

AMENDED IN ASSEMBLY SEPTEMBER 3, 2013

AMENDED IN ASSEMBLY AUGUST 28, 2013

SENATE BILL

No. 100

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

An act to amend Sections 1091, 13073.5, 30061, and 30070 of the Government Code, to amend Sections 1231 and 13821 of the Penal Code, to amend Sections 17053.33, 17053.70, 18410.2, 23612.2, and 23633 of the Revenue and Taxation Code, and to amend Sections 1403, 18220, and 18220.1 of the Welfare and Institutions Code, relating to public finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 100, as amended, Committee on Budget and Fiscal Review. Public finance.

Existing law prohibits certain public officials and employees from being financially interested in any contract made by them in their official capacity, or by any board of which they are members. An officer is not deemed to be interested in a contract entered into by a body or board of which the officer is a member if the officer has only a remote interest in the contract and other requirements are met. A remote interest is required to be publicly disclosed, and thereafter the public body may authorize, approve, or ratify the contract in question, but the officer or employee with the remote interest is disqualified from voting. A remote interest is defined to include, among others, the interest of a person who is an officer or employee of a nonprofit entity exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code or a nonprofit corporation. Violation of these provisions is a crime.

This bill would include in the definition of remote interest the interest of a person who is an officer or employee of a nonprofit entity exempt from taxation pursuant to Section 501(c)(5) of the Internal Revenue Code.

By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

Existing law establishes in the State Treasury the Local Revenue Fund 2011, a continuously appropriated fund, and requires that moneys in the fund be allocated exclusively for public safety services, as defined. Existing law further establishes the Law Enforcement Services Account within that fund, and creates the Enhancing Law Enforcement Activities Subaccount and the Juvenile Justice Subaccount within the Law Enforcement Services Account.

Existing law allocates specified funds from the Enhancing Law Enforcement Activities Subaccount to local governments, including to cities and counties that charge fees to a city, special district, community college district, college, or university for the booking or detention of a person arrested and brought to a detention facility of the city or county. Existing law also allocates moneys in the subaccount for county sheriffs' departments, California Multi-Jurisdictional Methamphetamine Enforcement Teams, Multi-Agency Gang Enforcement Consortium, Sexual Assault Felony Enforcement Teams, High Technology Theft Apprehension and Prosecution Program, Gang Violence Suppression Program, Central Valley and Central Coast Rural Crime Prevention Programs, jail construction and operation, criminal prosecution, juvenile justice plans, habitual truants, runaways, and children at risk of being wards of the court or under juvenile supervision or supervision of the county probation department.

This bill would, subsequent to the allocation made to cities and counties that charge fees to a city, special district, community college district, college, or university for the booking or detention of a person arrested and brought to a detention facility of the city or county, revise the percentages of the remaining funds to be allocated for the other above-mentioned purposes from the Enhancing Law Enforcement Activities Subaccount.

Under existing law counties are authorized to establish a Community Corrections Performance Incentives Fund (CCPIF) to receive moneys related to the placement of felons under probation supervision, mandatory supervision, and postrelease community supervision. Programs funded through a CCPIF are required to identify and track

specific outcome-based measures and report its findings to the Administrative Office of the Courts (AOC). The AOC then provides quarterly statistical information to the Department of Finance that includes, among other things, the number of felony convictions in the county and the number of felons who would have been subject to specified sentencing provisions had felony probation not been granted.

This bill would remove from the AOC's quarterly statistical information the number of felons who would have been subject to those sentencing provisions had felony probation not been granted.

The Personal Income Tax Law and the Corporation Tax Law allow a credit in an amount equal to the amount of sales or use tax paid in connection with qualified property that is purchased and placed in service before the date the enterprise zone or targeted tax area designation expires, is no longer binding, or becomes inoperative. Existing law repeals these provisions on December 1, 2014.

This bill would instead require the qualified property to be placed in service in the enterprise zone or the targeted tax area before January 1, 2015, and would repeal those provisions on December 1, 2015. The bill would also make clarifying changes to those provisions.

Existing law requires the Population Research Unit to, among other things, determine the census tracts that are within the highest quartile of census tracts with the highest civilian unemployment, and to sort the census tracts by the respective civilian unemployment rate of each in ascending order, or from the lowest, 0%, to the highest, 100%, as specified.

This bill would make clarifying changes to those provisions.

Existing law established the California Competes Tax Credit Committee, which consists of the Treasurer, the Director of Finance, the Director of the Governor's Office of Business and Economic Development, and one appointee each from the Senate and Assembly.

This bill would provide that the Director of the Governor's Office of Business and Economic Development is the chair. The bill would prohibit a member of the Legislature from being appointed to the committee.

Under existing law and until January 1, 2014, California is subject to an interstate compact for juveniles and that compact requires California, among other things, to appoint a commissioner to the Interstate Commission for Juveniles and to create a State Council for Interstate Juvenile Supervision.

This bill would extend the duration of the compact until January 1, 2016.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The bill would appropriate ~~\$1,000~~ \$100,000 from the General Fund to the ~~Department of Corrections and Rehabilitation~~ Governor’s Office of Business and Economic Development for administration.

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

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. Section 1091 of the Government Code is amended
2 to read:

3 1091. (a) An officer shall not be deemed to be interested in a
4 contract entered into by a body or board of which the officer is a
5 member within the meaning of this article if the officer has only
6 a remote interest in the contract and if the fact of that interest is
7 disclosed to the body or board of which the officer is a member
8 and noted in its official records, and thereafter the body or board
9 authorizes, approves, or ratifies the contract in good faith by a vote
10 of its membership sufficient for the purpose without counting the
11 vote or votes of the officer or member with the remote interest.

12 (b) As used in this article, “remote interest” means any of the
13 following:

14 (1) That of an officer or employee of a nonprofit entity exempt
15 from taxation pursuant to Section 501(c)(3) of the Internal Revenue
16 Code (26 U.S.C. Sec. 501(c)(3)), pursuant to Section 501(c)(5) of
17 the Internal Revenue Code (26 U.S.C. Sec. 501(c)(5)), or a
18 nonprofit corporation, except as provided in paragraph (8) of
19 subdivision (a) of Section 1091.5.

20 (2) That of an employee or agent of the contracting party, if the
21 contracting party has 10 or more other employees and if the officer
22 was an employee or agent of that contracting party for at least three
23 years prior to the officer initially accepting his or her office and

1 the officer owns less than 3 percent of the shares of stock of the
2 contracting party; and the employee or agent is not an officer or
3 director of the contracting party and did not directly participate in
4 formulating the bid of the contracting party.

5 For purposes of this paragraph, time of employment with the
6 contracting party by the officer shall be counted in computing the
7 three-year period specified in this paragraph even though the
8 contracting party has been converted from one form of business
9 organization to a different form of business organization within
10 three years of the initial taking of office by the officer. Time of
11 employment in that case shall be counted only if, after the transfer
12 or change in organization, the real or ultimate ownership of the
13 contracting party is the same or substantially similar to that which
14 existed before the transfer or change in organization. For purposes
15 of this paragraph, stockholders, bondholders, partners, or other
16 persons holding an interest in the contracting party are regarded
17 as having the “real or ultimate ownership” of the contracting party.

18 (3) That of an employee or agent of the contracting party, if all
19 of the following conditions are met:

20 (A) The agency of which the person is an officer is a local public
21 agency located in a county with a population of less than 4,000,000.

22 (B) The contract is competitively bid and is not for personal
23 services.

24 (C) The employee or agent is not in a primary management
25 capacity with the contracting party, is not an officer or director of
26 the contracting party, and holds no ownership interest in the
27 contracting party.

28 (D) The contracting party has 10 or more other employees.

29 (E) The employee or agent did not directly participate in
30 formulating the bid of the contracting party.

31 (F) The contracting party is the lowest responsible bidder.

32 (4) That of a parent in the earnings of his or her minor child for
33 personal services.

34 (5) That of a landlord or tenant of the contracting party.

35 (6) That of an attorney of the contracting party or that of an
36 owner, officer, employee, or agent of a firm that renders, or has
37 rendered, service to the contracting party in the capacity of
38 stockbroker, insurance agent, insurance broker, real estate agent,
39 or real estate broker, if these individuals have not received and
40 will not receive remuneration, consideration, or a commission as

1 a result of the contract and if these individuals have an ownership
2 interest of 10 percent or more in the law practice or firm, stock
3 brokerage firm, insurance firm, or real estate firm.

4 (7) That of a member of a nonprofit corporation formed under
5 the Food and Agricultural Code or a nonprofit corporation formed
6 under the Corporations Code for the sole purpose of engaging in
7 the merchandising of agricultural products or the supplying of
8 water.

9 (8) That of a supplier of goods or services when those goods or
10 services have been supplied to the contracting party by the officer
11 for at least five years prior to his or her election or appointment
12 to office.

13 (9) That of a person subject to the provisions of Section 1090
14 in any contract or agreement entered into pursuant to the provisions
15 of the California Land Conservation Act of 1965.

16 (10) Except as provided in subdivision (b) of Section 1091.5,
17 that of a director of, or a person having an ownership interest of,
18 10 percent or more in a bank, bank holding company, or savings
19 and loan association with which a party to the contract has a
20 relationship of borrower or depositor, debtor or creditor.

21 (11) That of an engineer, geologist, or architect employed by a
22 consulting engineering or architectural firm. This paragraph applies
23 only to an employee of a consulting firm who does not serve in a
24 primary management capacity, and does not apply to an officer or
25 director of a consulting firm.

26 (12) That of an elected officer otherwise subject to Section 1090,
27 in any housing assistance payment contract entered into pursuant
28 to Section 8 of the United States Housing Act of 1937 (42 U.S.C.
29 Sec. 1437f) as amended, provided that the housing assistance
30 payment contract was in existence before Section 1090 became
31 applicable to the officer and will be renewed or extended only as
32 to the existing tenant, or, in a jurisdiction in which the rental
33 vacancy rate is less than 5 percent, as to new tenants in a unit
34 previously under a Section 8 contract. This section applies to any
35 person who became a public official on or after November 1, 1986.

36 (13) That of a person receiving salary, per diem, or
37 reimbursement for expenses from a government entity.

38 (14) That of a person owning less than 3 percent of the shares
39 of a contracting party that is a for-profit corporation, provided that

1 the ownership of the shares derived from the person's employment
2 with that corporation.

3 (15) That of a party to litigation involving the body or board of
4 which the officer is a member in connection with an agreement in
5 which all of the following apply:

6 (A) The agreement is entered into as part of a settlement of
7 litigation in which the body or board is represented by legal
8 counsel.

9 (B) After a review of the merits of the agreement and other
10 relevant facts and circumstances, a court of competent jurisdiction
11 finds that the agreement serves the public interest.

12 (C) The interested member has recused himself or herself from
13 all participation, direct or indirect, in the making of the agreement
14 on behalf of the body or board.

15 (16) That of a person who is an officer or employee of an
16 investor-owned utility that is regulated by the Public Utilities
17 Commission with respect to a contract between the investor-owned
18 utility and a state, county, district, judicial district, or city body or
19 board of which the person is a member, if the contract requires the
20 investor-owned utility to provide energy efficiency rebates or other
21 type of program to encourage energy efficiency that benefits the
22 public when all of the following apply:

23 (A) The contract is funded by utility consumers pursuant to
24 regulations of the Public Utilities Commission.

25 (B) The contract provides no individual benefit to the person
26 that is not also provided to the public, and the investor-owned
27 utility receives no direct financial profit from the contract.

28 (C) The person has recused himself or herself from all
29 participation in making the contract on behalf of the state, county,
30 district, judicial district, or city body or board of which he or she
31 is a member.

32 (D) The contract implements a program authorized by the Public
33 Utilities Commission.

34 (c) This section is not applicable to any officer interested in a
35 contract who influences or attempts to influence another member
36 of the body or board of which he or she is a member to enter into
37 the contract.

38 (d) The willful failure of an officer to disclose the fact of his or
39 her interest in a contract pursuant to this section is punishable as
40 provided in Section 1097. That violation does not void the contract

1 unless the contracting party had knowledge of the fact of the remote
2 interest of the officer at the time the contract was executed.

3 SEC. 2. Section 13073.5 of the Government Code is amended
4 to read:

5 13073.5. The Legislature finds and declares that: (1) population
6 size and distribution patterns in California exert a major influence
7 on the physical, social, and economic structure of the state and on
8 the quality of the environment generally; (2) sound and current
9 data and methods to estimate population trends are necessary to
10 enable state, regional, and local agencies to plan and function
11 properly; and (3) there is a critical need for a proper study of the
12 implications of present and future population trends in order that
13 state, regional, and local agencies might develop or reexamine
14 policies and actions based thereon.

15 The Population Research Unit shall:

16 (a) Develop basic demographic data and statistical compilations,
17 which may include a current population survey and a mid-decade
18 census.

19 (b) Design and test methods of research and data collection.

20 (c) Conduct local population estimates as required by law.

21 (d) Validate all official census data and population statistics.

22 (e) Analyze and prepare projections of enrollments in public
23 schools, colleges, and universities.

24 (f) Analyze governmental records to establish characteristics
25 of migration and distribution.

26 (g) Publish annual estimates of the population of the state and
27 its composition.

28 (h) Prepare short- and long-range projections of population and
29 its composition.

30 (i) Provide advisory services to state agencies and other levels
31 of government.

32 (j) Evaluate and recommend data requirements for determining
33 population and population growth.

34 (k) Analyze the demographic features of the causes and
35 consequences of patterns of natural increase or decrease, migration,
36 and population concentration within the state.

37 (l) Assess the need for population data required for determining
38 the allocation of federal, state, and other subvention revenues.

39 (m) Request and obtain from any department, division,
40 commission, or other agency of the state all assistance and

1 information to enable the unit to effectively carry out the provisions
2 of this section.

3 (n) Cooperate with the Office of Planning and Research with
4 respect to functions involving mutual areas of concern relating to
5 demography and state planning.

6 (o) Enter into agreements to carry out the purposes of this
7 section, including the application for and acceptance of federal
8 funds or private foundation grants for demographic studies.

9 (p) Act as primary state government liaison with the Census
10 Bureau, United States Department of Commerce, in the acquisition
11 and distribution of census data and related documentation to state
12 agencies.

13 (q) Administer, with other agencies, a State Census Data Center
14 which will be responsible for acquiring decennial and other census
15 data from the Bureau of the Census, and for providing necessary
16 information to the Legislature and to the executive branch and for
17 seeking to ensure the availability of census information to local
18 governments. The unit and the Office of Planning and Research
19 shall be responsible for designating subcenters of the State Census
20 Data Center as needed. The unit will provide materials to
21 subcenters of the State Census Data Center, will coordinate the
22 efforts of the subcenters to avoid duplication and may consult in
23 the design of standard reports to be offered by the center and its
24 subcenters.

25 (r) Coordinate with the Office of Planning and Research
26 Environmental Data Center for the purposes of ensuring
27 consistency and compatibility of data products, improving public
28 access to data, ensuring the consistent interpretation of data, and
29 avoiding duplication of functions.

30 (s) (1) Determine those census tracts that are to be designated
31 census tracts based on data from the five-year American
32 Community Survey (ACS). The census tracts that are within the
33 highest quartile for both civilian unemployment and poverty
34 statistics, as determined in paragraphs (2) and (3), shall be
35 determined to be designated census tracts as described in paragraph
36 (7) of subdivision (b) of Section 17053.73, and paragraph (7) of
37 subdivision (b) of Section 23626 of the Revenue and Taxation
38 Code.

39 (2) To determine the census tracts that are within the highest
40 quartile of census tracts with the highest civilian unemployment,

1 the census tracts shall be sorted by the respective civilian
2 unemployment rate of each in ascending order, or from the lowest
3 (0 percent) to the highest (100 percent) according to the following:

4 (A) Census tracts without a civilian labor force shall be
5 excluded.

6 (B) After ordering the census tracts by the civilian
7 unemployment rate of each, the census tracts shall be divided into
8 four equal groups or quartiles as follows:

9 (i) The first quartile shall represent the lowest fourth of the
10 census tracts (the lowest 25 percent, inclusive).

11 (ii) The second quartile shall represent the second fourth (tracts
12 greater than 25 percent up to 50 percent, inclusive).

13 (iii) The third quartile shall represent the third fourth (tracts
14 greater than 50 percent up to 75 percent, inclusive).

15 (iv) The fourth quartile shall represent the fourth fourth (tracts
16 greater than 75 percent up to 100 percent, inclusive).

17 (C) The last or highest quartile shall represent the top 25 percent
18 of the census tracts with the highest civilian unemployment rates.

19 (3) To determine the census tracts that are within the quartile
20 of census tracts with the highest poverty, the census tracts shall
21 be sorted by the respective percentage of population below poverty
22 of each in ascending order, or from the lowest (0 percent) to the
23 highest (100 percent) according to the following:

24 (A) Consistent with poverty statistics in the ACS, which adhere
25 to the standards specified by the federal Office of Management
26 and Budget in Statistical Policy Directive 14, the poverty thresholds
27 as specified by the United States Census Bureau shall be used to
28 determine those individuals below poverty.

29 (B) To determine those individuals below poverty, different
30 thresholds, as specified by the United States Census Bureau, shall
31 be applied to families, people living alone, or people living with
32 nonrelatives (unrelated individuals).

33 (C) If a family's total income is less than the dollar value of the
34 appropriate threshold, then that family and every individual in it
35 shall be considered to be below poverty.

36 (D) If an unrelated individual's total income is less than the
37 appropriate threshold, then that individual shall be considered to
38 be below poverty.

39 (E) Poverty status shall be determined for all people except
40 institutionalized people, people in military group quarters, people

1 in college dormitories, and unrelated individuals under 15 years
2 of age.

3 (F) Census tracts that do not have a population for whom poverty
4 status is determined shall be excluded.

5 (G) After ordering the census tracts by the respective percent
6 below poverty of each, the census tracts shall be divided into four
7 equal quartiles as follows:

8 (i) The first quartile shall represent the lowest fourth of the
9 census tracts (the lowest 25 percent, inclusive).

10 (ii) The second quartile shall represent the second fourth (tracts
11 greater than 25 percent up to 50 percent, inclusive).

12 (iii) The third quartile shall represent the third fourth (tracts
13 greater than 50 percent up to 75 percent, inclusive).

14 (iv) The fourth quartile shall represent the fourth fourth (tracts
15 greater than 75 percent up to 100 percent, inclusive).

16 (H) The last or highest quartile shall represent the top 25 percent
17 of the census tracts with the highest percentage of population below
18 poverty.

19 (t) (1) Determine those census tracts that are within the lowest
20 quartile of census tracts with the lowest civilian unemployment
21 and poverty based on data from the five-year ACS. The census
22 tracts that are within the lowest quartile for both civilian
23 unemployment and poverty statistics, as determined in paragraphs
24 (2) and (3) of subdivision (s), shall be determined to be census
25 tracts within the lowest quartile of census tracts with the lowest
26 civilian unemployment and poverty, as applied in subparagraph
27 (A) of paragraph (8) of subdivision (b) of Section 17053.73 and
28 Section 23626 of the Revenue and Taxation Code.

29 (2) Based on the quartiles developed pursuant to paragraph (2)
30 of subdivision (s), the first or lowest quartile shall represent the
31 bottom 25 percent of the census tracts with the lowest civilian
32 unemployment rates.

33 (3) Based on the quartiles developed pursuant to paragraph (3)
34 of subdivision (s), the first or lowest quartile shall represent the
35 bottom 25 percent of the census tracts with the lowest percentage
36 of population below poverty.

37 SEC. 3. Section 30061 of the Government Code is amended
38 to read:

39 30061. (a) There shall be established in each county treasury
40 a Supplemental Law Enforcement Services Account (SLESA), to

1 receive all amounts allocated to a county for purposes of
2 implementing this chapter.

3 (b) In any fiscal year for which a county receives moneys to be
4 expended for the implementation of this chapter, the county auditor
5 shall allocate the moneys in the county's SLESA within 30 days
6 of the deposit of those moneys into the fund. The moneys shall be
7 allocated as follows:

8 (1) Five and fifteen-hundredths percent to the county sheriff for
9 county jail construction and operation. In the case of Madera,
10 Napa, and Santa Clara Counties, this allocation shall be made to
11 the county director or chief of corrections.

12 (2) Five and fifteen-hundredths percent to the district attorney
13 for criminal prosecution.

14 (3) Thirty-nine and seven-tenths percent to the county and the
15 cities within the county, and, in the case of San Mateo, Kern,
16 Siskiyou, and Contra Costa Counties, also to the Broadmoor Police
17 Protection District, the Bear Valley Community Services District,
18 the Stallion Springs Community Services District, the Lake
19 Shastina Community Services District, and the Kensington Police
20 Protection and Community Services District, in accordance with
21 the relative population of the cities within the county and the
22 unincorporated area of the county, and the Broadmoor Police
23 Protection District in the County of San Mateo, the Bear Valley
24 Community Services District and the Stallion Springs Community
25 Services District in Kern County, the Lake Shastina Community
26 Services District in Siskiyou County, and the Kensington Police
27 Protection and Community Services District in Contra Costa
28 County, as specified in the most recent January estimate by the
29 population research unit of the Department of Finance, and as
30 adjusted to provide, except as provided in subdivision (j), a grant
31 of at least one hundred thousand dollars (\$100,000) to each law
32 enforcement jurisdiction. For a newly incorporated city whose
33 population estimate is not published by the Department of Finance,
34 but that was incorporated prior to July 1 of the fiscal year in which
35 an allocation from the SLESA is to be made, the city manager, or
36 an appointee of the legislative body, if a city manager is not
37 available, and the county administrative or executive officer shall
38 prepare a joint notification to the Department of Finance and the
39 county auditor with a population estimate reduction of the
40 unincorporated area of the county equal to the population of the

1 newly incorporated city by July 15, or within 15 days after the
2 Budget Act is enacted, of the fiscal year in which an allocation
3 from the SLESA is to be made. No person residing within the
4 Broadmoor Police Protection District, the Bear Valley Community
5 Services District, the Stallion Springs Community Services District,
6 the Lake Shastina Community Services District, or the Kensington
7 Police Protection and Community Services District shall also be
8 counted as residing within the unincorporated area of the County
9 of San Mateo, Kern, Siskiyou, or Contra Costa, or within any city
10 located within those counties. Except as provided in subdivision
11 (j), the county auditor shall allocate a grant of at least one hundred
12 thousand dollars (\$100,000) to each law enforcement jurisdiction.
13 Moneys allocated to the county pursuant to this subdivision shall
14 be retained in the county SLESA, and moneys allocated to a city
15 pursuant to this subdivision shall be deposited in an SLESA
16 established in the city treasury.

17 (4) Fifty percent to the county or city and county to implement
18 a comprehensive multiagency juvenile justice plan as provided in
19 this paragraph. The juvenile justice plan shall be developed by the
20 local juvenile justice coordinating council in each county and city
21 and county with the membership described in Section 749.22 of
22 the Welfare and Institutions Code. If a plan has been previously
23 approved by the Corrections Standards Authority or, commencing
24 July 1, 2012, by the Board of State and Community Corrections,
25 the plan shall be reviewed and modified annually by the council.
26 The plan or modified plan shall be approved by the county board
27 of supervisors, and in the case of a city and county, the plan shall
28 also be approved by the mayor. The plan or modified plan shall
29 be submitted to the Board of State and Community Corrections
30 by May 1 of each year.

31 (A) Juvenile justice plans shall include, but not be limited to,
32 all of the following components:

33 (i) An assessment of existing law enforcement, probation,
34 education, mental health, health, social services, drug and alcohol,
35 and youth services resources that specifically target at-risk
36 juveniles, juvenile offenders, and their families.

37 (ii) An identification and prioritization of the neighborhoods,
38 schools, and other areas in the community that face a significant
39 public safety risk from juvenile crime, such as gang activity,
40 daylight burglary, late-night robbery, vandalism, truancy, controlled

1 substances sales, firearm-related violence, and juvenile substance
2 abuse and alcohol use.

3 (iii) A local juvenile justice action strategy that provides for a
4 continuum of responses to juvenile crime and delinquency and
5 demonstrates a collaborative and integrated approach for
6 implementing a system of swift, certain, and graduated responses
7 for at-risk youth and juvenile offenders.

8 (iv) Programs identified in clause (iii) that are proposed to be
9 funded pursuant to this subparagraph, including the projected
10 amount of funding for each program.

11 (B) Programs proposed to be funded shall satisfy all of the
12 following requirements:

13 (i) Be based on programs and approaches that have been
14 demonstrated to be effective in reducing delinquency and
15 addressing juvenile crime for any elements of response to juvenile
16 crime and delinquency, including prevention, intervention,
17 suppression, and incapacitation.

18 (ii) Collaborate and integrate services of all the resources set
19 forth in clause (i) of subparagraph (A), to the extent appropriate.

20 (iii) Employ information sharing systems to ensure that county
21 actions are fully coordinated, and designed to provide data for
22 measuring the success of juvenile justice programs and strategies.

23 (iv) Adopt goals related to the outcome measures that shall be
24 used to determine the effectiveness of the local juvenile justice
25 action strategy.

26 (C) The plan shall also identify the specific objectives of the
27 programs proposed for funding and specified outcome measures
28 to determine the effectiveness of the programs and contain an
29 accounting for all program participants, including those who do
30 not complete the programs. Outcome measures of the programs
31 proposed to be funded shall include, but not be limited to, all of
32 the following:

33 (i) The rate of juvenile arrests per 100,000 population.

34 (ii) The rate of successful completion of probation.

35 (iii) The rate of successful completion of restitution and
36 court-ordered community service responsibilities.

37 (iv) Arrest, incarceration, and probation violation rates of
38 program participants.

39 (v) Quantification of the annual per capita costs of the program.

1 (D) The Board of State and Community Corrections shall review
2 plans or modified plans submitted pursuant to this paragraph within
3 30 days upon receipt of submitted or resubmitted plans or modified
4 plans. The board shall approve only those plans or modified plans
5 that fulfill the requirements of this paragraph, and shall advise a
6 submitting county or city and county immediately upon the
7 approval of its plan or modified plan. The board shall offer, and
8 provide, if requested, technical assistance to any county or city
9 and county that submits a plan or modified plan not in compliance
10 with the requirements of this paragraph. The SLESA shall only
11 allocate funding pursuant to this paragraph upon notification from
12 the board that a plan or modified plan has been approved.

13 (E) To assess the effectiveness of programs funded pursuant to
14 this paragraph using the program outcome criteria specified in
15 subparagraph (C), the following periodic reports shall be submitted:

16 (i) Each county or city and county shall report, beginning
17 October 15, 2002, and annually each October 15 thereafter, to the
18 county board of supervisors and the Board of State and Community
19 Corrections, in a format specified by the board, on the programs
20 funded pursuant to this chapter and program outcomes as specified
21 in subparagraph (C).

22 (ii) The Board of State and Community Corrections shall
23 compile the local reports and, by March 15, 2003, and annually
24 thereafter, make a report to the Governor and the Legislature on
25 program expenditures within each county and city and county from
26 the appropriation for the purposes of this paragraph, on the
27 outcomes as specified in subparagraph (C) of the programs funded
28 pursuant to this paragraph and the statewide effectiveness of the
29 comprehensive multiagency juvenile justice plans.

30 (c) Subject to subdivision (d), for each fiscal year in which the
31 county, each city, the Broadmoor Police Protection District, the
32 Bear Valley Community Services District, the Stallion Springs
33 Community Services District, the Lake Shastina Community
34 Services District, and the Kensington Police Protection and
35 Community Services District receive moneys pursuant to paragraph
36 (3) of subdivision (b), the county, each city, and each district
37 specified in this subdivision shall appropriate those moneys in
38 accordance with the following procedures:

39 (1) In the case of the county, the county board of supervisors
40 shall appropriate existing and anticipated moneys exclusively to

1 provide frontline law enforcement services, other than those
2 services specified in paragraphs (1) and (2) of subdivision (b), in
3 the unincorporated areas of the county, in response to written
4 requests submitted to the board by the county sheriff and the district
5 attorney. Any request submitted pursuant to this paragraph shall
6 specify the frontline law enforcement needs of the requesting
7 entity, and those personnel, equipment, and programs that are
8 necessary to meet those needs.

9 (2) In the case of a city, the city council shall appropriate
10 existing and anticipated moneys exclusively to fund frontline
11 municipal police services, in accordance with written requests
12 submitted by the chief of police of that city or the chief
13 administrator of the law enforcement agency that provides police
14 services for that city.

15 (3) In the case of the Broadmoor Police Protection District
16 within the County of San Mateo, the Bear Valley Community
17 Services District or the Stallion Springs Community Services
18 District within Kern County, the Lake Shastina Community
19 Services District within Siskiyou County, or the Kensington Police
20 Protection and Community Services District within Contra Costa
21 County, the legislative body of that special district shall appropriate
22 existing and anticipated moneys exclusively to fund frontline
23 municipal police services, in accordance with written requests
24 submitted by the chief administrator of the law enforcement agency
25 that provides police services for that special district.

26 (d) For each fiscal year in which the county, a city, or the
27 Broadmoor Police Protection District within the County of San
28 Mateo, the Bear Valley Community Services District or the Stallion
29 Springs Community Services District within Kern County, the
30 Lake Shastina Community Services District within Siskiyou
31 County, or the Kensington Police Protection and Community
32 Services District within Contra Costa County receives any moneys
33 pursuant to this chapter, in no event shall the governing body of
34 any of those recipient agencies subsequently alter any previous,
35 valid appropriation by that body, for that same fiscal year, of
36 moneys allocated to the county or city pursuant to paragraph (3)
37 of subdivision (b).

38 (e) For the 2011–12 fiscal year, the Controller shall allocate
39 23.54 percent of the amount deposited in the Local Law
40 Enforcement Services Account in the Local Revenue Fund 2011

1 for the purposes of paragraphs (1), (2), and (3) of subdivision (b),
2 and shall allocate 23.54 percent for purposes of paragraph (4) of
3 subdivision (b).

4 (f) Commencing with the 2012–13 fiscal year, subsequent to
5 the allocation described in subdivision (c) of Section 29552, the
6 Controller shall allocate 23.54363596 percent of the remaining
7 amount deposited in the Enhancing Law Enforcement Activities
8 Subaccount in the Local Revenue Fund 2011 for the purposes of
9 paragraphs (1) to (3), inclusive, of subdivision (b), and, subsequent
10 to the allocation described in subdivision (c) of Section 29552,
11 shall allocate 23.54363596 percent of the remaining amount for
12 purposes of paragraph (4) of subdivision (b).

13 (g) Commencing with the 2013–14 fiscal year, subsequent to
14 the allocation described in subdivision (d) of Section 29552, the
15 Controller shall allocate 23.54363596 percent of the remaining
16 amount deposited in the Enhancing Law Enforcement Activities
17 Subaccount in the Local Revenue Fund 2011 for the purposes of
18 paragraphs (1) to (3), inclusive, of subdivision (b), and, subsequent
19 to the allocation described in subdivision (d) of Section 29552,
20 shall allocate 23.54363596 percent of the remaining amount for
21 purposes of paragraph (4) of subdivision (b). The Controller shall
22 allocate funds in monthly installments to local jurisdictions for
23 public safety in accordance with this section as annually calculated
24 by the Director of Finance.

25 (h) Funds received pursuant to subdivision (b) shall be expended
26 or encumbered in accordance with this chapter no later than June
27 30 of the following fiscal year. A local agency that has not met
28 the requirement of this subdivision shall remit unspent SLESA
29 moneys received after April 1, 2009, to the Controller for deposit
30 in the Local Safety and Protection Account, after April 1, 2012,
31 to the Local Law Enforcement Services Account, and after July
32 1, 2012, to the County Enhancing Law Enforcement Activities
33 Subaccount.

34 (i) In the 2010–11 fiscal year, if the fourth quarter revenue
35 derived from fees imposed by subdivision (a) of Section 10752.2
36 of the Revenue and Taxation Code that are deposited in the General
37 Fund and transferred to the Local Safety and Protection Account,
38 and continuously appropriated to the Controller for allocation
39 pursuant to this section, are insufficient to provide a minimum
40 grant of one hundred thousand dollars (\$100,000) to each law

1 enforcement jurisdiction, the county auditor shall allocate the
 2 revenue proportionately, based on the allocation schedule in
 3 paragraph (3) of subdivision (b). The county auditor shall
 4 proportionately allocate, based on the allocation schedule in
 5 paragraph (3) of subdivision (b), all revenues received after the
 6 distribution of the fourth quarter allocation attributable to these
 7 fees for which payment was due prior to July 1, 2011, until all
 8 minimum allocations are fulfilled, at which point all remaining
 9 revenue shall be distributed proportionately among the other
 10 jurisdictions.

11 SEC. 4. Section 30070 of the Government Code is amended
 12 to read:

13 30070. (a) For the 2011–12 fiscal year, the program authorized
 14 by this chapter shall be funded from the Local Law Enforcement
 15 Services Account in the Local Revenue Fund 2011. The Controller
 16 shall, on a quarterly basis, beginning on October 1, 2011, allocate
 17 4.07 percent of the moneys annually deposited in the Local Law
 18 Enforcement Services Account. Commencing with the 2012–13
 19 fiscal year, the program authorized by this chapter shall be funded
 20 from the Enhancing Law Enforcement Activities Subaccount in
 21 the Local Revenue Fund 2011. Subsequent to the allocation
 22 described in subdivision (c) of Section 29552, the Controller shall
 23 allocate 4.06682787 percent of the remaining moneys annually
 24 deposited in the Enhancing Law Enforcement Activities
 25 Subaccount in the Local Revenue Fund 2011. Commencing with
 26 the 2013–14 fiscal year, subsequent to the allocation described in
 27 subdivision (d) of Section 29552, the Controller shall allocate
 28 4.06682787 percent of the remaining moneys annually deposited
 29 in the Enhancing Law Enforcement Activities Subaccount in the
 30 Local Revenue Fund 2011. Funds shall be allocated in monthly
 31 installments to county sheriffs’ departments to enhance law
 32 enforcement efforts in the counties specified in paragraphs (1) to
 33 (37), inclusive, according to the following schedule:

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35	(1) Alpine County	2.7027%
36	(2) Amador County	2.7027%
37	(3) Butte County	2.7027%
38	(4) Calaveras County	2.7027%
39	(5) Colusa County	2.7027%
40	(6) Del Norte County	2.7027%

1	(7) El Dorado County	2.7027%
2	(8) Glenn County	2.7027%
3	(9) Humboldt County	2.7027%
4	(10) Imperial County	2.7027%
5	(11) Inyo County	2.7027%
6	(12) Kings County	2.7027%
7	(13) Lake County	2.7027%
8	(14) Lassen County	2.7027%
9	(15) Madera County	2.7027%
10	(16) Marin County	2.7027%
11	(17) Mariposa County	2.7027%
12	(18) Mendocino County	2.7027%
13	(19) Merced County	2.7027%
14	(20) Modoc County	2.7027%
15	(21) Mono County	2.7027%
16	(22) Napa County	2.7027%
17	(23) Nevada County	2.7027%
18	(24) Placer County	2.7027%
19	(25) Plumas County	2.7027%
20	(26) San Benito County	2.7027%
21	(27) San Luis Obispo County	2.7027%
22	(28) Santa Cruz County	2.7027%
23	(29) Shasta County	2.7027%
24	(30) Sierra County	2.7027%
25	(31) Siskiyou County	2.7027%
26	(32) Sutter County	2.7027%
27	(33) Tehama County	2.7027%
28	(34) Trinity County	2.7027%
29	(35) Tuolumne County	2.7027%
30	(36) Yolo County	2.7027%
31	(37) Yuba County	2.7027%

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33 (b) Funds allocated pursuant to this section shall be used to
34 supplement rather than supplant existing law enforcement
35 resources.

36 (c) The funds allocated pursuant to this section may not be used
37 for any video surveillance or monitoring of the general public.

38 SEC. 5. Section 1231 of the Penal Code is amended to read:

1 1231. (a) Community corrections programs funded pursuant
2 to this act shall identify and track specific outcome-based measures
3 consistent with the goals of this act.

4 (b) The Administrative Office of the Courts, in consultation
5 with the Chief Probation Officers of California, shall specify and
6 define minimum required outcome-based measures, which shall
7 include, but not be limited to, all of the following:

8 (1) The percentage of persons subject to local supervision who
9 are being supervised in accordance with evidence-based practices.

10 (2) The percentage of state moneys expended for programs that
11 are evidence based, and a descriptive list of all programs that are
12 evidence based.

13 (3) Specification of supervision policies, procedures, programs,
14 and practices that were eliminated.

15 (4) The percentage of persons subject to local supervision who
16 successfully complete the period of supervision.

17 (c) Each CPO receiving funding pursuant to Sections 1233 to
18 1233.6, inclusive, shall provide an annual written report to the
19 Administrative Office of the Courts evaluating the effectiveness
20 of the community corrections program, including, but not limited
21 to, the data described in subdivision (b).

22 (d) The Administrative Office of the Courts shall, in consultation
23 with the CPO of each county and the Department of Corrections
24 and Rehabilitation, provide a quarterly statistical report to the
25 Department of Finance including, but not limited to, the following
26 statistical information for each county:

27 (1) The number of felony filings.

28 (2) The number of felony convictions.

29 (3) The number of felony convictions in which the defendant
30 was sentenced to the state prison.

31 (4) The number of felony convictions in which the defendant
32 was granted probation.

33 (5) The adult felon probation population.

34 (6) The number of felons who had their probation revoked and
35 were sent to prison for that revocation.

36 (7) The number of adult felony probationers sent to state prison
37 for a conviction of a new felony offense, including when probation
38 was revoked or terminated.

39 (8) The number of felons who had their probation revoked and
40 were sent to county jail for that revocation.

1 (9) The number of adult felony probationers sent to county jail
2 for a conviction of a new felony offense, including when probation
3 was revoked or terminated.

4 (10) The number of felons placed on postrelease community
5 supervision, commencing January 1, 2012.

6 (11) The number of felons placed on mandatory supervision,
7 commencing January 1, 2012.

8 (12) The mandatory supervision population, commencing
9 January 1, 2012.

10 (13) The postrelease community supervision population,
11 commencing January 1, 2012.

12 (14) The number of felons on postrelease community supervision
13 sentenced to state prison for a conviction of a new felony offense,
14 commencing January 1, 2012.

15 (15) The number of felons on mandatory supervision sentenced
16 to state prison for a conviction of a new felony offense,
17 commencing January 1, 2012.

18 (16) The number of felons who had their postrelease community
19 supervision revoked and were sent to county jail for that revocation,
20 commencing January 1, 2012.

21 (17) The number of felons on postrelease community supervision
22 sentenced to county jail for a conviction of a new felony offense,
23 including when postrelease community supervision was revoked
24 or terminated, commencing January 1, 2012.

25 (18) The number of felons who had their mandatory supervision
26 revoked and were sentenced to county jail for that revocation,
27 commencing January 1, 2012.

28 (19) The number of felons on mandatory supervision sentenced
29 to county jail for a conviction of a new felony offense, including
30 when mandatory supervision was revoked or terminated,
31 commencing January 1, 2012.

32 SEC. 6. Section 13821 of the Penal Code is amended to read:

33 13821. (a) For the 2011–12 fiscal year, the Controller shall
34 allocate 9 percent of the amount deposited in the Local Law
35 Enforcement Services Account in the Local Revenue Fund 2011
36 to the California Emergency Management Agency. The Controller
37 shall allocate these funds on a quarterly basis beginning on October
38 1. These funds shall be allocated by the Controller pursuant to a
39 schedule provided by the California Emergency Management

1 Agency which shall be developed according to the agency’s
2 existing programmatic guidelines and the following percentages:

3 (1) The California Multi-Jurisdictional Methamphetamine
4 Enforcement Teams shall receive 47.52 percent in the 2011–12
5 fiscal year.

6 (2) The Multi-Agency Gang Enforcement Consortium shall
7 receive 0.2 percent in the 2011–12 fiscal year.

8 (3) The Sexual Assault Felony Enforcement Teams, authorized
9 by Section 13887, shall receive 12.48 percent in the 2011–12 fiscal
10 year.

11 (4) The High Technology Theft Apprehension and Prosecution
12 Program, authorized by Section 13848.2, shall receive 26.83
13 percent in the 2011–12 fiscal year.

14 (5) The Gang Violence Suppression Program authorized by
15 Section 13826.1, shall receive 3.91 percent in the 2011–12 fiscal
16 year.

17 (6) The Central Valley and Central Coast Rural Crime
18 Prevention Programs, authorized by Sections 14170 and 14180,
19 shall receive 9.06 percent in the 2011–12 fiscal year.

20 (b) For the 2011–12 fiscal year, the California Emergency
21 Management Agency may be reimbursed up to five hundred eleven
22 thousand dollars (\$511,000) from the funds allocated in subdivision
23 (a) for program administrative costs.

24 (c) Commencing with the 2012–13 fiscal year, subsequent to
25 the allocation described in subdivision (c) of Section 29552 of the
26 Government Code, and commencing with the 2013–14 fiscal year,
27 subsequent to the allocation described in subdivision (d) of Section
28 29552 of the Government Code, the Controller shall allocate
29 8.99758189 percent of the remaining amount deposited in the
30 Enhancing Law Enforcement Activities Subaccount in the Local
31 Revenue Fund 2011 and shall distribute the moneys as follows:

32 (1) Commencing with the 2012–13 fiscal year, the California
33 Multi-Jurisdictional Methamphetamine Enforcement Teams shall
34 receive 47.52015636 percent and shall be allocated by the
35 Controller according to the following schedule:

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Alameda County	1.7109%
Alpine County	0.6327%
Amador County	0.6327%

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Butte County	1.6666%
Calaveras County	0.8435%
Colusa County	0.1623%
Contra Costa County	1.3163%
Del Norte County	0.2167%
El Dorado County	1.3716%
Fresno County	5.3775%
Glenn County	0.2130%
Humboldt County	1.0198%
Imperial County	2.5510%
Inyo County	0.6327%
Kern County	5.6938%
Kings County	0.9701%
Lake County	0.6604%
Lassen County	0.2643%
Los Angeles County	5.3239%
Madera County	0.9701%
Marin County	0.6292%
Mariposa County	0.6327%
Mendocino County	0.6846%
Merced County	1.8136%
Modoc County	0.0734%
Mono County	0.6327%
Monterey County	0.9018%
Napa County	0.6803%
Nevada County	0.7482%
Orange County	1.5661%
Placer County	2.6395%
Plumas County	0.1516%
Riverside County	5.6395%
Sacramento County	10.0169%
San Benito County	0.8404%
San Bernardino County	8.9364%
San Diego County	2.5510%
San Francisco County	1.0034%
San Joaquin County	4.6394%
San Luis Obispo County	1.3483%
San Mateo County	1.1224%

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Santa Barbara County	1.3483%
Santa Clara County	2.0612%
Santa Cruz County	0.8333%
Shasta County	1.3426%
Sierra County	0.0245%
Siskiyou County	0.3401%
Solano County	1.8979%
Sonoma County	1.1610%
Stanislaus County	3.6272%
Sutter County	0.7177%
Tehama County	0.4808%
Trinity County	0.1044%
Tulare County	2.5306%
Tuolumne County	0.6327%
Ventura County	1.3483%
Yolo County	1.5215%
Yuba County	0.5466%

(2) Commencing with the 2013–14 fiscal year, the California Multi-Jurisdictional Methamphetamine Enforcement Teams shall receive 47.52015636 percent and shall be allocated in monthly installments by the Controller according to the following schedule:

Alameda County	1.7109%
Alpine County	0.6327%
Amador County	0.6327%
Butte County	1.6666%
Calaveras County	0.8435%
Colusa County	0.1623%
Contra Costa County	1.3163%
Del Norte County	0.2167%
El Dorado County	1.3716%
Fresno County	5.3775%
Glenn County	0.2130%
Humboldt County	1.0198%
Imperial County	2.5510%
Inyo County	0.6327%
Kern County	5.6938%
Kings County	0.9701%

1	Lake County	0.6604%
2	Lassen County	0.2643%
3	Los Angeles County	5.3239%
4	Madera County	0.9701%
5	Marin County	0.6292%
6	Mariposa County	0.6327%
7	Mendocino County	0.6846%
8	Merced County	1.8136%
9	Modoc County	0.0734%
10	Mono County	0.6327%
11	Monterey County	0.9018%
12	Napa County	0.6803%
13	Nevada County	0.7482%
14	Orange County	1.5661%
15	Placer County	2.6395%
16	Plumas County	0.1516%
17	Riverside County	5.6395%
18	Sacramento County	10.0169%
19	San Benito County	0.8404%
20	San Bernardino County	8.9364%
21	San Diego County	2.5510%
22	San Francisco County	1.0034%
23	San Joaquin County	4.6394%
24	San Luis Obispo County	1.3483%
25	San Mateo County	1.1224%
26	Santa Barbara County	1.3483%
27	Santa Clara County	2.0612%
28	Santa Cruz County	0.8333%
29	Shasta County	1.3426%
30	Sierra County	0.0245%
31	Siskiyou County	0.3401%
32	Solano County	1.8979%
33	Sonoma County	1.1610%
34	Stanislaus County	3.6272%
35	Sutter County	0.7177%
36	Tehama County	0.4808%
37	Trinity County	0.1044%
38	Tulare County	2.5306%
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Tuolumne County	0.6327%
Ventura County	1.3483%
Yolo County	1.5215%
Yuba County	0.5466%

(3) Commencing with the 2012–13 fiscal year, the Multi-Agency Gang Enforcement Consortium shall receive 0.19545566 percent and shall be allocated by the Controller to Fresno County.

(4) Commencing with the 2013–14 fiscal year, the Multi-Agency Gang Enforcement Consortium shall receive 0.19545566 percent and shall be allocated in monthly installments by the Controller to Fresno County.

(5) Commencing with the 2012–13 fiscal year, the Sexual Assault Felony Enforcement Teams, authorized by Section 13887, shall receive 12.48473003 percent and shall be allocated by the Controller according to the following schedule:

Los Angeles County	21.0294%
Riverside County	12.8778%
Sacramento County	14.0198%
San Luis Obispo County	12.0168%
Santa Clara County	17.0238%
Shasta County	12.0168%
Tulare County	11.0156%

(6) Commencing with the 2013–14 fiscal year, the Sexual Assault Felony Enforcement Teams, authorized by Section 13887, shall receive 12.48473003 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Los Angeles County	21.0294%
Riverside County	12.8778%
Sacramento County	14.0198%
San Luis Obispo County	12.0168%
Santa Clara County	17.0238%
Shasta County	12.0168%
Tulare County	11.0156%

1 (7) Commencing with the 2012–13 fiscal year, the High
 2 Technology Theft Apprehension and Prosecution Program,
 3 authorized by Section 13848.2, shall receive 26.82628879 percent
 4 and shall be allocated by the Controller according to the following
 5 schedule:
 6

7 Los Angeles County	18.25%
8 Marin County	18.25%
9 Marin County, for use by the Department of Justice in 10 implementing subdivision (b) of Section 13848.4	7.00%
11 Marin County, for use by the California District 12 Attorneys Association in implementing subdivision 13 (b) of Section 13848.4	1.75%
14 Sacramento County	18.25%
15 San Diego County	18.25%
16 Santa Clara County	18.25%

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 18 (8) Commencing with the 2013–14 fiscal year, the High
 19 Technology Theft Apprehension and Prosecution Program,
 20 authorized by Section 13848.2, shall receive 26.82628879 percent
 21 and shall be allocated by the Controller in monthly installments
 22 according to the following schedule:
 23

24 Los Angeles County	18.25%
25 Marin County	18.25%
26 Marin County, for use by the Department of Justice in 27 implementing subdivision (b) of Section 13848.4	7.00%
28 Marin County, for use by the California District 29 Attorneys Association in implementing subdivision 30 (b) of Section 13848.4	1.75%
31 Sacramento County	18.25%
32 San Diego County	18.25%
33 Santa Clara County	18.25%

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 35 (9) Commencing with the 2012–13 fiscal year, the Gang
 36 Violence Suppression Program, authorized by Section 13826.1,
 37 shall receive 3.90911312 percent and shall be allocated by the
 38 Controller according to the following schedule:

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Alameda County	9.6775%
Los Angeles County	22.5808%
Monterey County	9.6775%
Napa County	17.7417%
City of Oxnard	17.7417%
City of Sacramento	22.5808%

(10) Commencing with the 2013–14 fiscal year, the Gang Violence Suppression Program, authorized by Section 13826.1, shall receive 3.90911312 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Alameda County	9.6775%
Los Angeles County	22.5808%
Monterey County	9.6775%
Napa County	17.7417%
City of Oxnard	17.7417%
City of Sacramento	22.5808%

(11) Commencing with the 2012–13 fiscal year, the Central Valley and Central Coast Rural Crime Prevention Programs, authorized by Sections 14170 and 14180, shall receive 9.06425605 percent and shall be allocated by the Controller according to the following schedule:

Fresno County	18.5588%
Kern County	13.7173%
Kings County	6.8587%
Madera County	4.4380%
Merced County	6.8587%
Monterey County	7.2411%
San Benito County	4.8273%
San Joaquin County	6.8587%
San Luis Obispo County	2.1723%
Santa Barbara County	3.6206%
Santa Cruz County	1.4482%
Stanislaus County	6.8587%
Tulare County	16.5415%

1 (12) Commencing with the 2013–14 fiscal year, the Central
 2 Valley and Central Coast Rural Crime Prevention Programs,
 3 authorized by Sections 14170 and 14180, shall receive 9.06425605
 4 percent and shall be allocated by the Controller in monthly
 5 installments according to the following schedule:

Fresno County	18.5588%
Kern County	13.7173%
Kings County	6.8587%
Madera County	4.4380%
Merced County	6.8587%
Monterey County	7.2411%
San Benito County	4.8273%
San Joaquin County	6.8587%
San Luis Obispo County	2.1723%
Santa Barbara County	3.6206%
Santa Cruz County	1.4482%
Stanislaus County	6.8587%
Tulare County	16.5415%

21 (d) For any of the programs described in this section, funding
 22 will be distributed by local agencies as would otherwise have
 23 occurred pursuant to Section 1 of Chapter 13 of the Statutes of
 24 2011, First Extraordinary Session.

25 SEC. 7. Section 17053.33 of the Revenue and Taxation Code
 26 is amended to read:

27 17053.33. (a) For each taxable year beginning on or after
 28 January 1, 1998, and before January 1, 2014, there shall be allowed
 29 as a credit against the “net tax” (as defined in Section 17039) for
 30 the taxable year an amount equal to the sales or use tax paid or
 31 incurred during the taxable year by the qualified taxpayer in
 32 connection with the qualified taxpayer’s purchase of qualified
 33 property before January 1, 2014.

34 (b) For purposes of this section:

35 (1) “Qualified property” means property that meets all of the
 36 following requirements:

37 (A) Is any of the following:

38 (i) Machinery and machinery parts used for fabricating,
 39 processing, assembling, and manufacturing.

- 1 (ii) Machinery and machinery parts used for the production of
2 renewable energy resources.
- 3 (iii) Machinery and machinery parts used for either of the
4 following:
- 5 (I) Air pollution control mechanisms.
6 (II) Water pollution control mechanisms.
- 7 (iv) Data-processing and communications equipment, such as
8 computers, computer-automated drafting systems, copy machines,
9 telephone systems, and faxes.
- 10 (v) Motion picture manufacturing equipment central to
11 production and postproduction, such as cameras, audio recorders,
12 and digital image and sound processing equipment.
- 13 (B) The total cost of qualified property purchased and placed
14 in service in any taxable year that may be taken into account by
15 any qualified taxpayer for purposes of claiming this credit shall
16 not exceed one million dollars (\$1,000,000).
- 17 (C) The qualified property is used by the qualified taxpayer
18 exclusively in a targeted tax area, or in the case of a targeted tax
19 area that was repealed by Chapter 69 of the Statutes of 2013, the
20 area designated as a targeted tax area immediately prior to the
21 repeal.
- 22 (D) The qualified property is purchased before the date the
23 targeted tax area designation expires, is revoked, is no longer
24 binding, becomes inoperative, or is repealed.
- 25 (E) The qualified property is placed in service before January
26 1, 2015.
- 27 (2) (A) “Qualified taxpayer” means a person or entity that meets
28 both of the following:
- 29 (i) Is engaged in a trade or business within a targeted tax area
30 designated pursuant to Chapter 12.93 (commencing with Section
31 7097) of Division 7 of Title 1 of the Government Code.
- 32 (ii) Is engaged in those lines of business described in Codes
33 2000 to 2099, inclusive; 2200 to 3999, inclusive; 4200 to 4299,
34 inclusive; 4500 to 4599, inclusive; and 4700 to 5199, inclusive,
35 of the Standard Industrial Classification (SIC) Manual published
36 by the United States Office of Management and Budget, 1987
37 edition.
- 38 (B) In the case of any pass-through entity, the determination of
39 whether a taxpayer is a qualified taxpayer under this section shall
40 be made at the entity level and any credit under this section or

1 Section 23633 shall be allowed to the pass-through entity and
2 passed through to the partners or shareholders in accordance with
3 applicable provisions of this part or Part 11 (commencing with
4 Section 23001). For purposes of this subparagraph, the term
5 “pass-through entity” means any partnership or S corporation.

6 (3) “Targeted tax area” means the area designated pursuant to
7 Chapter 12.93 (commencing with Section 7097) of Division 7 of
8 Title 1 of the Government Code as it read on July 11, 2013.

9 (c) If the qualified taxpayer is allowed a credit for qualified
10 property pursuant to this section, only one credit shall be allowed
11 to the taxpayer under this part with respect to that qualified
12 property.

13 (d) If the qualified taxpayer has purchased property upon which
14 a use tax has been paid or incurred, the credit provided by this
15 section shall be allowed only if qualified property of a comparable
16 quality and price is not timely available for purchase in this state.

17 (e) In the case where the credit otherwise allowed under this
18 section exceeds the “net tax” for the taxable year, that portion of
19 the credit that exceeds the “net tax” may be carried over and added
20 to the credit, if any, in the succeeding 10 taxable years, if necessary,
21 until the credit is exhausted. The credit shall be applied first to the
22 earliest taxable years possible.

23 (f) Any qualified taxpayer who elects to be subject to this section
24 shall not be entitled to increase the basis of the qualified property
25 as otherwise required by Section 164(a) of the Internal Revenue
26 Code with respect to sales or use tax paid or incurred in connection
27 with the qualified taxpayer’s purchase of qualified property.

28 (g) (1) The amount of the credit otherwise allowed under this
29 section and Section 17053.34, including any credit carryover from
30 prior years, that may reduce the “net tax” for the taxable year shall
31 not exceed the amount of tax that would be imposed on the
32 qualified taxpayer’s business income attributable to the targeted
33 tax area determined as if that attributable income represented all
34 of the income of the qualified taxpayer subject to tax under this
35 part.

36 (2) Attributable income shall be that portion of the taxpayer’s
37 California source business income that is apportioned to the
38 targeted tax area. For that purpose, the taxpayer’s business income
39 attributable to sources in this state first shall be determined in
40 accordance with Chapter 17 (commencing with Section 25101) of

1 Part 11. That business income shall be further apportioned to the
2 targeted tax area in accordance with Article 2 (commencing with
3 Section 25120) of Chapter 17 of Part 11, modified for purposes
4 of this section in accordance with paragraph (3).

5 (3) Business income shall be apportioned to the targeted tax
6 area by multiplying the total California business income of the
7 taxpayer by a fraction, the numerator of which is the property
8 factor plus the payroll factor, and the denominator of which is two.
9 For purposes of this paragraph:

10 (A) The property factor is a fraction, the numerator of which is
11 the average value of the taxpayer's real and tangible personal
12 property owned or rented and used in the targeted tax area during
13 the taxable year, and the denominator of which is the average value
14 of all the taxpayer's real and tangible personal property owned or
15 rented and used in this state during the taxable year.

16 (B) The payroll factor is a fraction, the numerator of which is
17 the total amount paid by the taxpayer in the targeted tax area during
18 the taxable year for compensation, and the denominator of which
19 is the total compensation paid by the taxpayer in this state during
20 the taxable year.

21 (4) The portion of any credit remaining, if any, after application
22 of this subdivision, shall be carried over to succeeding taxable
23 years, if necessary, until the credit is exhausted, as if it were an
24 amount exceeding the "net tax" for the taxable year, as provided
25 in subdivision (e). However, the portion of any credit remaining
26 for carryover to taxable years beginning on or after January 1,
27 2014, if any, after application of this subdivision, shall be carried
28 over only to the succeeding 10 taxable years if necessary, until the
29 credit is exhausted, as if it were an amount exceeding the "net tax"
30 for the taxable year, as provided in subdivision (e).

31 (5) In the event that a credit carryover is allowable under
32 subdivision (e) for any taxable year after the targeted tax area
33 designation has expired, has been revoked, is no longer binding,
34 or has become inoperative, the targeted tax area shall be deemed
35 to remain in existence for purposes of computing the limitation
36 specified in this subdivision.

37 (h) The amendments made to this section by the act adding this
38 subdivision shall apply to taxable years beginning on or after
39 January 1, 1998.

40 (i) This section is repealed on December 1, 2015.

1 SEC. 8. Section 17053.70 of the Revenue and Taxation Code
2 is amended to read:

3 17053.70. (a) There shall be allowed as a credit against the
4 “net tax” (as defined in Section 17039) for the taxable year an
5 amount equal to the sales or use tax paid or incurred during the
6 taxable year by the taxpayer in connection with the taxpayer’s
7 purchase of qualified property before January 1, 2014.

8 (b) For purposes of this section:

9 (1) “Taxpayer” means a person or entity engaged in a trade or
10 business within an enterprise zone.

11 (2) “Qualified property” means:

12 (A) Any of the following:

13 (i) Machinery and machinery parts used for fabricating,
14 processing, assembling, and manufacturing.

15 (ii) Machinery and machinery parts used for the production of
16 renewable energy resources.

17 (iii) Machinery and machinery parts used for either of the
18 following:

19 (I) Air pollution control mechanisms.

20 (II) Water pollution control mechanisms.

21 (iv) Data processing and communications equipment, including,
22 but not limited, to computers, computer-automated drafting
23 systems, copy machines, telephone systems, and faxes.

24 (v) Motion picture manufacturing equipment central to
25 production and postproduction, including, but not limited to,
26 cameras, audio recorders, and digital image and sound processing
27 equipment.

28 (B) The total cost of qualified property purchased and placed
29 in service in any taxable year that may be taken into account by
30 any taxpayer for purposes of claiming this credit shall not exceed
31 one million dollars (\$1,000,000).

32 (C) The qualified property is used by the taxpayer exclusively
33 in an enterprise zone, or in the case of an enterprise zone that was
34 repealed by Chapter 69 of the Statutes of 2013, the area designated
35 as an enterprise zone immediately prior to the repeal.

36 (D) The qualified property is purchased before the date the
37 enterprise zone designation expires, is revoked, is no longer
38 binding, becomes inoperative, or is repealed.

39 (E) The qualified property is placed in service before January
40 1, 2015.

1 (3) “Enterprise zone” means the area designated as an enterprise
2 zone pursuant to Chapter 12.8 (commencing with Section 7070)
3 of Division 7 of Title 1 of the Government Code as it read on July
4 11, 2013.

5 (c) If the taxpayer has purchased property upon which a use tax
6 has been paid or incurred, the credit provided by this section shall
7 be allowed only if qualified property of a comparable quality and
8 price is not timely available for purchase in this state.

9 (d) In the case where the credit otherwise allowed under this
10 section exceeds the “net tax” for the taxable year, that portion of
11 the credit that exceeds the “net tax” may be carried over and added
12 to the credit, if any, in the succeeding 10 taxable years, if necessary,
13 until the credit is exhausted. The credit shall be applied first to the
14 earliest taxable years possible.

15 (e) Any taxpayer that elects to be subject to this section shall
16 not be entitled to increase the basis of the qualified property as
17 otherwise required by Section 164(a) of the Internal Revenue Code
18 with respect to sales or use tax paid or incurred in connection with
19 the taxpayer’s purchase of qualified property.

20 (f) (1) The amount of the credit otherwise allowed under this
21 section and Section 17053.74, including any credit carryover from
22 prior years, that may reduce the “net tax” for the taxable year shall
23 not exceed the amount of tax that would be imposed on the
24 taxpayer’s business income attributable to the enterprise zone
25 determined as if that attributable income represented all of the
26 income of the taxpayer subject to tax under this part.

27 (2) Attributable income shall be that portion of the taxpayer’s
28 California source business income that is apportioned to the
29 enterprise zone. For that purpose, the taxpayer’s business income
30 attributable to sources in this state first shall be determined in
31 accordance with Chapter 17 (commencing with Section 25101) of
32 Part 11. That business income shall be further apportioned to the
33 enterprise zone in accordance with Article 2 (commencing with
34 Section 25120) of Chapter 17 of Part 11, modified for purposes
35 of this section in accordance with paragraph (3).

36 (3) Business income shall be apportioned to the enterprise zone
37 by multiplying the total California business income of the taxpayer
38 by a fraction, the numerator of which is the property factor plus
39 the payroll factor, and the denominator of which is two. For
40 purposes of this paragraph:

1 (A) The property factor is a fraction, the numerator of which is
2 the average value of the taxpayer’s real and tangible personal
3 property owned or rented and used in the enterprise zone during
4 the taxable year, and the denominator of which is the average value
5 of all the taxpayer’s real and tangible personal property owned or
6 rented and used in this state during the taxable year.

7 (B) The payroll factor is a fraction, the numerator of which is
8 the total amount paid by the taxpayer in the enterprise zone during
9 the taxable year for compensation, and the denominator of which
10 is the total compensation paid by the taxpayer in this state during
11 the taxable year.

12 (4) The portion of any credit remaining, if any, after application
13 of this subdivision, shall be carried over to succeeding taxable
14 years, if necessary, until the credit is exhausted, as if it were an
15 amount exceeding the “net tax” for the taxable year, as provided
16 in subdivision (d). However, the portion of any credit remaining
17 for carryover to taxable years beginning on or after January 1,
18 2014, if any, after application of this subdivision, shall be carried
19 over only to the succeeding 10 taxable years, if necessary, until
20 the credit is exhausted, as if it were an amount exceeding the “net
21 tax” for the taxable year, as provided in subdivision (d).

22 (g) The amendments made to this section by the act adding this
23 subdivision shall apply to taxable years beginning on or after
24 January 1, 1998.

25 (h) This section is repealed on December 1, 2015.

26 SEC. 9. Section 18410.2 of the Revenue and Taxation Code
27 is amended to read:

28 18410.2. (a) The California Competes Tax Credit Committee
29 is hereby established. The committee shall consist of the Treasurer,
30 the Director of Finance, and the Director of the Governor’s Office
31 of Business and Economic Development, who shall serve as chair
32 of the committee, or their designated representatives, and one
33 appointee each by the Speaker of the Assembly and the Senate
34 Committee on Rules. A member of the Legislature shall not be
35 appointed.

36 (b) For purposes of Sections 17059.2 and 23689, the California
37 Competes Tax Credit Committee shall do all of the following:

38 (1) Approve or reject any written agreement for a tax credit
39 allocation by resolution at a duly noticed public meeting held in
40 accordance with the Bagley-Keene Open Meeting Act (Article 9

1 (commencing with Section 11120) of Chapter 1 of Part 1 of
2 Division 3 of Title 2 of the Government Code), but only after
3 receipt of the fully executed written agreement between the
4 taxpayer and the Governor’s Office of Business and Economic
5 Development.

6 (2) Approve or reject any recommendation to recapture, in whole
7 or in part, a tax credit allocation by resolution at a duly noticed
8 public meeting held in accordance with the Bagley-Keene Open
9 Meeting Act (Article 9 (commencing with Section 11120) of
10 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
11 Code), but only after receipt of the recommendation from the
12 Governor’s Office of Business and Economic Development
13 pursuant to the terms of the fully executed written agreement.

14 SEC. 10. Section 23612.2 of the Revenue and Taxation Code
15 is amended to read:

16 23612.2. (a) There shall be allowed as a credit against the
17 “tax” (as defined by Section 23036) for the taxable year an amount
18 equal to the sales or use tax paid or incurred during the taxable
19 year by the taxpayer in connection with the taxpayer’s purchase
20 of qualified property before January 1, 2014.

21 (b) For purposes of this section:

22 (1) “Taxpayer” means a corporation engaged in a trade or
23 business within an enterprise zone.

24 (2) “Qualified property” means:

25 (A) Any of the following:

26 (i) Machinery and machinery parts used for fabricating,
27 processing, assembling, and manufacturing.

28 (ii) Machinery and machinery parts used for the production of
29 renewable energy resources.

30 (iii) Machinery and machinery parts used for either of the
31 following:

32 (I) Air pollution control mechanisms.

33 (II) Water pollution control mechanisms.

34 (iv) Data-processing and communications equipment, including,
35 but not limited to, computers, computer-automated drafting
36 systems, copy machines, telephone systems, and faxes.

37 (v) Motion picture manufacturing equipment central to
38 production and postproduction, including, but not limited to,
39 cameras, audio recorders, and digital image and sound processing
40 equipment.

1 (B) The total cost of qualified property purchased and placed
2 in service in any taxable year that may be taken into account by
3 any taxpayer for purposes of claiming this credit shall not exceed
4 twenty million dollars (\$20,000,000).

5 (C) The qualified property is used by the taxpayer exclusively
6 in an enterprise zone, or in the case of an enterprise zone that was
7 repealed by Chapter 69 of the Statutes of 2013, the area designated
8 as an enterprise zone immediately prior to the repeal.

9 (D) The qualified property is purchased before the date the
10 enterprise zone designation expires, is revoked, is no longer
11 binding, becomes inoperative, or is repealed.

12 (E) The qualified property is placed in service before January
13 1, 2015.

14 (3) “Enterprise zone” means the area designated as an enterprise
15 zone pursuant to Chapter 12.8 (commencing with Section 7070)
16 of Division 7 of Title 1 of the Government Code as it read on July
17 11, 2013.

18 (c) If the taxpayer has purchased property upon which a use tax
19 has been paid or incurred, the credit provided by this section shall
20 be allowed only if qualified property of a comparable quality and
21 price is not timely available for purchase in this state.

22 (d) In the case where the credit otherwise allowed under this
23 section exceeds the “tax” for the taxable year, that portion of the
24 credit which exceeds the “tax” may be carried over and added to
25 the credit, if any, in the succeeding 10 taxable years if necessary,
26 until the credit is exhausted. The credit shall be applied first to the
27 earliest taxable years possible.

28 (e) Any taxpayer that elects to be subject to this section shall
29 not be entitled to increase the basis of the qualified property as
30 otherwise required by Section 164(a) of the Internal Revenue Code
31 with respect to sales or use tax paid or incurred in connection with
32 the taxpayer’s purchase of qualified property.

33 (f) (1) The amount of credit otherwise allowed under this
34 section and Section 23622.7, including any credit carryover from
35 prior years, that may reduce the “tax” for the taxable year shall
36 not exceed the amount of tax which would be imposed on the
37 taxpayer’s business income attributable to the enterprise zone
38 determined as if that attributable income represented all of the
39 income of the taxpayer subject to tax under this part.

1 (2) Attributable income shall be that portion of the taxpayer's
2 California source business income that is apportioned to the
3 enterprise zone. For that purpose, the taxpayer's business income
4 attributable to sources in this state first shall be determined in
5 accordance with Chapter 17 (commencing with Section 25101).
6 That business income shall be further apportioned to the enterprise
7 zone in accordance with Article 2 (commencing with Section
8 25120) of Chapter 17, modified for purposes of this section in
9 accordance with paragraph (3).

10 (3) Business income shall be apportioned to the enterprise zone
11 by multiplying the total California business income of the taxpayer
12 by a fraction, the numerator of which is the property factor plus
13 the payroll factor, and the denominator of which is two. For
14 purposes of this paragraph:

15 (A) The property factor is a fraction, the numerator of which is
16 the average value of the taxpayer's real and tangible personal
17 property owned or rented and used in the enterprise zone during
18 the taxable year, and the denominator of which is the average value
19 of all the taxpayer's real and tangible personal property owned or
20 rented and used in this state during the taxable year.

21 (B) The payroll factor is a fraction, the numerator of which is
22 the total amount paid by the taxpayer in the enterprise zone during
23 the taxable year for compensation, and the denominator of which
24 is the total compensation paid by the taxpayer in this state during
25 the taxable year.

26 (4) The portion of any credit remaining, if any, after application
27 of this subdivision, shall be carried over to succeeding taxable
28 years if necessary, until the credit is exhausted, as if it were an
29 amount exceeding the "tax" for the taxable year, as provided in
30 subdivision (d). However, the portion of any credit remaining for
31 carryover to taxable years beginning on January 1, 2014, if any,
32 after application of this subdivision, shall be carried over only to
33 the succeeding 10 taxable years if necessary, until the credit is
34 exhausted, as if it were an amount exceeding the "tax" for the
35 taxable year, as provided in subdivision (d).

36 (g) The amendments made to this section by the act adding this
37 subdivision shall apply to taxable years beginning on or after
38 January 1, 1998.

39 (h) This section is repealed on December 1, 2015.

1 SEC. 11. Section 23633 of the Revenue and Taxation Code is
2 amended to read:

3 23633. (a) For each taxable year beginning on or after January
4 1, 1998, and before January 1, 2014, there shall be allowed as a
5 credit against the “tax” (as defined by Section 23036) for the
6 taxable year an amount equal to the sales or use tax paid or incurred
7 during the taxable year by the qualified taxpayer in connection
8 with the qualified taxpayer’s purchase of qualified property before
9 January 1, 2014.

10 (b) For purposes of this section:

11 (1) “Qualified property” means property that meets all of the
12 following requirements:

13 (A) Is any of the following:

14 (i) Machinery and machinery parts used for fabricating,
15 processing, assembling, and manufacturing.

16 (ii) Machinery and machinery parts used for the production of
17 renewable energy resources.

18 (iii) Machinery and machinery parts used for either of the
19 following:

20 (I) Air pollution control mechanisms.

21 (II) Water pollution control mechanisms.

22 (iv) Data-processing and communications equipment, such as
23 computers, computer-automated drafting systems, copy machines,
24 telephone systems, and faxes.

25 (v) Motion picture manufacturing equipment central to
26 production and postproduction, such as cameras, audio recorders,
27 and digital image and sound processing equipment.

28 (B) The total cost of qualified property purchased and placed
29 in service in any taxable year that may be taken into account by
30 any qualified taxpayer for purposes of claiming this credit shall
31 not exceed twenty million dollars (\$20,000,000).

32 (C) The qualified property is used by the qualified taxpayer
33 exclusively in a targeted tax area, or in the case of a targeted tax
34 area that was repealed by Chapter 69 of the Statutes of 2013, the
35 area designated as a targeted tax area immediately prior to the
36 repeal.

37 (D) The qualified property is purchased before the date the
38 targeted tax area designation expires, is revoked, is no longer
39 binding, becomes inoperative, or is repealed.

1 (E) The qualified property is placed in service before January
2 1, 2015.

3 (2) (A) “Qualified taxpayer” means a corporation that meets
4 both of the following:

5 (i) Is engaged in a trade or business within a targeted tax area
6 designated pursuant to Chapter 12.93 (commencing with Section
7 7097) of Division 7 of Title 1 of the Government Code.

8 (ii) Is engaged in those lines of business described in Codes
9 2000 to 2099, inclusive; 2200 to 3999, inclusive; 4200 to 4299,
10 inclusive; 4500 to 4599, inclusive; and 4700 to 5199, inclusive,
11 of the Standard Industrial Classification (SIC) Manual published
12 by the United States Office of Management and Budget, 1987
13 edition.

14 (B) In the case of any pass-through entity, the determination of
15 whether a taxpayer is a qualified taxpayer under this section shall
16 be made at the entity level and any credit under this section or
17 Section 17053.33 shall be allowed to the pass-through entity and
18 passed through to the partners or shareholders in accordance with
19 applicable provisions of this part or Part 10 (commencing with
20 Section 17001). For purposes of this subparagraph, the term
21 “pass-through entity” means any partnership or S corporation.

22 (3) “Targeted tax area” means the area designated pursuant to
23 Chapter 12.93 (commencing with Section 7097) of Division 7 of
24 Title 1 of the Government Code as it read on July 11, 2013.

25 (c) If the qualified taxpayer is allowed a credit for qualified
26 property pursuant to this section, only one credit shall be allowed
27 to the taxpayer under this part with respect to that qualified
28 property.

29 (d) If the qualified taxpayer has purchased property upon which
30 a use tax has been paid or incurred, the credit provided by this
31 section shall be allowed only if qualified property of a comparable
32 quality and price is not timely available for purchase in this state.

33 (e) In the case where the credit otherwise allowed under this
34 section exceeds the “tax” for the taxable year, that portion of the
35 credit that exceeds the “tax” may be carried over and added to the
36 credit, if any, in the succeeding 10 taxable years, if necessary, until
37 the credit is exhausted. The credit shall be applied first to the
38 earliest taxable years possible.

39 (f) Any qualified taxpayer who elects to be subject to this section
40 shall not be entitled to increase the basis of the qualified property

1 as otherwise required by Section 164(a) of the Internal Revenue
2 Code with respect to sales or use tax paid or incurred in connection
3 with the qualified taxpayer’s purchase of qualified property.

4 (g) (1) The amount of credit otherwise allowed under this
5 section and Section 23634, including any credit carryover from
6 prior years, that may reduce the “tax” for the taxable year shall
7 not exceed the amount of tax that would be imposed on the
8 qualified taxpayer’s business income attributable to the targeted
9 tax area determined as if that attributable income represented all
10 of the income of the qualified taxpayer subject to tax under this
11 part.

12 (2) Attributable income shall be that portion of the taxpayer’s
13 California source business income that is apportioned to the
14 targeted tax area. For that purpose, the taxpayer’s business income
15 attributable to sources in this state first shall be determined in
16 accordance with Chapter 17 (commencing with Section 25101).
17 That business income shall be further apportioned to the targeted
18 tax area in accordance with Article 2 (commencing with Section
19 25120) of Chapter 17, modified for purposes of this section in
20 accordance with paragraph (3).

21 (3) Business income shall be apportioned to the targeted tax
22 area by multiplying the total California business income of the
23 taxpayer by a fraction, the numerator of which is the property
24 factor plus the payroll factor, and the denominator of which is two.
25 For purposes of this paragraph:

26 (A) The property factor is a fraction, the numerator of which is
27 the average value of the taxpayer’s real and tangible personal
28 property owned or rented and used in the targeted tax area during
29 the taxable year and the denominator of which is the average value
30 of all the taxpayer’s real and tangible personal property owned or
31 rented and used in this state during the taxable year.

32 (B) The payroll factor is a fraction, the numerator of which is
33 the total amount paid by the taxpayer in the targeted tax area during
34 the taxable year for compensation, and the denominator of which
35 is the total compensation paid by the taxpayer in this state during
36 the taxable year.

37 (4) The portion of any credit remaining, if any, after application
38 of this subdivision, shall be carried over to succeeding taxable
39 years, if necessary, until the credit is exhausted, as if it were an
40 amount exceeding the “tax” for the taxable year, as provided in

1 subdivision (e). However, the portion of any credit remaining for
2 carryover to taxable years beginning on or after January 1, 2014,
3 if any, after application of this subdivision, shall be carried over
4 only to the succeeding 10 taxable years if necessary, until the credit
5 is exhausted, as if it were an amount exceeding the “tax” for the
6 taxable year, as provided in subdivision (e).

7 (5) In the event that a credit carryover is allowable under
8 subdivision (e) for any taxable year after the targeted tax area
9 designation has expired, has been revoked, is no longer binding,
10 or has become inoperative, the targeted tax area shall be deemed
11 to remain in existence for purposes of computing the limitation
12 specified in this subdivision.

13 (h) The changes made to this section by the act adding this
14 subdivision shall apply to taxable years beginning on or after
15 January 1, 1998.

16 (i) This section is repealed on December 1, 2015.

17 SEC. 12. Section 1403 of the Welfare and Institutions Code is
18 amended to read:

19 1403. This chapter shall remain in effect only until January 1,
20 2016, and as of that date is repealed, unless a later enacted statute,
21 that is enacted before January 1, 2016, deletes or extends that date.

22 SEC. 13. Section 18220 of the Welfare and Institutions Code
23 is amended to read:

24 18220. (a) For the 2011–12 fiscal year, the Controller shall
25 allocate 33.38 percent of the funds deposited in the Local Law
26 Enforcement Services Account in the Local Revenue Fund 2011
27 for purposes of Section 18221.

28 (b) (1) Commencing with the 2012–13 fiscal year, subsequent
29 to the allocation described in subdivision (c) of Section 29552 of
30 the Government Code, the Controller shall allocate 33.37876457
31 percent of the remaining funds deposited in the Enhancing Law
32 Enforcement Activities Subaccount in the Local Revenue Fund
33 2011 according to the schedule in subdivision (c), for purposes of
34 Section 18221.

35 (2) Commencing with the 2013–14 fiscal year, subsequent to
36 the allocation described in subdivision (d) of Section 29552 of the
37 Government Code the Controller shall allocate 33.37876457
38 percent of the remaining funds deposited in the Enhancing Law
39 Enforcement Activities Subaccount in the Local Revenue Fund

1 2011, in monthly installments, according to the schedule in
2 subdivision (c), for purposes of Section 18221.

3 (c) The Controller shall allocate funds to local jurisdictions to
4 support juvenile probation activities according to the following
5 schedule:

6	
7	Alameda County..... 3.9522%
8	Alpine County..... 0.0004%
9	Amador County..... 0.0597%
10	Butte County..... 0.3193%
11	Calaveras County..... 0.0611%
12	Colusa County..... 0.0341%
13	Contra Costa County..... 2.6634%
14	Del Norte County..... 0.1170%
15	El Dorado County..... 0.3016%
16	Fresno County..... 2.1547%
17	Glenn County..... 0.0536%
18	Humboldt County..... 0.1696%
19	Imperial County..... 0.3393%
20	Inyo County..... 0.1432%
21	Kern County..... 2.5687%
22	Kings County..... 0.3839%
23	Lake County..... 0.1866%
24	Lassen County..... 0.0543%
25	Los Angeles County..... 40.1353%
26	Madera County..... 0.2399%
27	Marin County..... 0.3742%
28	Mariposa County..... 0.0133%
29	Mendocino County..... 0.1975%
30	Merced County..... 0.3464%
31	Modoc County..... 0.0213%
32	Mono County..... 0.0071%
33	Monterey County..... 0.6039%
34	Napa County..... 0.3520%
35	Nevada County..... 0.1244%
36	Orange County..... 8.4582%
37	Placer County..... 0.2667%
38	Plumas County..... 0.0273%
39	Riverside County..... 3.2234%
40	Sacramento County..... 2.1350%

1	San Benito County.....	0.2136%
2	San Bernardino County.....	3.4715%
3	San Diego County.....	5.6095%
4	San Francisco County.....	1.9161%
5	San Joaquin County.....	0.8854%
6	San Luis Obispo County.....	0.6007%
7	San Mateo County.....	1.8974%
8	Santa Barbara County.....	1.6561%
9	Santa Clara County.....	5.8082%
10	Santa Cruz County.....	0.6128%
11	Shasta County.....	0.4116%
12	Sierra County.....	0.0037%
13	Siskiyou County.....	0.0750%
14	Solano County.....	1.0363%
15	Sonoma County.....	1.3043%
16	Stanislaus County.....	0.5275%
17	Sutter County.....	0.1344%
18	Tehama County.....	0.1444%
19	Trinity County.....	0.0346%
20	Tulare County.....	1.4116%
21	Tuolumne County.....	0.0706%
22	Ventura County.....	1.7193%
23	Yolo County.....	0.2543%
24	Yuba County.....	0.1125%

25
26

27 SEC. 14. Section 18220.1 of the Welfare and Institutions Code
28 is amended to read:

29 18220.1. (a) For the 2011–12 fiscal year, the Controller shall,
30 on a quarterly basis beginning October 1, allocate 6.47 percent of
31 the funds deposited in the Local Law Enforcement Services
32 Account in the Local Revenue Fund 2011 pursuant to a schedule
33 provided by the Department of Corrections and Rehabilitation.
34 The department’s schedule shall provide for the allocation of funds
35 appropriated in the annual Budget Act, and included in the Local
36 Law Enforcement Services Account, among counties that operate
37 juvenile camps and ranches based on the number of occupied beds
38 in each camp as of 12:01 a.m. each day, up to the Corrections
39 Standards Authority rated maximum capacity, as determined by
40 the Corrections Standards Authority.

1 (b) Commencing with the 2012–13 fiscal year, subsequent to
2 the allocation described in subdivision (c) of Section 29552 of the
3 Government Code, the Controller shall allocate 6.46955375 percent
4 of the remaining funds deposited in the Enhancing Law
5 Enforcement Activities Subaccount in the Local Revenue Fund
6 2011 pursuant to the schedule provided by the Department of
7 Finance based on data reported to the Board of State and
8 Community Corrections. The schedule shall provide for the
9 allocation of funds appropriated in the annual Budget Act, and
10 included in the Enhancing Law Enforcement Activities Subaccount,
11 among counties that operate juvenile camps and ranches based on
12 the number of occupied beds in each camp as of 12:01 a.m. each
13 day, up to the rated maximum capacity, as determined by the board.
14 Allocations shall be made following the end of each fiscal quarter,
15 beginning July 1, 2012, to account for beds occupied in that quarter.

16 (c) Commencing with the 2013–14 fiscal year, subsequent to
17 the allocation described in subdivision (d) of Section 29552 of the
18 Government Code, the Controller shall allocate 6.46955375 percent
19 of the remaining funds deposited in the Enhancing Law
20 Enforcement Activities Subaccount in the Local Revenue Fund
21 2011 pursuant to the schedule provided by the Department of
22 Finance based on data reported to the Board of State and
23 Community Corrections. The schedule shall provide for the
24 allocation of funds appropriated in the annual Budget Act, and
25 included in the Enhancing Law Enforcement Activities Subaccount,
26 among counties that operate juvenile camps and ranches based on
27 the number of occupied beds in each camp as of 12:01 a.m. each
28 day, up to the rated maximum capacity, as determined by the board.
29 Allocations shall be made in monthly installments.

30 SEC. 15. No reimbursement is required by this act pursuant to
31 Section 6 of Article XIII B of the California Constitution because
32 the only costs that may be incurred by a local agency or school
33 district will be incurred because this act creates a new crime or
34 infraction, eliminates a crime or infraction, or changes the penalty
35 for a crime or infraction, within the meaning of Section 17556 of
36 the Government Code, or changes the definition of a crime within
37 the meaning of Section 6 of Article XIII B of the California
38 Constitution.

39 SEC. 16. The sum of one *hundred* thousand dollars ~~(\$1,000)~~
40 *(\$100,000)* is hereby appropriated from the General Fund to the

1 ~~Department of Corrections and Rehabilitation~~ *Governor's Office*
2 *of Business and Economic Development*, for administration.

3 SEC. 17. This act is a bill providing for appropriations related
4 to the Budget Bill within the meaning of subdivision (e) of Section
5 12 of Article IV of the California Constitution, has been identified
6 as related to the budget in the Budget Bill, and shall take effect
7 immediately.

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