

AMENDED IN SENATE JANUARY 17, 2014

AMENDED IN SENATE JANUARY 6, 2014

AMENDED IN SENATE MAY 24, 2013

**SENATE BILL**

**No. 761**

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**Introduced by Senator DeSaulnier**

February 22, 2013

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An act to amend Section 18897 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 761, as amended, DeSaulnier. Personal income taxes: voluntary contributions: School Supplies for Homeless Children Fund.

The Personal Income Tax Law authorizes an individual to contribute amounts in excess of his or her tax liability for the support of specified funds, including the School Supplies for Homeless Children Fund. Existing law requires the moneys deposited in the School Supplies for Homeless Children Fund to be allocated, upon appropriation by the Legislature, to the State Department of Education for the sole purpose of assisting pupils in California pursuant to the federal McKinney-Vento Homeless Assistance Act by providing school supplies and health-related products to homeless children through competitive grant programs, as provided.

This bill would instead require the same moneys, upon appropriation by the Legislature, to be allocated to the State Department of Education for distribution to a single nonprofit organization, exempt from taxation, for the sole purpose of assisting pupils in California pursuant to the federal McKinney-Vento Homeless Assistance Act by providing grants

of school supplies and health-related products to partnering learning education agencies, as provided.

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

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

1 SECTION 1. Section 18897 of the Revenue and Taxation Code  
2 is amended to read:

3 18897. All moneys transferred to the School Supplies for  
4 Homeless Children Fund, upon appropriation by the Legislature,  
5 shall be allocated as follows:

6 (a) To the Franchise Tax Board and the Controller for  
7 reimbursement of all costs incurred by the Franchise Tax Board  
8 and the Controller in connection with their duties under this article.

9 (b) To the State Department of Education as follows:

10 (1) (A) For distribution to a ~~single~~ nonprofit organization  
11 exempt from federal income tax as an organization described in  
12 Section 501(c)(3) of the Internal Revenue Code for the sole purpose  
13 of assisting pupils in California pursuant to the federal  
14 McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301  
15 et seq.) by providing school supplies and health-related products  
16 to partnering learning education agencies for distribution to  
17 homeless children, as defined by the federal McKinney-Vento  
18 Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.). The  
19 nonprofit organization shall provide a minimum 100 percent match  
20 for all funds received from the School Supplies for Homeless  
21 Children Fund. *The State Department of Education shall enter*  
22 *into a memorandum of understanding with the nonprofit*  
23 *organization.*

24 (B) The State Department of Education’s first designation of a  
25 nonprofit organization shall be valid until January 1, 2017. On that  
26 date, and every three calendar years thereafter, while this section  
27 is operative and in effect, the State Department of Education shall  
28 designate the same or a different nonprofit organization pursuant  
29 to this section. The State Department of Education may revoke  
30 the designation should the nonprofit organization fail to comply  
31 with the provisions of this article. If a designation is revoked, the  
32 State Department of Education shall designate a new nonprofit  
33 organization within three calendar months.

1 (C) Funds shall be distributed by the State Department of  
2 Education only after evidence is presented to the State Department  
3 of Education that demonstrates that the learning education agencies  
4 or domestic violence shelters have received the materials.

5 (2) For reimbursement of all costs incurred by the State  
6 Department of Education in connection with verifying that the  
7 designated nonprofit organization procured school supplies and  
8 health-related products and provided matching funds.

9 (c) (1) Funds distributed to the nonprofit organization pursuant  
10 to this section shall be used only for costs incurred to procure,  
11 assemble, and ship school supplies and health-related products.  
12 Funds made available pursuant to this section shall not be used for  
13 administrative purposes, to reimburse costs associated with  
14 administering grants of school supplies and health-related products  
15 to learning education agencies or domestic violence shelters, or  
16 for any purpose relating to the operation of the nonprofit  
17 organization.

18 (2) The nonprofit organization may provide school supplies and  
19 health-related products to children living in domestic violence  
20 shelters.