

Assembly Bill No. 34

Passed the Assembly June 15, 2011

Chief Clerk of the Assembly

Passed the Senate June 11, 2011

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2011, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 16213 of, and to repeal and add Section 16180 of, the Government Code, and to amend and repeal Section 20623 of the Revenue and Taxation Code, relating to state government, making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL’S DIGEST

AB 34, Blumenfield. State Controller: property tax postponement.

(1) The Senior Citizens and Disabled Citizens Property Tax Postponement Law, until February 20, 2009, authorized a claimant, as defined, to file a claim with the Controller to postpone the payment of ad valorem property taxes, where household income, as defined, did not exceed specified amounts. Existing law authorized the Controller, upon approval of the claim, to either make payment directly to specified entities, or to issue the claimant a certificate of eligibility that constituted a written promise of the state to pay the amount specified on the certificate, as provided. Existing law required these payments to be made out of specified funds appropriated to the Controller, as specified, and also required repaid property tax postponement payments to be paid into an impound account and transferred, as specified, to the General Fund.

Existing law, on and after February 20, 2009, prohibits a person from filing a claim for postponement, and prohibits the Controller from accepting applications for postponement, under the Senior Citizens and Disabled Citizens Property Tax Postponement Law.

This bill would repeal the prohibition against a person filing a claim for postponement and the Controller from accepting applications for postponement under the program as of July 1, 2012.

This bill would create in the State Treasury a Senior Citizens and Disabled Citizens Property Tax Postponement Fund. The bill would require that repaid property tax postponement payments be transferred from the impound account to, or be directly deposited into, the newly created fund. The bill would continuously

appropriate these funds to the Controller for purposes of administering the property tax postponement program, as specified.

(2) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.

This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.

(3) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

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

SECTION 1. Section 16180 of the Government Code is repealed.

SEC. 2. Section 16180 is added to the Government Code, to read:

16180. (a) There is hereby created in the State Treasury a Senior Citizens and Disabled Citizens Property Tax Postponement Fund. Subject to subdivision (b) and notwithstanding Section 13340, the fund is continuously appropriated to the Controller, commencing July 1, 2011, for purposes of administering this chapter, including, but not limited to, necessary administrative costs and disbursements relating to the postponement of property taxes pursuant to the Senior Citizens and Disabled Citizens Property Tax Postponement Law (Chapter 2 (commencing with Section 20581) of Part 10.5 of Division 2 of the Revenue and Taxation Code).

(b) The Controller shall transfer any moneys in the fund in excess of ten million dollars (\$10,000,000) to the General Fund.

(c) Any loan repayments relating to the Senior Citizens and Disabled Citizens Property Tax Postponement Law that are not deposited into an impound account, as described in Section 16210

or 16211.5, shall be deposited into the Senior Citizens and Disabled Citizens Property Tax Postponement Fund.

SEC. 3. Section 16213 of the Government Code is amended to read:

16213. At the end of the six-month period specified in Section 16210 or the six-month period specified in Section 16211.5, all funds remaining in an impound account shall be transferred to the Senior Citizens and Disabled Citizens Property Tax Postponement Fund, established pursuant to Section 16180.

SEC. 4. Section 20623 of the Revenue and Taxation Code is amended to read:

20623. (a) No person shall file a claim for postponement under this chapter on or after the effective date of the act adding this section, and the Controller shall not accept applications for postponement under this chapter on or after that date.

(b) This section shall become inoperative on July 1, 2012, and, as of January 1, 2013, is repealed, unless a later enacted statute that is enacted before January 1, 2013, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 5. This act addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation on January 20, 2011, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 6. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

Approved _____, 2011

Governor