

AMENDED IN SENATE JUNE 12, 1996  
AMENDED IN ASSEMBLY JUNE 13, 1995  
AMENDED IN ASSEMBLY MARCH 27, 1995

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1191**

**Introduced by Assembly Member Takasugi**

February 23, 1995

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An act to amend Sections 30053 and 30054 of, *and to add Section 30055 to*, the Government Code, relating to taxation; ~~to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1191, as amended, Takasugi. Local government finance: sales and use tax revenues: allocation.

Existing law continuously appropriates state sales and use tax revenues deposited in the Local Public Safety Fund to the Controller for allocation, as provided, to each qualified county, as defined. It generally requires the auditor of each qualified county, in each fiscal year, to allocate that county's share of those revenues to ~~the county and~~ each city located therein *that provides public safety services* in accordance with ~~certain requirements and formulas~~ *an apportionment factor, calculated as provided, and to allocate all of the revenues remaining thereafter to the county.*

This bill would modify ~~those general requirements and formulas~~ *these allocation provisions* to require the auditor to allocate those revenues on a monthly basis, ~~and~~ to establish a

new—general—formula apportionment factor calculation for monthly allocations to cities in the 1995–96 fiscal year only, and for monthly allocations to cities in the 1996–97 fiscal year and each fiscal year thereafter. By imposing new allocation duties on county auditors, this bill would impose a state-mandated local program.

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, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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

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

1 SECTION 1. Section 30053 of the Government Code  
2 is amended to read:

3 30053. (a) On or before the 27th day of each month,  
4 the Controller shall allocate to each qualified county the  
5 amounts deposited and remaining unexpended and  
6 unresolved in the Local Public Safety Fund on the 15th  
7 day of each month as provided in Section 30052.

8 (b) On or before the seventh day of each month, the  
9 county auditor shall, as provided in Section 30054 or  
10 Section 30055, as applicable,, allocate to the county and to  
11 each city within the county those amounts allocated to  
12 the county in the previous month pursuant to subdivision  
13 (a).

14 SEC. 2. Section 30054 of the Government Code is  
15 amended to read:

16 30054. (a) ~~The~~ For only the 1993–94 to 1995–96 fiscal  
17 years, inclusive, the amounts allocated pursuant to  
18 Sections 30052 and 30053 shall be available only for public



1 safety services, and shall be allocated in each qualified  
2 county to local agencies as provided in subdivision (b).

3 (b) (1) Each county shall create a Public Safety  
4 Augmentation Fund that shall consist of all revenues  
5 received by the county as a result of the allocations  
6 pursuant to Sections 30052 and 30053.

7 (2) Except as otherwise provided in paragraph (3) or  
8 (4), for ~~the 1993-94 fiscal year and each fiscal year~~  
9 ~~thereafter~~ *each of the 1993-94 to 1995-96 fiscal years,*  
10 *inclusive,* the augmentation fund described in paragraph  
11 (1) shall be allocated among ~~the county and each city the~~  
12 *cities* in the county that ~~provides~~ *provide* public safety  
13 services, as follows:

14 (A) For purposes of ~~allocations~~ *determining the*  
15 *amounts to be allocated to cities* for the 1993-94 and  
16 1994-95 fiscal years, the auditor shall, *subject to the limit*  
17 *set forth in subparagraph (B),* multiply the monthly  
18 amount allocated to the county pursuant to subdivision  
19 (a) of Section 30053 by an allocation factor for each city  
20 within the county, the numerator of which shall be the  
21 amount of revenue shifted from that city to the  
22 Educational Revenue Augmentation Fund pursuant to  
23 Section ~~97.035~~ *97.3* of the Revenue and Taxation Code for  
24 the 1993-94 fiscal year less the amount of vehicle license  
25 fee revenues allocated to the city pursuant to Section  
26 11005.4 of the Revenue and Taxation Code for the 1993-94  
27 fiscal year and the denominator of which shall be the  
28 amount of revenue shifted from all cities in the county  
29 and from the county to the Educational Revenue  
30 Augmentation Fund pursuant to Section ~~97.035~~ *97.3* of the  
31 Revenue and Taxation Code for the 1993-94 fiscal year  
32 less the amount of vehicle license fee revenues allocated  
33 to the county and all cities in the county pursuant to  
34 Section 11005.4 of the Revenue and Taxation Code for the  
35 1993-94 fiscal year.

36 (B) For ~~the~~ each of the 1993-94 and 1994-95 fiscal  
37 years, the total allocation of revenues to any city shall not  
38 exceed 50 percent of the difference between the  
39 following:



1 (i) The amount by which the city's allocation of  
2 property tax revenues was reduced pursuant to Section  
3 ~~97.035~~ 97.3 of the Revenue and Taxation Code for the  
4 1993–94 fiscal year.

5 (ii) The amount of vehicle license fee revenues  
6 allocated to the city pursuant to Section 11005.4 of the  
7 Revenue and Taxation Code for the 1993–94 fiscal year.

8 (C) For purposes of ~~allocations~~ *determining the*  
9 *amounts to be allocated to cities* for the 1995–96 fiscal year  
10 ~~and each fiscal year thereafter~~, the auditor shall multiply  
11 the monthly amount allocated by the Controller to the  
12 county pursuant to subdivision (a) of Section 30053 by an  
13 allocation factor for each city, the numerator of which  
14 shall be the limitation amount determined with respect  
15 to that city pursuant to subparagraph (B), and the  
16 denominator of which shall be the total amount of  
17 revenue allocated to the county for the 1993–94 fiscal year  
18 by the Controller pursuant to Sections 30052 and 30053.

19 (D) Notwithstanding any other provision of this  
20 section, allocation amounts determined pursuant to  
21 subparagraph (C) for each fiscal year shall equal those  
22 allocation amounts that would be determined under this  
23 section if those amounts were calculated based on sales  
24 tax as allocated by the Controller for the applicable fiscal  
25 year on an accrual basis. On or before November 15 of  
26 each fiscal year, the auditor shall reconcile the amounts  
27 actually allocated pursuant to subparagraph (C) for the  
28 previous fiscal year with the allocation amounts required  
29 for that fiscal year by the preceding sentence.

30 (3) Notwithstanding paragraph (2), for the 1993–94  
31 fiscal year and each fiscal year thereafter, the amount in  
32 the augmentation fund established pursuant to  
33 paragraph (1) of each county described in subparagraph  
34 (C) shall be allocated to the cities in the county that  
35 provide public safety services, as follows:

36 (A) The auditor shall determine an allocation factor  
37 for each city within the county, the numerator of which  
38 shall be the amount of the revenue shifted from that city  
39 to the Educational Revenue Augmentation Fund  
40 pursuant to Section ~~97.035~~ 97.3 of the Revenue and



1 Taxation Code for the 1993–94 fiscal year, and the  
2 denominator of which shall be the amount of revenue  
3 shifted from all cities in the county to the Educational  
4 Revenue Augmentation Fund pursuant to Section ~~97.035~~  
5 97.3 of the Revenue and Taxation Code for the 1993–94  
6 fiscal year.

7 (B) The auditor shall multiply 5 percent of the amount  
8 in the augmentation fund established pursuant to  
9 paragraph (1) by the allocation factor determined in  
10 subparagraph (A). The amount so computed shall be  
11 allocated to each respective city.

12 (C) This paragraph applies only to the Counties of  
13 Fresno, Kings, Merced, San Bernardino, San Diego, San  
14 Joaquin, Solano, and Yolo.

15 (D) This paragraph shall apply to a particular county  
16 described in subparagraph (C) only if the total amount  
17 allocated under this paragraph to all of the cities therein  
18 that provide public safety services is less than the amount  
19 that would otherwise be allocated to all of those cities  
20 pursuant to paragraph (2).

21 (4) Notwithstanding paragraph (2), for the 1993–94  
22 fiscal year and each fiscal year thereafter, the amount in  
23 the augmentation fund established pursuant to  
24 paragraph (1) for the County of Alameda shall be  
25 allocated to the cities in the County of Alameda that  
26 provide public safety services as follows:

27 (A) The auditor shall determine an allocation factor  
28 for each city within the county, the numerator of which  
29 shall be the amount of the revenue shifted from that city  
30 to the Educational Revenue Augmentation Fund  
31 pursuant to Section ~~97.035~~ 97.3 of the Revenue and  
32 Taxation Code for the 1993–94 fiscal year, and the  
33 denominator of which shall be the amount of revenue  
34 shifted from all cities in the County of Alameda to the  
35 Educational Revenue Augmentation Fund pursuant to  
36 Section ~~97.035~~ 97.3 of the Revenue and Taxation Code for  
37 the 1993–94 fiscal year.

38 (B) The auditor shall multiply 6.1 percent of the  
39 amount in the augmentation fund established pursuant to  
40 paragraph (1) by the allocation factor determined in



1 subparagraph (A). The amount so computed shall be  
2 allocated to each city.

3 (5) All moneys in the Public Safety Augmentation  
4 Fund not allocated to any city within the county pursuant  
5 to paragraph (2), (3), or (4) shall be allocated to the  
6 county.

7 SEC. 3. *Section 30055 is added to the Government*  
8 *Code, to read:*

9 30055. *For the 1996–97 fiscal year and each fiscal year*  
10 *thereafter, the Public Safety Augmentation Fund*  
11 *established in each county pursuant to paragraph (1) of*  
12 *subdivision (b) of Section 30054 shall be expended*  
13 *exclusively to fund public safety services, and for that*  
14 *purpose shall be allocated among the county and the*  
15 *cities in the county that provide public safety services, as*  
16 *follows:*

17 (a) *For purposes of determining the amounts to be*  
18 *allocated to cities, the auditor shall, except as otherwise*  
19 *provided in paragraphs (3) and (4) of subdivision (b) of*  
20 *Section 30054, multiply the monthly amount allocated to*  
21 *the county pursuant to subdivision (a) of Section 30053 by*  
22 *an allocation factor for each city, calculated as follows:*

23 (1) *The numerator shall be 50 percent of the*  
24 *difference between the amount of ad valorem property*  
25 *tax revenue shifted from that city to the county's*  
26 *Educational Revenue Augmentation Fund pursuant to*  
27 *Section 97.3 of the Revenue and Taxation Code for the*  
28 *1993–94 fiscal year, and the amount of vehicle license fee*  
29 *revenues allocated to the city pursuant to Section 11005.4*  
30 *of the Revenue and Taxation Code for the 1993–94 fiscal*  
31 *year.*

32 (2) *The denominator shall be the amount of ad*  
33 *valorem property tax revenue shifted from the county*  
34 *and all cities in the county to the county's Educational*  
35 *Revenue Augmentation Fund pursuant to Section 97.3 of*  
36 *the Revenue and Taxation Code for the 1993–94 fiscal*  
37 *year, less the amount of vehicle license fee revenues*  
38 *allocated to the county and all cities in the county*  
39 *pursuant to Section 11005.4 of the Revenue and Taxation*  
40 *Code for the 1993–94 fiscal year.*



1     *(b) All moneys in the Public Safety Augmentation*  
2     *Fund not allocated to any city within the county pursuant*  
3     *to subdivision (a) shall be allocated to the county.*

4     *SEC. 4.* Notwithstanding Section 17610 of the  
5 Government Code, if the Commission on State Mandates  
6 determines that this act contains costs mandated by the  
7 state, reimbursement to local agencies and school  
8 districts for those costs shall be made pursuant to Part 7  
9 (commencing with Section 17500) of Division 4 of Title  
10 2 of the Government Code. If the statewide cost of the  
11 claim for reimbursement does not exceed one million  
12 dollars (\$1,000,000), reimbursement shall be made from  
13 the State Mandates Claims Fund.

14 Notwithstanding Section 17580 of the Government  
15 Code, unless otherwise specified, the provisions of this act  
16 shall become operative on the same date that the act  
17 takes effect pursuant to the California Constitution.

