

Assembly Bill No. 2551

CHAPTER 908

An act to amend Section 9401 of the Elections Code, relating to elections.

[Approved by Governor September 30, 2014. Filed with
Secretary of State September 30, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2551, Wilk. Local ballot measures: bond issues.

Existing law requires all bond issues proposed by a county, city and county, city, district, or other political subdivision, or by any agency, department, or board thereof, to be submitted to the voters for approval. Existing law requires all official materials for the bond issue proposal to contain a statement of specified tax rate data.

This bill would require the statement to include the best estimate from official sources of the total debt service that would be required to be repaid if all the bonds are issued and sold.

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

SECTION 1. Section 9401 of the Elections Code is amended to read:

9401. (a) In connection with each bond issue specified in Section 9400, a statement shall be mailed to the voters with the sample ballot for the bond election. The statement required by this section shall be filed with the elections official conducting the election not later than the 88th day before the election, and shall include all of the following:

(1) The best estimate from official sources of the tax rate that would be required to be levied to fund that bond issue during the first fiscal year after the first sale of the bonds based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors.

(2) The best estimate from official sources of the tax rate that would be required to be levied to fund that bond issue during the first fiscal year after the last sale of the bonds if the bonds are proposed to be sold in series, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors.

(3) The best estimate from official sources of the highest tax rate that would be required to be levied to fund that bond issue, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors.

(4) The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold. The estimate may include information about the assumptions used to determine the estimate.

(b) In addition, the statement may contain a declaration of policy of the legislative or governing body of the applicable jurisdiction, proposing to use revenues other than ad valorem taxes to fund the bond issue, and the best estimate from official sources of these revenues and the reduction in the tax rate levied to fund the bond issue resulting from the substitution of revenue.

(c) The words “tax rate” as used in this chapter means tax rate per one hundred dollars (\$100) of assessed valuation on all property to be taxed to fund a bond issue described in Section 9400.