

**Introduced by Senator Alquist**February 14, 2007

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An act to amend Section 100250 of the Public Utilities Code, and to add Section 7262.3 to the Revenue and Taxation Code, relating to taxation.

## LEGISLATIVE COUNSEL'S DIGEST

SB 264, as introduced, Alquist. Transactions and use taxes: Santa Clara Valley Transportation Authority.

The Transactions and Use Tax Law authorizes counties and districts, as defined, to levy transactions and use taxes as special taxes in accordance with the procedures and requirements set forth in that law. The Santa Clara Valley Transportation Authority Act provides for the establishment of the Santa Clara Valley Transportation Authority with a specified membership. Upon approval of a specified proposition by a vote of the electorate, the authority would be authorized to impose a retail transactions and use tax for specified purposes.

This bill would revise that act to conform to the voter approval requirements set forth in the California Constitution. This bill would also authorize the Santa Clara Valley Transportation Authority to impose a transactions and use tax, for specified purposes, if certain conditions are met.

The bill makes legislative findings and declarations as to the necessity of a special statute.

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 100250 of the Public Utilities Code is  
2 amended to read:

3 100250. A retail transactions and use tax ordinance may be  
4 adopted by the board in accordance with the provisions of Part 1.6  
5 (commencing with Section 7251), Division 2 of the Revenue and  
6 Taxation Code, provided that a ~~majority measure authorizing the~~  
7 ~~ordinance is submitted to and approved by~~ of the electors ~~voting~~  
8 ~~on the measure vote to authorize its enactment, in accordance with~~  
9 *Section 4 of Article XIII A of the California Constitution, at a*  
10 *special election called for that purpose by the board.*

11 SEC. 2. Section 7262.3 is added to the Revenue and Taxation  
12 Code, to read:

13 7262.3. In addition to the tax levied pursuant to Part 1.5  
14 (commencing with Section 7200) the Santa Clara Valley  
15 Transportation Authority may impose a transaction and use tax by  
16 adoption of an ordinance in accordance with this part if each of  
17 the following conditions are met:

18 (a) The ordinance imposing the tax is submitted to, and approved  
19 by, the voters eligible to vote on the measure in accordance with  
20 Article 9 (commencing with Section 100250) of Chapter 5 of Part  
21 12 of the Public Utilities Code.

22 (b) The ordinance includes an expenditure plan describing the  
23 purposes for which the tax may be expended.

24 (c) The tax is imposed at a rate of 0.125, or a multiple thereof,  
25 for a specified period of time.

26 (d) The transactions and use tax conforms to Part 1.6  
27 (commencing with Section 7251).

28 SEC. 3. The Legislature finds and declares that a special law  
29 is necessary and that a general law cannot be made applicable  
30 within the meaning of Section 16 of Article IV of the California  
31 Constitution because of the unique fiscal pressures experienced  
32 by the Santa Clara Valley Transportation Authority in providing  
33 essential public transit services.