

**Introduced by Senator Vidak**January 16, 2014

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An act to add Section 185036.5 to the Public Utilities Code, relating to high-speed rail, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

SB 903, as introduced, Vidak. High-speed rail: property tax revenues.

(1) Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed train system, including the power to acquire rights-of-way through purchase or eminent domain. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other purposes, creates the High-Speed Passenger Train Bond Fund, and requires that moneys in the fund be made available to the authority for expenditures, among other things, related to the acquisition of interests in real property and rights-of-way and the development and construction of the high-speed rail system.

This bill would require the authority, with respect to real property acquired by it and from moneys available for expenditure by it from the fund, to annually pay to the county in which the real property is located an amount equal to the property tax equivalent, as defined.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . 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 185036.5 is added to the Public Utilities  
2 Code, to read:

3 185036.5. (a) The authority shall, with respect to any real  
4 property acquired by it, annually pay to the county in which the  
5 property is located an amount equal to the property tax equivalent,  
6 as defined in subdivision (b).

7 (b) For purposes of this section, the “property tax equivalent”  
8 means 1 percent of the amount paid by the authority to acquire the  
9 real property, whether by purchase or eminent domain, as that  
10 amount is increased from year to year by 2 percent.

11 (c) Payments under this section shall be made from moneys  
12 available for expenditure by the authority from the High-Speed  
13 Passenger Train Bond Fund, created pursuant to subdivision (c)  
14 of Section 2704.01 of the Streets and Highways Code.

15 SEC. 2. This act is an urgency statute necessary for the  
16 immediate preservation of the public peace, health, or safety within  
17 the meaning of Article IV of the Constitution and shall go into  
18 immediate effect. The facts constituting the necessity are:

19 In order to protect counties, at the earliest possible time, from a  
20 loss of property tax revenues as a result of the acquisition of real  
21 property by the High-Speed Rail Authority, it is necessary that  
22 this act take effect immediately.