

AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 738**

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**Introduced by Assembly Member Beth Gaines**

February 25, 2015

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An act to amend Sections 102025, 102053, and 102054 of, to add Section 102056 to, and to repeal and add Sections 102052.5 and 102055 of, the Public Utilities Code, relating to public transit.

LEGISLATIVE COUNSEL'S DIGEST

AB 738, as amended, Beth Gaines. Sacramento Regional Transit District.

Existing law provides for the creation of the Sacramento Regional Transit District, with specified powers and duties relative to the provision of public transit services. Existing law describes the authorized boundaries of the district, as specified, and provides that the boundaries of the district, at any point in time, shall consist of the area of any city or county within the authorized boundaries where the governing board of the city or county has declared a need for the district to operate. Existing law authorizes the district to operate in any city or county where the need for the district to operate has been declared, except that the district has no power to levy an ad valorem property tax unless a city or county adopts a specified resolution. Existing law ~~also~~ provides for a city or county to annex to the district through a written request to the district and approval by the Sacramento Area Council of Governments.

This bill would revise and recast these provisions. The bill would provide that the boundaries of the district, at any point in time, shall consist of specified areas, including a city or county that has acted to

annex to the district, and a city incorporated on or after January 1, 2016, if the newly incorporated city consists of territory that was included in the district prior to incorporation. The bill would require an annexation to be subject to an agreement between the annexing city or county and the district board specifying the terms and conditions of annexation, and would delete the requirement for approval of annexation by the Sacramento Area Council of Governments. The bill would ~~also~~ provide procedures for detachment of territory within the district by a specified supermajority vote of the district board.

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

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

1     SECTION 1. Section 102025 of the Public Utilities Code is  
2 amended to read:

3     102025. “Member entity” means a city or county that is  
4 ~~annexed to the district pursuant to Section 102051, 102052, or~~  
5 ~~102055. “Member entities” means all those cities and counties~~  
6 ~~within the boundaries of the district as defined in Section 102052.5.~~

7     ~~SECTION 1.~~

8     SEC. 2. Section 102052.5 of the Public Utilities Code is  
9 repealed.

10    ~~SEC. 2.~~

11    SEC. 3. Section 102052.5 is added to the Public Utilities Code,  
12 to read:

13    102052.5. (a) The boundaries of the district shall include (1)  
14 the City of Sacramento and the City of Rancho Cordova; (2) the  
15 unincorporated territory of the County of Sacramento that is within  
16 the urban service area, as determined by the Board of Supervisors;  
17 (3) a city or county listed in Section 102051 that has annexed to  
18 the district pursuant to the process specified in Section 102055;  
19 and (4) a city incorporated on or after January 1, 2016, which city  
20 consists entirely of territory that was included in the district prior  
21 to the city’s incorporation.

22    (b) (1) The boundaries of the district shall not be affected by  
23 the incorporation of any territory wholly or partly within the  
24 boundaries of the district or by reason of annexation to or  
25 detachment from any city or territory wholly or partly within the  
26 boundaries of the district, except as provided in this section.

1 (2) Where territory outside the district is annexed to any city  
2 included in the district, that territory shall, upon the completion  
3 of the annexation proceeding, be deemed incorporated into and  
4 annexed to the district.

5 (3) Where territory is incorporated as a new city, on or after  
6 January 1, 2016, and is partly within and partly outside the district,  
7 the entire territory shall, upon completion of the incorporation  
8 proceeding, be deemed incorporated into and annexed to the  
9 district.

10 (c) Whenever territory is deemed incorporated into and annexed  
11 to the district pursuant to this section, that territory shall be subject  
12 to taxation, in accordance with the assessable valuation of the  
13 property in that territory for general district purposes and for  
14 payment of any indebtedness previously or thereafter incurred by  
15 the district.

16 ~~SEC. 3.~~

17 *SEC. 4.* Section 102053 of the Public Utilities Code is amended  
18 to read:

19 102053. The district may operate and exercise the powers under  
20 this part within any city, provided that the district shall have no  
21 power to levy an ad valorem property tax within the boundaries  
22 of any city that is not within the boundaries of the district as  
23 defined in Section 102052.5.

24 ~~SEC. 4.~~

25 *SEC. 5.* Section 102054 of the Public Utilities Code is amended  
26 to read:

27 102054. The district may operate and exercise the powers under  
28 this part within all or a part of the unincorporated area of any  
29 county, provided that the district shall have no power to levy an  
30 ad valorem property tax within the unincorporated area that is not  
31 within the boundaries of the district as defined in Section 102052.5.

32 ~~SEC. 5.~~

33 *SEC. 6.* Section 102055 of the Public Utilities Code is repealed.

34 ~~SEC. 6.~~

35 *SEC. 7.* Section 102055 is added to the Public Utilities Code,  
36 to read:

37 102055. (a) Any city or county listed in Section 102051 may  
38 be annexed to the district in the manner provided in this section;  
39 and if the annexation is successful, the city or county, as the case

1 ~~may be, shall be entitled to one member on the district's board of~~  
2 ~~directors.~~ *section.*

3 (b) The legislative body of the city or county proposed to be  
4 annexed shall agree in writing with the board of directors upon  
5 the terms and conditions of annexation, which agreement, among  
6 other things, may provide for the levy and collection of special  
7 taxes within the city or unincorporated area of the county in  
8 addition to the taxes otherwise provided for in this part; the fixing  
9 of rates, rentals, and charges differing from those fixed or existing  
10 elsewhere within the district; the incurring or assumption of  
11 indebtedness; the making of a payment or payments; or the transfer  
12 of property, real and personal, and other assets to the district by  
13 the city or county.

14 ~~SEC. 7.~~

15 *SEC. 8.* Section 102056 is added to the Public Utilities Code,  
16 to read:

17 102056. (a) Territory within the district may be detached from  
18 the district by a supermajority vote of the board of directors, which  
19 shall be at least 80 percent of the nonweighted vote of the existing  
20 board, provided that the detached territory shall not be relieved  
21 from liability for taxation for the payment of any bonded  
22 indebtedness existing at the time of detachment, and provided that  
23 all other pending legal and financial obligations have been resolved  
24 by mutual agreement.

25 (b) The detachment of territory from the district shall become  
26 effective upon giving of the notice required in Section 57204 of  
27 the Government Code.

28 (c) Notice of the detachment of territory from the district shall  
29 be given to each assessor whose roll is used for a tax levy made  
30 pursuant to this part and to the State Board of Equalization pursuant  
31 to Chapter 8 (commencing with Section 54900) of Part 1 of  
32 Division 2 of Title 5 of the Government Code.