

Assembly Bill No. 1025

CHAPTER 39

An act to repeal and add Section 97.23 of the Revenue and Taxation Code, relating to local government finance.

[Approved by Governor June 30, 1995. Filed with
Secretary of State June 30, 1995.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1025, Aguiar. Property taxation: revenue allocations shifts: Chino Municipal Water District.

Existing property tax law requires that, for purposes of determining property tax revenue allocations in each county for the 1992-93 fiscal year, the amounts of property tax revenue deemed allocated in the prior fiscal year to special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to school districts, community college districts, and the county office of education. Existing property tax law modifies these reduction and transfer provisions by authorizing the Chino Municipal Water District, notwithstanding those provisions, to maintain any existing commitment of a stream of property tax revenues to service certain revenue bonds, issued as provided.

This bill would clarify that this authorization does not allow the Chino Municipal Water District to maintain any commitment of property tax revenues in excess of the amount of those revenues that is necessary to service the specified revenue bonds. This bill would also clarify that the Chino Basin Municipal Water District is required to transfer any property tax revenues that are received in an amount in excess of this authorization to the county auditor for deposit in the county's ERAF.

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

SECTION 1. Section 97.23 of the Revenue and Taxation Code is repealed.

SEC. 2. Section 97.23 is added to the Revenue and Taxation Code, to read:

97.23. (a) Notwithstanding Section 97.2 or any successor to that section, the Chino Basin Municipal Water District may maintain a stream of property tax revenue as provided in former Section 97.03, as that section read on October 11, 1993, to meet the commitment of



debt service obligated with respect to revenue bonds that were issued in accordance with Chapter 1279 of the Statutes of 1993, on or after the effective date of that act and prior to the effective date of Chapter 155 of the Statutes of 1994.

(b) (1) In no event shall the total amount of the revenue stream maintained by the Chino Basin Municipal Water District pursuant to subdivision (a) exceed the total amount of the annual debt service payments for those revenue bonds described in subdivision (a).

(2) If the total amount of the revenue stream maintained by the Chino Basin Municipal Water District pursuant to subdivision (a) exceeds the total amount of the annual debt service payments for those revenue bonds described in subdivision (a), then the Chino Basin Municipal Water District shall reimburse the excess amount to the county auditor for deposit into the county's Educational Revenue Augmentation Fund.

(c) This section shall remain in effect only until the date upon which the revenue bonds described in subdivision (a) have been fully amortized, and as of that date is repealed.

