REVISED 6440-304-6048 AS FOLLOWS:

6440-304-6048—For capital outlay, University of California, payable from
the 2006 Higher Education Capital Outlay Bond Fund $60,600,000

Schedule:

Davis:
(1) 99.03.365 –Telemedicine Resource Center and Rural-
    PRIME Facility-Preliminary plans, working drawings,
    construction, equipment..................................................35,000,000

Los Angeles:
(2) 99.04.270-Telemedicine and PRIME Facilities Phase 1-
    Equipment ...........................................................19,700,000

San Francisco:
(3) 99.02.155-Telemedicine and PRIME-US Education
    Facilities- Preliminary plans, working drawings, equipment…… 5,900,000

Provisions:

1. If savings are identified in funds encumbered from this general obligation bond fund
   for construction contracts for capital outlay projects, remaining after completion of a
   capital outlay project and upon resolution of all change orders and claims, those
   savings may be used for the following purposes: (a) to begin working drawings for a
   project for which preliminary plan funds have been appropriated and the plans have
   been approved by the State Public Works Board consistent with the scope and cost
   approved by the Legislature as adjusted for inflation only; (b) to proceed further with
   the underground tank corrections program; (c) to perform engineering evaluations on
   buildings that have been identified as potentially in need of seismic retrofitting; (d) to
   proceed with design and construction of projects to meet requirements under the
   federal Americans with Disabilities Act of 1990; or (e) to fund minor capital outlay
   projects.

   No later than March 1 of each year, the University of California shall provide the
   Legislative Analyst with a progress report showing the identified savings by project,
   and the purpose for which the identified savings were used.

   No later than November 1 of each year, the University of California shall prepare
   a report showing (a) the identified savings by project and (b) the purpose for which
   the identified savings were used. This report shall be submitted to the Chair of the
   Joint Legislative Budget Committee and to the chairs of the fiscal committees in each
   house.

2. The funds provided under this item shall be available for expenditure only if the
   University of California requires the payment of prevailing wage rates by the
   contractors and subcontractors on all projects in this item and on all other capital
   outlay projects undertaken by the University of California that are funded using
   nonstate funds or are otherwise not financed with the funds appropriated in this item.
   This requirement shall represent a moratorium on granting further exceptions to
   paying prevailing wage rates until June 30, 2008.
ADD 6440-305-6048 AS FOLLOWS:

6440-305-6048—For capital outlay, University of California, payable from the 2006 Higher Education Capital Outlay Bond Fund $70,000,000

Irvine:
(1) 99.09.380-Telemedicine/PRIME-LC Facility-Preliminary plans, working drawings, construction, equipment ............ 35,000,000

San Diego:
(2) 99.06.395-Telemedicine and PRIME-HEq Education Facility-Preliminary plans, working drawings, construction, equipment..............................................................35,000,000

Provisions:
1. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the University of California may proceed with any phase of any project identified in the above schedule, including preparation of preliminary plans, working drawings, construction, or equipment purchase, without the need for any further approvals.

2. The University of California shall complete each project identified in the above schedule within the total funding amount specified in the schedule for that project. Notwithstanding Section 13332.11 of the Government Code or any other provision of law, the budget for any project to be funded from this item may be augmented by the University of California within the total appropriation made by this item, in an amount not to exceed 10 percent of the amount appropriated for that project. No funds appropriated in this item for equipment may be used for an augmentation under this provision, or be augmented from any other funds appropriated in this item. This condition does not limit the authority of the University of California to use nonstate funds.

3. The University of California shall complete each project identified in the above schedule without any change to its scope. The scope of a project, in this respect, means the intended purpose of the project as determined by reference to the following elements of the budget request for that project submitted by the University of California to the Department of Finance: (a) the program elements related to project type, and (b) the functional description of spaces required to deliver the academic and supporting programs as approved by the Legislature.

4. Notwithstanding any other provision of law, the appropriation made by this item is available for encumbrance until June 30, 2009, except that the funds appropriated for construction only must be bid by June 30, 2008, and are available for expenditure until June 30, 2009, and that the funds appropriated for equipment purposes are available for encumbrance until June 30, 2010. For the purposes of encumbrance, funds appropriated for construction management and project contingencies purposes, as well as any bid savings, shall be deemed to be encumbered at the time a contract for that purpose is awarded; these funds also may be used to initiate consulting contracts necessary for management of the project during the liquidation period. Any savings identified at the completion of the project also may be used during the liquidation period to fund the purposes described in Provision 5.

5. Identified savings in a budget for a capital outlay project, as appropriated in this item, remaining after completion of a capital outlay project and upon resolution of all
change orders and claims, may be used without further approval: (a) to augment projects consistent with Provision 2, (b) to proceed further with the underground tank corrections program, (c) to perform engineering evaluations on buildings that have been identified as potentially in need of seismic retrofitting, (d) to proceed with the design and construction of projects to meet requirements under the Federal Americans with Disabilities Act of 1990, or (e) to fund minor capital outlay projects.

6. No later than December 1 of each year, the University of California shall submit a report outlining the expenditure for each project of the funds appropriated by this item to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees of each house of the Legislature, the Legislative Analyst, and the Director of Finance. The report also shall include the following elements: (a) a statement of the identified savings by project, and the purpose for which the identified savings were used; (b) a certification that each project as proceeding or as completed, has remained within its scope and the amount funded for that project under this item; and (c) an evaluation of the outcome of the project measured against performance criteria.

7. The project identified in Schedule (1) may utilize design-build construction consistent with practices, policies, and procedures of the University of California.