

Assembly Bill No. 738

Passed the Assembly August 27, 2015

Chief Clerk of the Assembly

Passed the Senate August 24, 2015

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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, 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 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 provide procedures for detachment of territory within the district by a specified supermajority vote of the district board and a majority vote of the governing body of the territory proposed to be detached.

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

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

102025. “Member entity” means a city or county that is within the boundaries of the district as defined in Section 102052.5.

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 Section 102052.5 of the Public Utilities Code is repealed.

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

102052.5. (a) The boundaries of the district shall include (1) the City of Sacramento and the City of Rancho Cordova; (2) the unincorporated territory of the County of Sacramento that is within the urban service area, as determined by the Board of Supervisors, and not otherwise divided from the rest of the unincorporated territory that is within the urban service area by an incorporated city not previously described in this subdivision; (3) a city or county listed in Section 102051 that has annexed to the district pursuant to the process specified in Section 102055; and (4) a city incorporated on or after January 1, 2016, which city consists entirely of territory that was included in the district prior to the city’s incorporation.

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

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

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

(4) Where territory that is within the boundaries of the district is annexed to any city that is not a member entity, that territory shall remain part of the district unless, at the time of annexation, (A) no transit service is operated by the district within the annexed

territory or within one-half mile of any outside boundary of the annexed territory and (B) no transit service is planned by the district, as evidenced by the district's adopted short-range transit plan, for the annexed territory or within one-half mile of any outside boundary of the annexed territory within five years of the annexation, in which case that territory may be detached from the district if the Sacramento County Local Agency Formation Commission determines, during the annexation proceedings, that the area would be better served by the annexing city than the district. The detachment may be accomplished without proceeding with the detachment process in Section 102056.

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

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

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

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

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

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

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

102055. (a) Any city or county listed in Section 102051 may be annexed to the district in the manner provided in this section.

(b) The legislative body of the city or county proposed to be annexed shall agree in writing with the board of directors upon the terms and conditions of annexation, which agreement, among other things, may provide for the levy and collection of special

taxes within the city or unincorporated area of the county in addition to the taxes otherwise provided for in this part; the fixing of rates, rentals, and charges differing from those fixed or existing elsewhere within the district; the incurring or assumption of indebtedness; the making of a payment or payments; or the transfer of property, real and personal, and other assets to the district by the city or county.

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

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

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

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

Approved _____, 2015

Governor