

ASSEMBLY BILL

No. 551

**Introduced by Assembly Member Furutani
(Principal coauthor: Assembly Member Blakeslee)**

February 25, 2009

An act to add Section 84751.3 to the Education Code, relating to community colleges, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 551, as introduced, Furutani. Community colleges: property tax revenues.

Existing law requires the Board of Governors of the California Community Colleges, in calculating each community college district's revenue level for each fiscal year, to subtract, among other things, local property tax revenue specified by law for general operating support, exclusive of bond interest and redemption, from the total revenues owed.

This bill would require the annual Budget Act to specify the total local property tax revenue, as defined, for community college districts upon which the General Fund appropriation for community college districts is based.

The bill would require the Chancellor of the California Community Colleges to certify to the Controller the actual property tax revenue for the prior year.

The bill would require the Controller to transfer funds between the General Fund and Section B of the State School Fund, as applicable, based on whether the amount of property tax revenue received plus any previous amount transferred to Section B of the State School Fund is greater than or less than the amount specified in the annual Budget Act.

The bill would thereby make an appropriation. To the extent that the funds appropriated by this bill are allocated to community college districts for purposes of the bill, the funds may be applied toward the minimum funding requirements imposed by Section 8 of Article XVI of the California Constitution.

Vote: majority. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Section 84751.3 is added to the Education Code,
2 to read:

3 84751.3. (a) The annual Budget Act shall specify the total
4 local property tax revenue (net of excess) for community college
5 districts upon which the General Fund appropriation for community
6 college districts is based. For purposes of this section, “total local
7 property tax revenue” means local property tax revenue as
8 described in subdivisions (a) and (d) of Section 84751, and does
9 not include the revenue described in subdivision (b) of Section
10 84751.

11 (b) The Chancellor of the California Community Colleges shall
12 certify to the Controller, on or before December 31 of each year,
13 the actual property tax revenue for the prior year based on
14 information reported on each district’s Annual Financial and
15 Budget Report.

16 (c) If the total amount of property tax revenue identified in
17 subdivision (a) is greater than the amount of property tax revenue
18 identified in subdivision (b) plus any previous amount transferred
19 to Section B of the State School Fund pursuant to this section for
20 the same period, the Controller, at the time of the next general
21 apportionment certification by the chancellor, shall transfer an
22 amount equal to the difference from the General Fund to Section
23 B of the State School Fund for the purposes of Section 84750.5.
24 If the amount of property tax revenue identified in subdivision (b)
25 plus any previous amount transferred to Section B of the State
26 School Fund pursuant to this section is greater than the amount of
27 property tax revenue identified in subdivision (a) for the same
28 period, the Controller, at the time of the next general apportionment
29 certification by the chancellor, shall transfer an amount equal to

- 1 the difference from Section B of the State School Fund to the
- 2 General Fund.

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