

Senate Bill No. 1845

CHAPTER 1058

An act to amend Section 97.36 of the Revenue and Taxation Code, relating to local government finance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 28, 1996. Filed
with Secretary of State September 30, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1845, Leslie. Local government finance: property tax revenue allocations: Teeter Plan credit.

Existing property tax law requires that, for purposes of determining property tax revenue allocations in each county for the 1992-93 and 1993-94 fiscal years, the amounts of property tax revenue deemed allocated in the prior fiscal year to the county, cities, and special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to the county, cities, and special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund in that county for allocation to school districts, community college districts, and the county office of education. Existing law modifies these reductions and transfer provisions by decreasing a county's reduction and transfer amount, attributable in the 1994-95 fiscal year to the reduction determined for that county for the 1993-94 fiscal year, by the amount of increased allocations made in the 1994-95 fiscal year to certain educational entities as a result of the county's adoption for that fiscal year of a specified alternative method for the distribution of ad valorem property tax revenues.

This bill would expand this modification to also decrease a county's reduction and transfer amount, attributable in any fiscal year subsequent to the 1993-94 fiscal year to the reduction determined for that county in the 1993-94 fiscal year, by the amount of increased allocations made in that subsequent fiscal year to certain educational entities as a result of the county having first adopted for that subsequent fiscal year that same specified alternative method for the distribution of ad valorem property tax revenues. By imposing new duties upon county auditors in the annual allocation of ad valorem property tax revenues, 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.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. Section 97.36 of the Revenue and Taxation Code is amended to read:

97.36. (a) Notwithstanding any other provision of this chapter, for the designated fiscal year, the amount of the revenue allocation reduction with respect to a qualified county that is attributable in that fiscal year to the reduction determined for that county for the 1993–94 fiscal year pursuant to paragraph (1) of subdivision (a) of Section 97.3 or its predecessor section shall be reduced by the amount of any increased revenues, allocated in the designated fiscal year in that county to a “qualifying school entity” as defined in paragraph (5) of subdivision (a) of Section 97.3 or its predecessor section, that would not have been so allocated but for that county being a qualified county.

(b) For purposes of this section:

(1) A “qualified county” means a county or city or county that has first implemented for the 1994–95 or any subsequent fiscal year the alternative procedure for the distribution of property tax levies that is authorized by Chapter 2 (commencing with Section 4701) of Part 8.

(2) For purposes of this section, “designated fiscal year” means the fiscal year in which the relevant qualified county first implemented the alternative method for the distribution of property tax levies that is authorized by Chapter 2 (commencing with Section 4701) of Part 8.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, within the meaning of Section 17556 of the Government Code.

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

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide timely and essential fiscal relief to counties that have not received equal treatment with respect to the annual



allocation of ad valorem property tax revenues, it is necessary that this act take effect immediately.

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