

Senate Bill No. 531

CHAPTER 123

An act to add Section 29530.2 to the Government Code, and to amend Section 99310.55 of the Public Utilities Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1997. Filed with Secretary of State July 28, 1997.]

LEGISLATIVE COUNSEL'S DIGEST

SB 531, Polanco. Transportation: local government finance.

Existing law authorizes a county board of supervisors, pursuant to a contract with the State Board of Equalization, to provide for the deposit in a local transportation fund of those revenues attributable to a specified portion of the sales and use tax rate levied in a county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law.

Existing law, Chapter 518 of the Statutes of 1995, authorizes, among other things, the Board of Supervisors for the County of Los Angeles to modify its contract with the State Board of Equalization to require that \$150,000,000 of those revenues be deposited in the county general fund during the 1995–96 fiscal year.

This bill would, on and after a specified date, authorize the board of supervisors for any county of the first class (Los Angeles County) to modify, for one fiscal year, its contract with the State Board of Equalization to require that not more than \$60,000,000 of the specified county sales and use tax revenues be deposited in the county general fund instead of the local transportation fund. The bill would limit the amount that may be deposited in the county general fund under this provision and would exempt these deposits from specified provisions regarding repayment of certain funds.

The bill would require that funds deposited in the county's local transportation fund pursuant to a final determination of a court of appellate jurisdiction invalidating Chapter 518 of the Statutes of 1995 be allocated exclusively to a county transportation authority created under specified provisions, in addition to any other funds that would otherwise be allocated to that authority. Any refund made pursuant to that final determination to that authority would be required to be expended in accordance with specified provisions relating to local transportation funds.

These provisions would become operative on the date that a court of appellate jurisdiction renders a final determination invalidating Chapter 518 of the Statutes of 1995 to the extent that the final determination requires repayment of the funds transferred under



that chapter. A provision providing for a reduction in the amount of revenues to be allocated to the Los Angeles County Metropolitan Transportation Authority, under specified circumstances, would apply in those fiscal years for which this provision is operative.

The 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 29530.2 is added to the Government Code, to read:

29530.2. (a) Notwithstanding any other provision of law, the board of supervisors for any county of the first class may, upon the adoption of a resolution approved by a majority of all of its members, modify, for one fiscal year, its contract with the State Board of Equalization, as described in Section 29530, to require that not more than sixty million dollars (\$60,000,000) of the county sales and use tax revenues described in Section 29530 be deposited in the county general fund. No deposit in a county general fund made under this subdivision shall exceed the total of a court-ordered refund of deposits in the county general fund made under Section 29530.3 and any interest accruing thereon. No portion of any amount deposited in the county general fund under this subdivision shall be subject to repayment under Section 2106.4 of the Streets and Highways Code or any other provision of law.

(b) Funds deposited in the local transportation fund pursuant to the final determination specified in subdivision (d) shall be allocated exclusively to a county transportation authority created under Division 12 (commencing with Section 130000) of the Public Utilities Code, in addition to any other funds that would otherwise be allocated to that authority.

(c) Any refund pursuant to the final determination specified in subdivision (d) that is made directly to a county transportation authority created under Division 12 (commencing with Section 130000) of the Public Utilities Code shall be expended in accordance with the requirements of Article 3 (commencing with Section 99230) of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code.

(d) This section shall become operative on the date that a court of appellate jurisdiction renders a final determination invalidating Chapter 518 of the Statutes of 1995 to the extent that the final determination requires repayment of the funds transferred under that chapter.

SEC. 2. Section 99310.55 of the Public Utilities Code is amended to read:

99310.55. (a) (1) For any fiscal year for which Section 29530.2 of the Government Code is operative, the amount to be allocated, pursuant to this article, to the Los Angeles County Metropolitan



Transportation Authority shall be reduced by the transportation services support amount unless the authority elects to deposit that amount into the county's local transportation fund established pursuant to Section 29530 of the Government Code. Any moneys deposited in the county's local transportation fund pursuant to the preceding sentence shall be available for allocation exclusively to the Los Angeles County Metropolitan Transportation Authority for bus operations.

(2) For purposes of this section, "transportation services support amount" means that amount of revenue that is equal to the amount of revenue transferred to the county general fund pursuant to Section 29530.3 of the Government Code, other than revenue that is necessary to fund the outstanding indebtedness or other outstanding contractual obligations of the authority, or revenue, the deposit of which, in accordance with paragraph (1) is prohibited by the California Constitution.

(3) If the Los Angeles County Metropolitan Transportation Authority does not elect to deposit the transportation services support amount into the county's local transportation fund as provided in paragraph (1), and the transportation services support amount exceeds the amount to be allocated to the authority pursuant to this article in the absence of any reduction pursuant to paragraph (1), the difference between these latter two amounts shall, in accordance with Section 188.95 of the Streets and Highways Code, be deducted from the amount of revenues allocated from the State Highway Account for expenditure in the county for rail transit purposes.

(b) (1) In any relevant fiscal year, the Los Angeles County Metropolitan Transportation Authority shall not do any of the following:

(A) Reduce bus service or operations or paratransit service or operations directly or indirectly as a result of the enactment of this section or of any other provision of the act that enacted this section.

(B) Replace any funding reduction or deduction described in this section with money from another source if doing so would be a detriment to bus service or operations or paratransit service or operations. For purposes of this paragraph, "detriment to bus service or operations or paratransit service or operations" includes, but is not limited to, fare increases, reductions in the number of routes served and the level of service on these lines, reductions in security, decreases in quality of service, delaying regular maintenance of vehicles, and lengthening the replacement schedule for vehicles that have reached the ends of their useful lives.

(2) For purposes of this section, "bus service or operations or paratransit service or operations" includes service and operations of bus and paratransit services operated by the authority, including, but not limited to, the Immediate Needs Transportation Program, or any



other bus or paratransit operator in Los Angeles County that receives funds from the authority.

(3) For purposes of this section “relevant fiscal year” includes the 1995–96 fiscal year, any fiscal year for which Section 29530.2 of the Government Code is operative, and the two fiscal years during which funds are transferred to the Los Angeles County Metropolitan Transportation Authority pursuant to Section 2106.4 of the Streets and Highways Code.

(4) Nothing in this section shall be construed to mean that the Los Angeles County Metropolitan Transportation Agency should not or may not directly or indirectly increase bus service or operations or paratransit service or operations.

(c) This section shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2002, deletes or extends that date.

SEC. 3. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 4. 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:

Counties of the first class cannot provide vital public services due to the escalating costs of health services, social services, and public safety services imposed on those counties. Therefore, in order to help ensure, at the earliest possible time, that those critical public services are maintained and county insolvency is prevented, it is necessary that this act take effect immediately.

