

AMENDED IN SENATE JANUARY 4, 2006

AMENDED IN SENATE APRIL 12, 2005

AMENDED IN SENATE MARCH 7, 2005

SENATE BILL

No. 9

Introduced by Senator Denham

(Principal coauthors: ~~Assembly Members Aghazarian, Cogdill,
Matthews, Mullin, and Ruskin~~)

December 6, 2004

~~An act to add Section 15202.3 to the Government Code, relating to local government finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately. An act to add Section 96.11 to the Revenue and Taxation Code, relating to local government finance.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 9, as amended, Denham. Local government finance.

~~Existing law authorizes counties to apply to the Controller for partial reimbursement of expenses incurred for homicide trials.~~

~~The Budget Act of 2004 provides for payment to counties for costs of homicide trials and specifies the procedure for a county to apply to the Controller for that reimbursement under certain criteria.~~

~~This bill would provide that, notwithstanding any other provision of law, funds appropriated by the Budget Act of 2004 shall be available for reimbursement of 100% of the costs incurred by the County of Stanislaus for the homicide investigation and prosecution of Scott Peterson. The bill would also provide that, notwithstanding any other provision of law, requests for reimbursement of local agency costs for homicide trials shall be reviewed by the Controller prior to payment and would specify standards for reimbursement by the Controller.~~

~~The bill would specify that, notwithstanding any other provision of law, funds appropriated from a specified item of the Budget Act of 2004 shall be available for reimbursement of 100% of the costs incurred by the County of Stanislaus for the homicide prosecution of Scott Peterson.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenues to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction’s portion of the annual tax increment, as defined.

This bill would, for purposes of property tax revenue allocations for the 2006–07 fiscal year and each fiscal year thereafter, require the county auditor for any county for which a negative sum was calculated pursuant to a specified former statute, in reducing the amount of property tax revenue otherwise allocated to the county by an amount attributable to that negative sum, to apply a reduction amount equal to the reduction amount determined for the 2005–06 fiscal year. By imposing new duties in the annual allocation of ad valorem property tax revenues, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: $\frac{2}{3}$ -majority. Appropriation: ~~yes-no~~. Fiscal committee: yes. State-mandated local program: ~~no~~-yes.

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

- 1 SECTION 1. Section 96.11 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 96.11. Notwithstanding any other provision of this article, for
- 4 purposes of property tax revenue allocations for the 2006–07
- 5 fiscal year and each fiscal year thereafter, the county auditor of

1 any county for which a negative sum was calculated pursuant to
2 subdivision (a) of former Section 97.75 as that section read on
3 September 19, 1983, shall, in reducing the amount of property
4 tax revenue that otherwise would be allocated to the county by an
5 amount attributable to that negative sum, apply a reduction
6 amount that is equal to the reduction amount that was
7 determined for the 2005–06 fiscal year.

8 SEC. 2. (a) The Legislature hereby finds and declares that
9 the passage of Senate Bill 154 of the 1977–78 Regular Session of
10 the Legislature and Assembly Bill 8 of the 1979–80 Regular
11 Session of the Legislature authorized the transfer of funds from
12 the state to the counties as part of a so-called “bail out for the
13 counties” following the passage of Proposition 13.

14 (b) The Legislature further finds and declares that while 52 of
15 the state’s 58 counties received money from the state, six
16 counties actually lost money or were subject to a negative sum as
17 a result of Senate Bill 154 and Assembly Bill 8.

18 (c) The Legislature further finds and declares that the
19 formulae in Senate Bill 154 and Assembly Bill 8 that caused
20 these six counties to lose money may have been valid in 1978, but
21 the peculiarities that existed then do not justify the continuation
22 of the negative sum formula.

23 (d) The Legislature further finds and declares that counties
24 subject to the negative sum formula not only continue to lose
25 money, but their losses increase each fiscal year.

26 (e) Therefore, the Legislature finds and declares that no
27 further increase in the negative sum computed for those counties
28 is required and that the negative sum calculated for each affected
29 county for the 2005–06 fiscal year shall constitute the full
30 amount due from each negative sum county pursuant to
31 subdivision (a) of former Section 97.75 of the Revenue and
32 Taxation Code as that section read on September 19, 1983.

33 SEC. 3. No reimbursement is required by this act pursuant to
34 Section 6 of Article XIII B of the California Constitution because
35 this act provides for offsetting savings to local agencies or school
36 districts that result in no net costs to the local agencies or school
37 districts, within the meaning of Section 17556 of the Government
38 Code.

39 SECTION 1. ~~In the 1960s, the state established a policy of~~
40 ~~reimbursing rural local governments for costs of major homicide~~

1 investigations and trials. These reimbursements have been made
2 either through special legislation or in the annual Budget Act.

3 Investigation and court costs of several counties, for other
4 recent major homicide trials including, but not limited to, those
5 of Richard Allen Davis, Cary Stayner, and Charles Ng, have been
6 reimbursed by the state at a rate of 100 percent.

7 In the recent trial of *People v. Scott Peterson*, Stanislaus
8 County and the change of venue county, San Mateo County, have
9 had investigative and trial costs exceeding two million dollars
10 (\$2,000,000).

11 In keeping with the longstanding tradition and practice, the
12 state will reimburse the Counties of Stanislaus and San Mateo for
13 all investigative and prosecution costs, of *People v. Scott*
14 *Peterson* that are deemed reasonable and appropriate by the
15 Controller pursuant to Section 15202.3 of the Government Code.

16 SEC. 2. Section 15202.3 is added to the Government Code, to
17 read:

18 15202.3. (a) Notwithstanding any other provision of law,
19 requests for reimbursement of local agency costs for homicide
20 trials shall be reviewed by the Controller prior to payment.

21 (b) The Controller shall not reimburse any local agency for
22 costs incurred pursuant to Section 15202 that exceed the
23 California Victim Compensation and Government Claims
24 Board's standards for travel and per diem expenses. The
25 Controller may reimburse extraordinary costs in unusual cases if
26 the local agency provides sufficient justification of the need for
27 these expenditures. Nothing in this section shall permit the
28 reimbursement of costs for travel in excess of 1,000 miles on any
29 single round trip, without the prior approval of the Attorney
30 General.

31 (c) The Controller shall reimburse local agencies for
32 reasonable and necessary expenses incurred pursuant to Section
33 15202, except that reimbursements to a local agency shall not
34 exceed the following:

35 (1) For attorney services, an hourly rate equal to that county's
36 average hourly cost for public defenders, the hourly rate paid to
37 appointed counsel, or the hourly rate charged state agencies by
38 the Attorney General for attorney services, whichever rate is less.

39 (2) For investigators, an hourly rate equal to that county's
40 average hourly cost for county-employed investigators or the

1 ~~hourly rate charged state agencies by the Attorney General for~~
2 ~~investigators, whichever rate is less.~~

3 ~~(3) For expert witnesses, the hourly rate that the county~~
4 ~~generally pays for these services.~~

5 ~~SEC. 3. Notwithstanding any other provision of law, funds~~
6 ~~appropriated by Item 8180-101-0001 of Section 2.00 of the~~
7 ~~Budget Act of 2004 shall be available for reimbursement of 100~~
8 ~~percent of the costs incurred by the County of Stanislaus for the~~
9 ~~homicide investigation and prosecution of Scott Peterson.~~

10 ~~SEC. 4. This act is an urgency statute necessary for the~~
11 ~~immediate preservation of the public peace, health, or safety~~
12 ~~within the meaning of Article IV of the Constitution and shall go~~
13 ~~into immediate effect. The facts constituting the necessity are:~~

14 ~~In order to provide the County of Stanislaus and the County of~~
15 ~~San Mateo with urgently needed fiscal assistance at the earliest~~
16 ~~possible time, it is necessary that this act take effect immediately.~~