

AMENDED IN SENATE AUGUST 20, 2002
AMENDED IN SENATE SEPTEMBER 10, 2001
AMENDED IN SENATE JULY 17, 2001
AMENDED IN ASSEMBLY MAY 8, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 337

Introduced by Assembly Member Correa

February 16, 2001

~~An act to add Section 65051.6 to the Government Code, and to add Section 33492.115 to the Health and Safety Code, relating to land use. An act to amend Section 1102.6b of the Civil Code, relating to real property.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 337, as amended, Correa. ~~Land use: Tustin Marine Corps Air Station~~ *Real estate: disclosures.*

Existing law requires certain disclosures to be made upon the transfer of real estate and prescribes the manner and form of the disclosures. Existing law requires the seller of real property subject to a continuing lien securing the levy of special taxes pursuant to the Mello-Roos Community Facilities Act, or a fixed lien assessment collected in installments to secure bonds issued pursuant to the Improvement Bond Act of 1915, to make a good faith effort to obtain a disclosure notice concerning the tax assessment from each local agency that levies the tax or collects the assessment, on the property being transferred and deliver

it to the prospective purchaser, as long as the notices are made available by the local agency.

Existing law, the Proposition 218 Omnibus Implementation Act, imposes prior notice, protest, and hearing requirements when a local agency levies a new or increased tax or assessment upon real property. Existing law also requires the legislative body of the local agency to designate an office, department, or bureau to prepare a “Notice of Special Assessment” and to furnish a seller of real property with a notice upon request.

This bill would provide that a seller of real property may satisfy its disclosure notice requirement by delivering a disclosure notice that is substantially equivalent, as specified, and obtained from another source, until December 31, 2004.

The bill would also permit a seller of real property to satisfy the disclosure notice requirements described above by delivering a disclosure notice, obtained from another source, that meets specified requirements. The bill would permit a notice provided by a private entity other than a designated office, department, or bureau of a levying entity to be modified as specified for clarity and accuracy, and would require that notice to include certain information.

~~Existing law authorizes a redevelopment project at the Tustin Marine Corps Air Station, and designates the City of Tustin as the local base reuse entity for purposes related to base reuse planning. Provisions of law to become effective January 1, 2002, prohibit the City of Tustin or the Tustin Community Redevelopment Agency from issuing any land use or other approval with respect to real property at the air station unless it requires the conveyance of or an offer to dedicate certain property to the Santa Ana Unified School District and the Rancho Santiago Community College District for a K-14 facility.~~

~~This bill would provide that if a written settlement agreement is entered into by the city and those districts to convey fee title to a portion of the air station for new school facilities, then, upon that conveyance, those provisions that are to become effective January 1, 2002, relative to land use or other approvals shall be deemed superseded and of no further force or effect.~~

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.



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

1 ~~SECTION 1. Section 65051.6 is added to the Government~~
2 *SECTION 1. Section 1102.6b of the Civil Code is amended to*
3 *read:*
4 1102.6b. (a) This section applies to all transfers of real
5 property for which all of the following apply:
6 (1) The transfer is subject to this article.
7 (2) The property being transferred is subject to a continuing
8 lien securing the levy of special taxes pursuant to the Mello-Roos
9 Community Facilities Act (Chapter 2.5 (commencing with
10 Section 53311) of Part 1 of Division 2 of Title 5 of the Government
11 Code) or to a fixed lien assessment collected in installments to
12 secure bonds issued pursuant to the Improvement Bond Act of
13 1915 (Division 10 (commencing with Section 8500) of the Streets
14 and Highways Code).
15 (3) A notice is not required pursuant to Section 53341.5 of the
16 Government Code.
17 (b) In addition to any other disclosure required pursuant to this
18 article, the seller of any real property subject to this section shall
19 make a good faith effort to obtain a disclosure notice concerning
20 the special tax as provided for in Section 53340.2 of the
21 Government Code, or a disclosure notice concerning an
22 assessment installment as provided in Section 53754 of the
23 Government Code, from each local agency that levies a special tax
24 pursuant to the Mello-Roos Community Facilities Act, or that
25 collects assessment installments to secure bonds issued pursuant
26 to the Improvement Bond Act of 1915 (Division 10 (commencing
27 with Section 8500) of the Streets and Highways Code), on the
28 property being transferred, and shall deliver that notice or those
29 notices to the prospective purchaser, as long as the notices are
30 made available by the local agency.
31 (c) *The seller of real property subject to this section may satisfy*
32 *the disclosure notice requirements in regard to the bonds issued*
33 *pursuant to the Improvement Bond Act of 1915 (Division 10*
34 *(commencing with Section 8500) of the Streets and Highways*
35 *Code) by delivering a disclosure notice that is substantially*
36 *equivalent and obtained from another source, until December 31,*
37 *2004. For the purposes of this section, a substantially equivalent*
38 *disclosure notice includes, but is not limited to, a copy of the most*



1 recent year's property tax bill or an itemization of current
2 assessment amounts applicable to the property.

3 (d) (1) The seller of real property subject to this section may
4 satisfy the disclosure notice requirements of this section by
5 delivering a disclosure notice obtained from any other source that
6 meets the notice requirements of this section.

7 (2) A notice provided by a private entity other than a designated
8 office, department, or bureau of the levying entity may be modified
9 as needed to clearly and accurately describe a special tax pursuant
10 to the Mello-Roos Community Facilities Act levied against the
11 property or to clearly and accurately consolidate information
12 about two or more districts that levy or are authorized to levy a
13 special tax pursuant to the Mello-Roos Community Facilities Act
14 against the property, and shall include the name of the Mello-Roos
15 levying taxes against the property, the annual fee due for the
16 Mello-Roos for the current tax year, the percentage by which the
17 annual fee for the Mello-Roos may increase per year, the maximum
18 tax that may be levied against the property in any year, and the date
19 until the tax may be levied against the property for the Mello-Roos
20 and a contact telephone number, if available, for further
21 information about the Mello-Roos. A notice provided by a private
22 entity other than a designated office, department, or bureau of the
23 levying entity may be modified as needed to clearly and accurately
24 describe special assessments and bonds pursuant to the
25 Improvement Bond Act of 1915 levied against the property, or to
26 clearly and accurately consolidate information about two or more
27 districts that levy or are authorized to levy special assessments and
28 bonds pursuant to the Improvement Bond Act of 1915 against the
29 property, and shall include the name of the special assessments and
30 bonds issued pursuant to the Improvement Bond Act of 1915, the
31 current annual tax on the property for the special assessments and
32 bonds issued pursuant to the Improvement Bond Act of 1915 and
33 a contact telephone number, if available, for further information
34 about the special assessments and bonds issued pursuant to the
35 Improvement Bond Act of 1915.

36 (3) This section does not change the ability to make disclosures
37 pursuant to Section 1102.4 of the Civil Code.

38 (e) If a disclosure received pursuant to subdivision (b), (c), or
39 (d) has been delivered to the transferee, a seller or his or her agent
40 is not required to provide additional information concerning, and



1 information in the disclosure shall be deemed to satisfy the
2 responsibility of the seller or his or her agent to inform the
3 transferee regarding the special tax or assessment installments and
4 the district. Notwithstanding subdivision (b), (c) or (d), nothing
5 in this section imposes a duty to discover a special tax or
6 assessment installments or the existence of any levying district not
7 actually known to the agents.

8 *SEC. 2. This act is intended to ensure that prospective*
9 *purchasers of real property have the relevant information that they*
10 *need to make an informed decision, and to clarify that substantial*
11 *compliance by property owners continues to be legally sufficient*
12 *in lieu of formal disclosures by public entities.*

13 ~~Code, to read:~~

14 ~~65051.6.— In the event that a written settlement agreement is~~
15 ~~entered into by the City of Tustin, the Santa Ana Unified School~~
16 ~~District, and the Rancho Santiago Community College District~~
17 ~~with respect to the conveyance to the districts of fee title to a~~
18 ~~portion of the Marine Corps Air Station at Tustin (MCAS-Tustin)~~
19 ~~that consists of one or more parcels of land to be used for the~~
20 ~~development of new school facilities, then, upon the conveyance~~
21 ~~of the parcel or parcels of land at MCAS-Tustin to be conveyed to~~
22 ~~those districts under the terms of that settlement agreement, the~~
23 ~~provisions of Section 65051.5 shall be deemed superseded and~~
24 ~~shall be of no further force or effect.~~

25 ~~SEC. 2.— Section 33492.115 is added to the Health and Safety~~
26 ~~Code, to read:~~

27 ~~33492.115.— In the event that a written settlement agreement is~~
28 ~~entered into by the City of Tustin, the Santa Ana Unified School~~
29 ~~District, and the Rancho Santiago Community College District~~
30 ~~with respect to the conveyance to the districts of fee title to a~~
31 ~~portion of the Marine Corps Air Station at Tustin (MCAS-Tustin)~~
32 ~~that consists of one or more parcels of land to be used for the~~
33 ~~development of new school facilities, then, upon the conveyance~~
34 ~~of the parcel or parcels of land at MCAS-Tustin to be conveyed to~~
35 ~~those districts under the terms of that settlement agreement, the~~
36 ~~provisions of Section 33492.114 shall be deemed superseded and~~
37 ~~shall be of no further force or effect.~~

