Dooley  
President & CEO

Encl.

## INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

SECTION 1. Part 6.1 (commencing with Section 1179.50) is added to Division 1 of the Health and Safety Code, to read:

## PART 6.1. Children's Hospital Bond Act of 2008

## CHAPTER 1. GENERAL PROVISIONS

1179.50(a) This part shall be known and may be cited as the Children's Hospital Bond Act of 2008.

(b) California's network of regional children's hospitals provide vital health care services to children facing life-threatening illness or injury. Over 1 million times each year, children are cared for at these hospitals without regard to their family's ability to pay.

(c) Children's hospitals also provide specialized treatment and care that has increased the survival of children suffering from serious diseases and illnesses such as childhood leukemia, cancer, heart defects, diabetes, sickle cell anemia, and cystic fibrosis.

(d) Children's hospitals also provide essential training for pediatricians, pediatric specialists and others who treat children, and they conduct critically important medical research that benefits all of California's children.

(e) However, the burden of providing uncompensated care and the increasing costs of health care seriously impair our children's hospitals' ability to modernize and expand their facilities and to purchase the latest medical technologies and special medical equipment necessary to take care of sick children.

(f) Therefore, the people desire to provide a steady and ready source of funds for capital improvement programs for children's hospitals to improve the health, welfare, and safety of California's children.

1179.51. As used in this part, the following terms have the following meanings:

(a) "Authority" means the California Health Facilities Financing Authority established pursuant to Section 15431 of the Government Code.

(b) "Children's hospital" means either of the following:

- (1) A University of California general acute care hospital described below:
  - (A) University of California, Davis Children's Hospital.
  - (B) Mattel Children's Hospital at University of California, Los Angeles.
  - (C) University Children's Hospital at University of California, Irvine.
  - (D) University of California, San Francisco Children's Hospital.

(E) University of California, San Diego Children's Hospital.

(2) A general acute care hospital that is, or is an operating entity of, a California nonprofit corporation incorporated prior to January 1, 2003, whose mission of clinical care, teaching, research, and advocacy focuses on children, and that provides comprehensive pediatric services to a high volume of children eligible for governmental programs and to children with special health care needs eligible for the California Children's Services program and that meets all of the following:

(A) The hospital had at least 160 licensed beds in the categories of pediatric acute, pediatric intensive care and neonatal intensive care in the fiscal year ending between June 30, 2001, and June 29, 2002, as reported to the Office of Statewide Health Planning and Development on or before July 1, 2003.

(B) The hospital provides over 30,000 total pediatric patient (census) days, excluding nursery acute days, in the fiscal year ending between June 30, 2001, and June 29, 2002, as reported to the Office of Statewide Health Planning and Development on or before July 1, 2003.

(C) The hospital provides medical education to at least eight, rounded to the nearest whole integer, full-time equivalent pediatric or pediatric subspecialty residents in the fiscal year ending between June 30, 2001, and June 29, 2002, as reported to the Office of Statewide Health Planning and Development on or before July 1, 2003.

(c) "Committee" means the Children's Hospital Bond Act Finance Committee created pursuant to Section 1179.61.

(d) "Fund" means the Children's Hospital Bond Act Fund created pursuant to Section 1179.53.

(e) "Grant" means the distribution of money in the Fund by the Authority to children's hospitals for projects pursuant to this part.

(f) "Program" means the Children's Hospital Program established pursuant to this part.

(g) "Project" means constructing, expanding, remodeling, renovating, furnishing, equipping, financing, or refinancing of a children's hospital to be financed or refinanced with funds provided in whole or in part pursuant to this part. "Project" may include reimbursement for the costs of constructing, expanding, remodeling, renovating, furnishing, equipping, financing, or refinancing of a children's hospital where these costs are incurred after January 31, 2008. "Project" may include any combination of one or more of the foregoing undertaken jointly by any participating children's hospital that qualifies under this part.

## CHAPTER 2. THE CHILDREN'S HOSPITAL PROGRAM

1179.53. The proceeds of bonds issued and sold pursuant to this part shall be deposited in the Children's Hospital Bond Act Fund, which is hereby created.

1179.54. The purpose of the Children's Hospital Program is to improve the health and welfare of California's critically ill children, by providing a stable and ready source of funds for capital improvement projects for children's hospitals. The program provided for in this part is in the public interest, serves a public purpose, and will promote the health, welfare, and safety of the citizens of the state.

1179.55. The Authority is authorized to award grants to any children's hospital for purposes of funding projects, as defined in subdivision (g) of Section 1179.51.

1179.56. (a) Twenty percent of the total funds available for grants pursuant to this part shall be awarded to children's hospitals as defined in paragraph (1) of subdivision (b) of Section 1179.51.

(b) Eighty percent of the total funds available for grants pursuant to this part shall be awarded to children's hospitals as defined in paragraph (2) of subdivision (b) of Section 1179.51.

1179.57(a) The Authority shall develop a written application for the awarding of grants under this part within 90 days of the adoption of this act. The Authority shall award grants to eligible children's hospitals, subject to the limitations of this part and to further the purposes of this part based on the following factors:

(1) The grant will contribute toward expansion or improvement of health care access by children eligible for governmental health insurance programs and indigent, underserved, and uninsured children.

(2) The grant will contribute toward the improvement of child health care or pediatric patient outcomes.

(3) The children's hospital provides uncompensated or undercompensated care to indigent or public pediatric patients.

(4) The children's hospital provides services to vulnerable pediatric populations.

(5) The children's hospital promotes pediatric teaching or research programs.

(6) Demonstration of project readiness and project feasibility.

(b) (1) An application for funds shall be submitted to the Authority for approval as to its conformity with the requirements of this part.

(2) The Authority shall process and award grants in a timely manner, not to exceed 60 days.

(c) A children's hospital identified in paragraph (1) of subdivision (b) of Section 1179.51 shall not apply for, and the Authority shall not award to that children's hospital, a grant that would cause the total amount of grants awarded to that children's hospital to exceed one-fifth of the total funds available for grants to all children's hospitals pursuant to subdivision (a) of Section 1179.56. Notwithstanding this grant limitation, any funds available under subdivision (a) of Section 1179.56 that have not been exhausted by June 30, 2018, shall become available for an application from any children's hospital identified in paragraph (1) of subdivision (b) of Section 1179.51.

(d) A children's hospital identified in paragraph (2) of subdivision (b) of Section 1179.51 shall not apply for, and the Authority shall not award to that children's hospital, a grant that would cause the total amount of grants awarded to that children's hospital to exceed ninety-eight million dollars (\$98,000,000) from funds available for grants to all children's hospitals pursuant to subdivision (b) of Section 1179.56. Notwithstanding this grant limitation, any funds available under subdivision (b) of Section 1179.56 that have not been exhausted by June 30, 2018, shall become available for an application from any children's hospital defined in paragraph (2) of subdivision (b) of Section 1179.51.

(e) In no event shall a grant to finance a project exceed the total cost of the project, as determined by the children's hospital and approved by the Authority.

(f) All projects that are awarded grants shall be completed within a reasonable period of time. If the Authority determines that the children's hospital has failed to complete the project under the terms specified in awarding the grant, the Authority may require remedies, including the return of all or a portion of the grant. A children's hospital receiving a grant under this part shall submit certification of project completion to the Authority.

(g) Grants shall only be available pursuant to this section if the Authority determines that it has sufficient money available in the Fund. Nothing in this section shall require the Authority to award grants if the Authority determines that it has insufficient moneys available in the Fund to do so.

(h) The Authority may annually determine the amount available for purposes of this part. Administrative costs for this program shall not exceed the actual costs or 1 percent, whichever is less.

1179.58. The Bureau of State Audits may conduct periodic audits to ensure that bond proceeds are awarded in a timely fashion and in a manner consistent with the requirements of this part, and that awardees of bond proceeds are using funds in compliance with applicable provisions of this part.

### CHAPTER 3. FISCAL PROVISIONS

1179.59. Bonds in the total amount of nine hundred eighty million dollars (\$980,000,000), not including the amount of any refunding bonds, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, 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 is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

1179.60. The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4

(commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this part and are hereby incorporated in this part as though set forth in full in this part.

1179.61. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law of the bonds authorized by this part, the Children's Hospital Bond Act Finance Committee is hereby created. For purposes of this part, the Children's Hospital Bond Act Finance Committee is "the Committee" as that term is used in the State General Obligation Bond Law. The Committee consists of the Controller, Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the Committee. A majority of the Committee may act for the Committee.

(b) The Authority is designated the "board" for purposes of the State General Obligation Bond Law, and shall administer the program pursuant to this part.

1179.62. The Committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this part in order to carry out the actions specified in Section 1179.54 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds be issued or sold at any one time.

1179.63. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

1179.64. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated continuously from the General Fund in the State Treasury, for the purposes of this part, an amount that will equal the total of the following:

- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.
- (b) The sum necessary to carry out Section 1179.65, appropriated without regard to fiscal years.

1179.65. For the purposes of carrying out this part, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the Committee to be sold for the purpose of carrying out this part. Any amounts withdrawn shall be deposited in the Fund. Any money made available under this section shall be returned to the General Fund from proceeds received from the sale of bonds for the purpose of carrying out this part.

1179.66. All money deposited in the Fund that is derived from premium and accrued interest on bonds sold shall be reserved in the Fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

1179.67. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each children's hospital funded through this bond act.

1179.68. The Authority may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, including other authorized forms of interim financing that include, but are not limited to, commercial paper, in accordance with Section 16312 of the Government Code, for purposes of carrying out this part. The amount of the request shall not exceed the amount of the unsold bonds that the Committee, by resolution, has authorized to be sold for the purpose of carrying out this part. The Authority shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the Fund to be allocated by the board in accordance with this part.

1179.69. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this part includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this part or any previously issued refunding bonds.

1179.70. Notwithstanding any other provision of this part, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this part that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment of earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

1179.71. The people hereby find and declare that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that part.

1179.72. Notwithstanding any other provision of this part, the provisions of this part are severable. If any provision of this part or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.