

AMENDED IN ASSEMBLY APRIL 6, 1995

AMENDED IN ASSEMBLY APRIL 3, 1995

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 6

Introduced by Assembly Member Cannella

December 5, 1994

An act to add and repeal Article 1.5 (commencing with Section 55620) of Chapter 4 of Division 2 of Title 5 of the Government Code, relating to local government finance, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 6, as amended, Cannella. Local government finance: County of Merced: fire services costs.

Existing law authorizes a county to contract with the Department of Forestry and Fire Protection for that department's performance within the county of fire prevention and suppression duties.

This bill would appropriate the sum of \$5,012,000 from the General Fund to the Department of Forestry and Fire Protection to fund those amounts that the County of Merced is required to pay, for the 1994–95 fiscal year, to that department for the department's performance within the county of fire prevention and fire suppression duties. This bill would also require the County of Merced, in accordance with specified procedures, to repay the amount of this appropriation to the Controller over a period of 10 fiscal years.

By imposing new administrative duties upon the County of Merced with respect to repayment of the amount appropriated by this bill, this bill would impose a state-mandated local program.

This bill would contain legislative findings and declarations as to the necessity of a special statute.

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.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. Article 1.5 (commencing with Section
2 55620) is added to Chapter 4 of Division 2 of Title 5 of the
3 Government Code, to read:

4

5 Article 1.5. Deferred Payments of Merced Fire
6 Protection Contract Costs

7

8 55620. The sum of five million twelve thousand dollars
9 (\$5,012,000) is hereby appropriated from the General
10 Fund to the Department of Forestry and Fire Protection
11 for purposes of funding those amounts that the County of
12 Merced is required to pay to the department for the
13 1994–95 fiscal year for the rendering of services described
14 in Section 56606. This appropriation constitutes a loan
15 that the County of Merced is ~~obligated~~ to repay to the
16 Controller in accordance with Section 55621.

17 55621. (a) For the 1995–96 fiscal year to the ~~2003–04~~
18 ~~2004–05~~ fiscal year, inclusive, the Board of Supervisors for
19 the County of Merced shall, at the time it adopts that
20 county’s final budget for each fiscal year, resolve whether
21 that county is financially able for that fiscal year to remit
22 the repayment amount for that fiscal year to the
23 Controller. For purposes of this section, “repayment



1 amount” means for each fiscal year ~~a principal~~ *an* amount
2 equal to one-tenth of the appropriation made pursuant to
3 Section 55620, increased as may be required by
4 subdivision (b), ~~plus interest on that amount, as so~~
5 ~~increased, at a rate equal to the average rate of interest~~
6 ~~earned on the Pooled Money Investment Account for the~~
7 ~~most recently concluded fiscal year.~~ Upon adopting the
8 resolution required by this subdivision, the board shall as
9 soon as possible thereafter transmit a copy of that
10 resolution to the Director of Finance.

11 (b) If the Board of Supervisors for the County of
12 Merced resolves for any fiscal year specified in
13 subdivision (a) that the county is financially able to remit
14 the repayment amount, the county shall remit that
15 amount during the fiscal year to the Controller, for
16 deposit in the General Fund. If the Board of Supervisors
17 for the County of Merced resolves for any fiscal year
18 described in subdivision (a) that the county is financially
19 unable to remit the repayment amount, the county may
20 remit that portion of the repayment amount to the
21 Controller that the board of supervisors deems the county
22 financially able to remit in the annual resolution required
23 by subdivision (a). Any portion of the repayment amount
24 that the county fails to remit in the relevant fiscal year
25 described in subdivision (a) shall be allocated in equal
26 portions to increase the ~~principal~~ amounts subject to
27 repayment for subsequent fiscal years through the
28 2004-05 fiscal year.

29 ~~(c) During the 2004-05 fiscal year, the county shall~~
30 ~~remit to the Controller for deposit in the General Fund~~
31 ~~the entire principal amount that remains unpaid, plus~~
32 ~~interest on that amount at the rate specified in~~
33 ~~subdivision (a).~~

34 55622. In the 1999-2000 fiscal year the County of
35 Merced shall, in conjunction with the Department of
36 Finance, the Legislative Analyst, and the staffs of the
37 fiscal committees of the Legislature, assess the county’s
38 fiscal condition and its performance in repaying the loan
39 amount appropriated pursuant to Section 55620.



1 55623. This article shall become inoperative on July 1,
2 2005, and, as of January 1, 2006, is repealed, unless a later
3 enacted statute, that becomes operative on or before
4 January 1, 2006, deletes or extends the dates on which it
5 becomes inoperative and is repealed.

6 SEC. 2. The Legislature finds and declares that a
7 special law is necessary and that a general law cannot be
8 made applicable within the meaning of Section 16 of
9 Article IV of the California Constitution because of the
10 uniquely severe fiscal difficulties being suffered by the
11 County of Merced in providing basic fire protection
12 services.

13 SEC. 3. No reimbursement is required by this act
14 pursuant to Section 6 of Article XIII B of the California
15 Constitution because the only costs that may be incurred
16 by a local agency or school district are the result of a
17 program for which legislative authority was requested by
18 that local agency or school district, within the meaning of
19 Section 17556 of the Government Code and Section 6 of
20 Article XIII B of the California Constitution.

21 Notwithstanding Section 17580 of the Government
22 Code, unless otherwise specified, the provisions of this act
23 shall become operative on the same date that the act
24 takes effect pursuant to the California Constitution.

