
Introduced by Senator Simitian

December 6, 2010

Senate Constitutional Amendment No. 5—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 4 of, and by adding Section 4.5 to, Article XIII A thereof, by amending Section 2 of Article XIII C thereof, and by amending Section 3 of Article XIII D thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 5, as introduced, Simitian. Taxation: educational entities: parcel tax.

The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of $\frac{2}{3}$ of the voters of the city, county, or special district voting on that tax, and prohibits these entities from imposing an ad valorem tax on real property or a transactions or sales tax on the sale of real property.

This measure would alternatively condition the imposition, extension, or increase of a parcel tax, as defined, by a school district, community college district, or county office of education upon the approval of 55% of its voters voting on the proposition, if the proposition meets specified requirements. This measure would also make conforming changes to related provisions.

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

- 1 *Resolved by the Senate, the Assembly concurring,* That the
- 2 Legislature of the State of California at its 2010–11 Regular
- 3 Session commencing on the sixth day of December 2010,
- 4 two-thirds of the membership of each house concurring, hereby

1 proposes to the people of the State of California, that the
2 Constitution of the State be amended as follows:

3 First—That Section 4 of Article XIII A thereof is amended to
4 read:

5 SEC. 4. ~~Cities, Counties and special districts, Except as~~
6 ~~provided by Section 4.5, a city, county, or special district, by a~~
7 ~~two-thirds vote of the qualified electors of such district its voters~~
8 ~~voting on the proposition, may impose special taxes on such district~~
9 ~~a special tax within that city, county, or special district, except an~~
10 ~~ad valorem taxes tax on real property or a transaction transactions~~
11 ~~tax or sales tax on the sale of real property within such City, County~~
12 ~~that city, county, or special district.~~

13 Second—That Section 4.5 is added to Article XIII A thereof,
14 to read:

15 SEC. 4.5. (a) An imposition, extension, or increase by a school
16 district, community college district, or county office of education
17 of a parcel tax on real property within its jurisdiction shall be
18 approved by 55 percent of the voters of that district or county
19 voting on the proposition, if all of the following conditions are
20 met:

21 (1) The proposition is approved by a two-thirds vote of the
22 membership of the governing board of the school district,
23 community college district, or county office of education.

24 (2) The proposition contains all of the following accountability
25 requirements:

26 (A) A list of the specific purposes and programs to be funded.

27 (B) A requirement that the proceeds be used only for the
28 purposes and programs specified in the proposition, and not for
29 any other purpose.

30 (C) To ensure compliance with subparagraph (B), a requirement
31 that the governing board of the school district, community college
32 district, or county office of education conduct an annual
33 independent financial audit of the amount of parcel tax proceeds
34 collected and expended, and the specified purposes and programs
35 funded.

36 (D) To ensure compliance with subparagraph (B), a requirement
37 that the governing board of the school district, community college
38 district, or county office of education establish a citizens' oversight
39 committee to review all expenditures of proceeds and financial

1 audits, and report its findings to the governing board and to the
2 public.

3 (3) The proposition allows for an exemption from tax, to be
4 claimed under procedures established by the county, for any parcel
5 that, as of January 1 of each year, is owned by, and upon which is
6 located the principal residence of, either a person or persons 65
7 years of age or older, or, without regard to age, a person or persons
8 receiving Supplemental Security Income for a disability.

9 (b) For purposes of this section, “parcel tax” means a special
10 tax imposed upon a parcel of real property at a rate that is
11 determined without regard to that property’s value.

12 (c) The total amount of parcel tax impositions, increases, or
13 extensions submitted to the voters for approval in accordance with
14 this section at any election by a school district, community college
15 district, or county office of education shall not exceed two hundred
16 fifty dollars (\$250) per parcel each year. This maximum amount
17 shall be annually adjusted to account for inflation, measured as
18 the annual change, from June to June of each year, in the United
19 States city average of the Consumer Price Index for all Urban
20 Consumers, as published by the United States Bureau of Labor
21 Statistics, or any successor to that index.

22 (d) Proceeds of any tax approved pursuant to this section shall
23 not be used to pay salaries of any administrator of any school
24 district, community college district, or county office of education.

25 (e) This section does not limit any otherwise existing authority
26 of a school district, community college district, or county office
27 of education to impose a special tax approved in accordance with
28 Section 4 of this article or Section 2 of Article XIII C.

29 Third—That Section 2 of Article XIII C thereof is amended
30 to read:

31 ~~SEC. 2. Local Government Tax Limitation.~~ Notwithstanding
32 any other provision of this Constitution:

33 (a) ~~All taxes~~ Any tax imposed by any local government shall be
34 deemed to be *is* either a general ~~taxes~~ tax or a special ~~taxes~~ tax.
35 ~~Special purpose districts~~ A *special district* or ~~agencies~~ agency,
36 including a school ~~districts~~, shall have *district, has no power*
37 *authority* to levy a general ~~taxes~~ tax.

38 (b) ~~No~~ A local government may *not* impose, extend, or increase
39 any general tax unless and until that tax is submitted to the
40 electorate and approved by a majority vote. A general tax ~~shall is~~

1 not be deemed to have been increased if it is imposed at a rate not
2 higher than the maximum rate so approved. The election required
3 by this subdivision shall be consolidated with a regularly scheduled
4 general election for members of the governing body of the local
5 government, except in cases of emergency declared by a unanimous
6 vote of the governing body.

7 (c) Any general tax imposed, extended, or increased, without
8 voter approval, by any local government on or after January 1,
9 1995, and prior to the effective date of this article, ~~shall~~ *may*
10 continue to be imposed only if *that general tax is* approved by a
11 majority vote of the voters voting in an election on the issue of the
12 imposition, which election shall be held ~~within two years of the~~
13 ~~effective date of this article~~ *no later than November 6, 1996*, and
14 in compliance with subdivision (b).

15 (d) ~~No~~ *Except as provided by Section 4.5 of Article XIII A*, a
16 local government may *not* impose, extend, or increase any special
17 tax unless and until that tax is submitted to the electorate and
18 approved by a two-thirds vote. A special tax ~~shall~~ *is not be* deemed
19 to have been increased if it is imposed at a rate not higher than the
20 maximum rate so approved.

21 Fourth—That Section 3 of Article XIII D thereof is amended
22 to read:

23 ~~SEC. 3. Property Taxes, Assessments, Fees and Charges~~
24 ~~Limited.~~ (a) ~~No~~ *An agency shall not assess a tax, assessment, fee,*
25 ~~or charge shall be assessed by any agency~~ upon any parcel of
26 property or upon any person as an incident of property ownership
27 except:

28 (1) The ad valorem property tax imposed pursuant to Article
29 XIII and Article XIII A.

30 (2) Any special tax receiving a two-thirds vote pursuant to
31 Section 4 of Article XIII A, *or, as applicable, a 55 percent vote*
32 *pursuant to Section 4.5 of Article XIII A.*

33 (3) Assessments as provided by this article.

34 (4) Fees or charges for property related services as provided by
35 this article.

36 (b) For purposes of this article, fees for the provision of electrical
37 or gas service ~~shall~~ *are not be* deemed charges or fees imposed as
38 an incident of property ownership.

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