

AMENDED IN ASSEMBLY APRIL 9, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2591**

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**Introduced by Assembly Member Furutani**

February 24, 2012

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An act to ~~amend Section 1620~~ add Article 1.5 (commencing with Section 84730) to Chapter 5 of Part 50 of Division 7 of Title 3 of the Education Code, relating to ~~county educational agencies~~ community colleges, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2591, as amended, Furutani. ~~County educational agencies: county school service fund budgets: posting online. 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 express the intent of the Legislature to enact legislation to create a community college local revenue backfill funding mechanism as specified.*

*This bill would require the Department of Finance, commencing with the Budget Act of 2013 upon enactment of the annual Budget Act, to prominently post on its Internet Web site the total local property tax revenue, as defined, total fee revenue, as defined, and federal oil and mineral resource and donations revenue for community college districts upon which the General Fund appropriation for community college*

*districts in the annual Budget Act is based. The bill would also require the posting of this data for the Budget Act of 2012, as specified.*

*The bill would require the Chancellor of the California Community Colleges to certify to the Controller, at specified times, the amount of property tax revenue and fee revenue estimated for the current fiscal year and actual property tax revenue and fee revenue for the prior fiscal 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 and fee revenue received, plus any previous amount transferred to Section B of the State School Fund, is greater or less than the amount certified by the chancellor pursuant to this bill as the basis for the community college appropriations 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.*

~~Existing law requires the county board of education to hold a public hearing on the proposed county school service fund budget for that fiscal year. Existing law further requires that the agenda for that hearing be posted at least 72 hours prior to the hearing and that it include the location where the budget will be available for inspection.~~

~~This bill would authorize the county board of education to post the proposed budget on its Internet Web site for inspection by the public.~~

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

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

- 1 *SECTION 1. It is the intent of the Legislature to enact*
- 2 *legislation to create a community college local revenue backfill*
- 3 *funding mechanism that effect an automatic backfill of property*
- 4 *taxes and fee revenues by requiring the Controller to transfer funds*
- 5 *from the General Fund to the State School Fund when community*
- 6 *college property tax revenues and fee revenues fall short of the*
- 7 *amount on which the appropriation for community colleges in the*
- 8 *annual Budget Act are based.*

1 SEC. 2. Article 1.5 (commencing with Section 84730) is added  
2 to Chapter 5 of Part 50 of Division 7 of Title 3 of the Education  
3 Code, to read:

4  
5 Article 1.5. Local Property Tax Revenue Allocation  
6

7 84730. (a) (1) Commencing with the Budget Act of 2013, upon  
8 the enactment of the annual Budget Act, the Department of Finance  
9 shall prominently post on its Internet Web site the total local  
10 property tax revenue (net of excess), total fee revenue (net), and  
11 federal oil and mineral resources and donations revenue for  
12 community college districts upon which the General Fund  
13 appropriation for community college districts in the annual Budget  
14 Act is based.

15 (2) As soon as is practicable after the operative date of the act  
16 that adds this section, the Department of Finance shall prominently  
17 post the information described in paragraph (1), as it applies to  
18 the Budget Act of 2012, on its Internet Web Site.

19 (3) For purposes of this section:

20 (A) "Total fee revenue" means fee revenue as described in  
21 subdivision (b) of Section 84751.

22 (B) "Total local property tax revenue" means local property  
23 tax revenue as described in subdivisions (a) and (d) of Section  
24 84751, and does not include the revenue described in subdivision  
25 (b) of Section 84751.

26 (b) The chancellor shall certify to the Controller, on or before  
27 December 31 of each fiscal year and on or before May 31 of each  
28 fiscal year, the amount of property tax revenue and fee revenue  
29 estimated for the current fiscal year and the prior year as reported  
30 to the board of governors pursuant to paragraph (3) of subdivision  
31 (b) of Section 70901 and Section 84207 for use in the calculation  
32 of the state general apportionment.

33 (c) If the total amount of local revenue identified in subdivision  
34 (a) is greater than the amount of local revenue identified in  
35 subdivision (b), plus any previous amount transferred to Section  
36 B of the State School Fund pursuant to this section for the same  
37 period, the Controller, at the time of the next general  
38 apportionment certification by the chancellor, shall transfer an  
39 amount equal to the difference from the General Fund to Section  
40 B of the State School Fund for the purposes of Section 84750.5. If

1 *the amount of local revenue identified in subdivision (b), plus any*  
 2 *previous amount transferred to Section B of the State School Fund*  
 3 *pursuant to this section, is greater than the amount of local revenue*  
 4 *identified in subdivision (a) for the same period, the Controller,*  
 5 *at the time of the next general apportionment certification by the*  
 6 *chancellor, shall transfer an amount equal to the difference from*  
 7 *Section B of the State School Fund to the General Fund.*

8 ~~SECTION 1. Section 1620 of the Education Code is amended~~  
 9 ~~to read:~~

10 ~~1620. On or before July 1 of each fiscal year, the county board~~  
 11 ~~of education shall hold a public hearing on the proposed county~~  
 12 ~~school service fund budget for that fiscal year (the "budget year").~~  
 13 ~~The public hearing shall be held before the adoption of the budget~~  
 14 ~~by the county board of education, and shall occur not less than~~  
 15 ~~three days following the availability of the proposed budget for~~  
 16 ~~public inspection. The agenda for that hearing shall be posted at~~  
 17 ~~least 72 hours before the hearing and shall include the location of~~  
 18 ~~where the budget will be available for inspection. The county board~~  
 19 ~~of education may post the proposed budget on its Internet Web~~  
 20 ~~site for inspection by the public. At the hearing, any taxpayer~~  
 21 ~~directly affected by the county school service fund budget may~~  
 22 ~~appear before the county board of education and speak on the~~  
 23 ~~proposed budget or any item therein.~~