

AMENDED IN ASSEMBLY MARCH 19, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 1712

**Introduced by Assembly Members Cunneen, Honda,
Alquist, Figueroa, Frusetta, and Lempert**
(Coauthors: Senators McPherson and Sher)

January 28, 1998

An act to add Section ~~96.27~~ 97.39 to the Revenue and Taxation Code, relating to local government finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1712, as amended, Cunneen. Local government finance: property tax revenue allocations: County of Santa Clara.

Existing property tax law ~~provides for the annual allocation of property tax revenues in each county in accordance with property tax revenue apportionment factors that are determined for each recipient jurisdiction in accordance with a specified formula~~ *requires the county auditor to annually allocate property tax revenues to local jurisdictions in accordance with specified formulas. Each jurisdiction is generally allocated an amount equal to the total revenue allocated to that jurisdiction in the prior fiscal year, plus that jurisdiction's portion of the annual tax increment. The property tax revenue that would otherwise be allocated to the county, cities, and special districts is reduced in accordance with certain formulas requiring a transfer of the reductions to the Educational Revenue Allocation Fund in each county.*

This bill would deem to be correct those ~~property tax revenue apportionment factors that were applied in allocating property tax revenues in the County of Santa Clara Central Fire Protection District~~ *required transfers to the Education Revenue Augmentation Fund of the County of Santa Clara by specified fire districts in that county* for each fiscal year through the 1996-97 fiscal year. This bill would, however, require property tax apportionment factors applied in allocating property tax revenue ~~in the County of Santa Clara Central Fire Protection District~~ *to these districts* for the 1997-98 fiscal year, and each fiscal year thereafter, to be determined on the basis of apportionment factors for prior fiscal years that have been corrected or adjusted as would be required if those prior apportionment factors had not been deemed correct by this bill.

This bill would make legislative findings as to the necessity of a special statute.

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

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

1 ~~SECTION 1. Section 96.27 is added to the Revenue~~
 2 ~~and Taxation Code, to read:~~
 3 ~~96.27. Notwithstanding any other provision of law, the~~
 4 ~~property tax apportionment factors applied in allocating~~
 5 ~~property tax revenues in the County of Santa Clara~~
 6 ~~Central Fire Protection District for each fiscal year~~
 7 ~~through the 1996-97 fiscal year shall be deemed correct.~~
 8 ~~No reductions or corrections due to calculation errors~~
 9 ~~may be made in allocating property tax revenues for the~~
 10 ~~County of Santa Clara Central Fire Protection District~~
 11 ~~through the 1996-97 fiscal year. However, commencing~~
 12 ~~with the 1997-98 fiscal year, property tax apportionment~~
 13 ~~factors applied in allocating property tax revenue in the~~
 14 ~~County of Santa Clara Central Fire Protection District~~
 15 ~~shall be determined on the basis of apportionment factors~~
 16 ~~for prior fiscal years that have been corrected or adjusted~~
 17 ~~as would be required in the absence of the preceding~~
 18 ~~sentence.~~



1 ~~SEC. 2. The Legislature finds and declares that a~~
2 ~~special law is necessary and that a general law cannot be~~
3 ~~made applicable within the meaning of Section 16 of~~
4 ~~Article IV of the California Constitution because of the~~
5 ~~uniquely severe fiscal difficulties that will be suffered by~~
6 ~~the Central Fire Protection District in the County of~~
7 ~~Santa Clara if this bill does not take effect.~~

8 *SECTION 1. Section 97.39 is added to the Revenue*
9 *and Taxation Code, to read:*

10 *97.39. (a) Notwithstanding any other provision of*
11 *law, the amount of each allocation that was made to the*
12 *Educational Revenue Augmentation Fund of the County*
13 *of Santa Clara in any fiscal year, up to and including the*
14 *1996–97 fiscal year, as the result of a reduction amount*
15 *calculated pursuant to Section 97.2 or 97.3 for the Los*
16 *Altos County Fire Protection District, the Santa Clara*
17 *County Central Fire Protection District, the Saratoga*
18 *Fire Protection District, or the South Santa Clara County*
19 *Fire District, shall be deemed correct.*

20 *(b) No reduction or correction may be made, in*
21 *response to a calculation error, to an allocation that was*
22 *made to the Educational Revenue Augmentation Fund of*
23 *the County of Santa Clara in any fiscal year, up to and*
24 *including the 1996–97 fiscal year, as the result of a*
25 *reduction amount calculated pursuant to Section 97.2 or*
26 *97.3 for a County of Santa Clara fire district listed in*
27 *subdivision (a). However, in the 1997–98 fiscal year and*
28 *each fiscal year thereafter, each allocation that is made to*
29 *the Educational Revenue Augmentation Fund of the*
30 *County of Santa Clara as the result of a reduction amount*
31 *calculated pursuant to Section 97.2 or 97.3 for a County of*
32 *Santa Clara fire district listed in subdivision (a) shall be*
33 *made in that amount that fully reflects any reduction or*
34 *correction that would be required to be made to a*
35 *corresponding allocation in a prior fiscal year in the*
36 *absence of this section.*

37 *SEC. 2. The Legislature finds and declares that a*
38 *special law is necessary and that a general law cannot be*
39 *made applicable within the meaning of Section 16 of*
40 *Article IV of the California Constitution because of the*



1 *uniquely severe and retroactive fiscal difficulties and*
2 *disruptions that will be suffered by the Los Altos County*
3 *Fire Protection District, the Santa Clara County Central*
4 *Fire Protection District, the Saratoga Fire Protection*
5 *District, and the South Santa Clara County Fire District*
6 *if this act does not become operative.*

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