

AMENDED IN ASSEMBLY AUGUST 11, 1997

AMENDED IN ASSEMBLY JULY 11, 1997

AMENDED IN ASSEMBLY JUNE 23, 1997

AMENDED IN SENATE APRIL 28, 1997

AMENDED IN SENATE MARCH 31, 1997

**SENATE BILL**

**No. 1102**

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**Introduced by Committee on Revenue and Taxation  
(Senators Alpert (Chair), Greene, Karnette, Knight, Kopp,  
and McPherson)**

February 28, 1997

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An act to amend Section 15619 of the Government Code, and to amend Sections 6203, 7102, 8255, 8651.7, 9255, 30179, 30366, 30455, 32405, 40116, 43455, 45655, 46506, 46751, 50142.1, 50161, 55225, 60120, 60121, 60361, 60524, 60608, and 60609 of, to add Sections 9255.1, 50162, and 60105 to, and to repeal Sections 60104 and 60709 of, the Revenue and Taxation Code, and to amend Sections 2104, 2105, and 2107 of the Streets and Highways Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1102, as amended, Committee on Revenue and Taxation. Taxation.

The Motor Vehicle Fuel License Tax Law, the Use Fuel Tax Law, the Oil Spill Response, Prevention, and Administration Fees Law, the Underground Storage Tank Maintenance Fee Law, and the Diesel Fuel Tax Law, among other things,

authorize the State Board of Equalization to disclose specified tax information, as provided.

This bill would authorize the board to furnish specified motor fuel tax information to other specified governmental agencies that are investigating violations of, and enforcing, motor fuel laws, as provided.

The Sales and Use Tax Law provides that a retailer engaged in business in this state includes, among others, specified retailers who solicit orders, as provided.

This bill would delete those provisions.

The Diesel Fuel Tax Law provides that any person that fails to provide or post the required notice with respect to any dyed diesel fuel is presumed to know for purposes of a specified penalty that the diesel fuel will be used for a taxable use. That law also provides that any person who willfully evades or attempts to evade or defeat the payment of taxes imposed by that law is subject to a specified penalty in specified circumstances.

This bill would, instead, apply specified penalties when, among other things, a person knows, or has reason to know, that they are using dyed diesel fuel for a taxable use.

The Diesel Fuel Tax Law requires every person operating a qualified motor vehicle in interstate commerce to apply for a license and post security, as specified.

This bill would provide that those requirements apply to every person operating a qualified motor vehicle within and without this state or the United States, and would make it unlawful for any person to be an interstate user without first securing a license. It would provide additional monetary penalties and prescribe specified administrative procedures in connection therewith.

This bill would also make various technical, nonsubstantive changes relating to the allocation of revenues from fuel taxes to counties and cities.

Existing law governing the State Board of Equalization generally prohibits members, ex-members, and agents of the board and persons obtaining information from any of the foregoing from divulging certain information concerning the business affairs of the companies reporting to the board. The



Cigarette and Tobacco Products Tax Law includes a similar prohibition.

This bill would allow the board, under these provisions, to give information to successors, receivers, trustees, executors, administrators, assignees, and guarantors, if directly interested, as to the items included in the measure and amounts of any unpaid tax or amounts of tax required to be collected, interest, and penalties.

Existing law requires that an amount equal to all revenues, less refunds, derived from sales and use tax revenue collected on gasoline, diesel, and alternative fuels, be transferred from the Retail Sales Tax Fund to the Transportation Planning and Development Account. The Clean Air and Transportation Improvement Act of 1990, an initiative measure that added this provision, requires that amendments to the act must be consistent with and further the act's purposes and, if those requirements are met, also requires a  $\frac{2}{3}$  vote of both houses of the Legislature for passage.

This bill would provide that sales and use tax revenues on diesel fuel covered by the Diesel Fuel Tax Law are subject to transfer to the Transportation Planning and Development Account. This bill would declare that it is consistent with and furthers the purposes of the act, and would require a  $\frac{2}{3}$  vote for passage.

The Use Fuel Tax Law requires that the flat rate fuel tax be an annual tax.

This bill would provide that, when an owner or operator elects to pay the annual flat rate fuel tax on more than one vehicle, the owner or operator may request that the State Board of Equalization prorate the tax due on a vehicle added during the annual period, so that all vehicles have the same annual period.

Under the Cigarette and Tobacco Products Tax Law, the Alcoholic Beverage Tax Law, the Energy Resources Surcharge Law, the Hazardous Substances Tax Law, the Integrated Waste Management Fee Law, the Oil Spill, Response, Prevention, and Administration Fees Law, the Underground Storage Tank Maintenance Fee Law, the Fee Collection Procedures Law, and the Diesel Fuel Tax Law, the



State Board of Equalization administers various provisions respecting the payment of interest on refunds.

This bill would make changes in those provisions concerning the dates and time periods that affect the calculation of interest due on refunds.

*This bill would incorporate additional changes in Section 7102 of the Revenue and Taxation Code, proposed by AB 1269, to be operative only if AB 1269 and this bill are both chaptered and become effective on or before January 1, 1998, and this bill is chaptered last.*

*This bill would incorporate additional changes in Section 2104 of the Streets and Highways Code, proposed by SB 506, to be operative only if SB 506 and this bill are both chaptered and become effective January 1, 1998, and this bill is chaptered last.*

*This bill would incorporate additional changes in Section 2107 of the Streets and Highways Code, proposed by AB 1226, to be operative only if AB 1226 and this bill are both chaptered and become effective January 1, 1998, and this bill is chaptered last.*

Vote: <sup>2</sup>/<sub>3</sub>. 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 15619 of the Government Code
- 2 is amended to read:
- 3 15619. Any member or ex-member of the State Board
- 4 of Equalization, or any agent employed by it, or the
- 5 Controller, or ex-Controller, or any person employed by
- 6 him or her, or any person who has at any time obtained
- 7 such knowledge from any of the foregoing officers or
- 8 persons shall not divulge or make known in any manner
- 9 not provided by law, any of the following items of
- 10 information concerning the business affairs of companies
- 11 reporting to the board:
- 12 (a) Any information concerning the business affairs of
- 13 any company that is gained during an examination of its
- 14 books and accounts or in any other manner, and is not



1 required by law to be reported to the State Board of  
2 Equalization.

3 (b) Any information, other than the assessment and  
4 the amount of taxes levied, obtained by the State Board  
5 of Equalization in accordance with law from any  
6 company other than one concerning which that  
7 information is required by law to be made public.

8 (c) Any particular item of information relating to the  
9 disposition of its earnings contained in the report of a  
10 quasi-public corporation that the corporation, by written  
11 communication specifying the items and presented at the  
12 time when it files its report, requests shall be treated as  
13 confidential.

14 Nothing in this section shall be construed as preventing  
15 examination of these records and reports by law  
16 enforcement agencies, grand juries, boards of  
17 supervisors, or their duly authorized agents, employees or  
18 representatives conducting an investigation of an  
19 assessor's office pursuant to Section 25303, and other duly  
20 authorized legislative or administrative bodies of the  
21 state pursuant to their authorization to examine these  
22 records.

23 Successors, receivers, trustees, executors,  
24 administrators, assignees, and guarantors, if directly  
25 interested, may be given information as to the items  
26 included in the measure and amounts of any unpaid tax  
27 or amounts of tax required to be collected, interest, and  
28 penalties.

29 The Governor may authorize examination of these  
30 reports by other state officers. In that event the  
31 information obtained by these persons shall not be made  
32 public. The Governor, however, may direct that any of  
33 the information referred to in this section shall be made  
34 public.

35 Any violation of this section is a misdemeanor and  
36 punishable by a fine not to exceed one thousand dollars  
37 (\$1,000), or by imprisonment not to exceed six months, or  
38 both, at the discretion of the court.

39 SEC. 2. Section 6203 of the Revenue and Taxation  
40 Code is amended to read:



1 6203. Except as provided by Sections 6292 and 6293,  
2 every retailer engaged in business in this state and  
3 making sales of tangible personal property for storage,  
4 use, or other consumption in this state, not exempted  
5 under Chapter 3.5 (commencing with Section 6271) or  
6 Chapter 4 (commencing with Section 6351), shall, at the  
7 time of making the sales or, if the storage, use, or other  
8 consumption of the tangible personal property is not then  
9 taxable hereunder, at the time the storage, use, or other  
10 consumption becomes taxable, collect the tax from the  
11 purchaser and give to the purchaser a receipt therefor in  
12 the manner and form prescribed by the board.

13 As respects leases constituting sales of tangible personal  
14 property, the tax shall be collected from the lessee at the  
15 time amounts are paid by the lessee under the lease.

16 “Retailer engaged in business in this state” as used in  
17 this section and Section 6202 means and includes any of  
18 the following:

19 (a) Any retailer maintaining, occupying, or using,  
20 permanently or temporarily, directly or indirectly, or  
21 through a subsidiary, or agent, by whatever name called,  
22 an office, place of distribution, sales or sample room or  
23 place, warehouse or storage place, or other place of  
24 business.

25 (b) Any retailer having any representative, agent,  
26 salesperson, canvasser, independent contractor, or  
27 solicitor operating in this state under the authority of the  
28 retailer or its subsidiary for the purpose of selling,  
29 delivering, installing, assembling, or the taking of orders  
30 for any tangible personal property.

31 (c) As respects a lease, any retailer deriving rentals  
32 from a lease of tangible personal property situated in this  
33 state.

34 (d) Any retailer soliciting orders for tangible personal  
35 property by means of a telecommunication or television  
36 shopping system (which utilizes toll-free numbers)  
37 which is intended by the retailer to be broadcast by cable  
38 television or other means of broadcasting, to consumers  
39 located in this state.



1 (e) (1) Any retailer soliciting orders for tangible  
2 personal property by mail if the solicitations are  
3 substantial and recurring and if the retailer benefits from  
4 any banking, financing, debt collection,  
5 telecommunication, or marketing activities occurring in  
6 this state or benefits from the location in this state of  
7 authorized installation, servicing, or repair facilities.

8 (2) This subdivision shall become operative upon the  
9 enactment of any congressional act that authorizes states  
10 to compel the collection of state sales and use taxes by  
11 out-of-state retailers.

12 (f) Any retailer having a franchisee or licensee  
13 operating under its trade name if the franchisee or  
14 licensee is required to collect the tax under this section.

15 (g) Notwithstanding Section 7262, a retailer specified  
16 in subdivision (d), (e), or (f) above, and not specified in  
17 subdivision (a), (b), or (c) above, is a “retailer engaged  
18 in business in this state” for the purposes of this part and  
19 Part 1.5 (commencing with Section 7200) only.

20 (h) (1) For purposes of this section, “engaged in  
21 business in this state” does not include the taking of orders  
22 from customers in this state through a computer  
23 telecommunications network located in this state which  
24 is not directly or indirectly owned by the retailer when  
25 the orders result from the electronic display of products  
26 on that same network. The exclusion provided by this  
27 subdivision shall apply only to a computer  
28 telecommunications network that consists substantially  
29 of on-line communications services other than the  
30 displaying and taking of orders for products.

31 (2) This subdivision shall become inoperative upon  
32 the earlier of the following dates:

33 (A) The operative date of provisions of a congressional  
34 act that authorize states to compel the collection of state  
35 sales and use taxes by out-of-state retailers.

36 (B) The date five years from the effective date of the  
37 act adding this subdivision.

38 SEC. 3. Section 7102 of the Revenue and Taxation  
39 Code is amended to read:



1 7102. The money in the fund shall, upon order of the  
2 Controller, be drawn therefrom for refunds under this  
3 part, and pursuant to Section 1793.25 of the Civil Code, or  
4 be transferred in the following manner:

5 (a) (1) All revenues, less refunds, derived under this  
6 part at the 4  $\frac{3}{4}$ -percent rate, including the imposition of  
7 sales and use taxes with respect to the sale, storage, use,  
8 or other consumption of motor vehicle fuel which would  
9 not have been received if the sales and use tax rate had  
10 been 5 percent and if motor vehicle fuel, as defined for  
11 purposes of the Motor Vehicle Fuel License Tax Law  
12 (Part 2 (commencing with Section 7301)), had been  
13 exempt from sales and use taxes, shall be estimated by the  
14 State Board of Equalization, with the concurrence of the  
15 Department of Finance, and shall be transferred  
16 quarterly to the Transportation Planning and  
17 Development Account, a trust fund in the State  
18 Transportation Fund.

19 (2) All revenues, less refunds, derived under this part  
20 at the 4  $\frac{3}{4}$ -percent rate, resulting from increasing after  
21 December 31, 1989, the rate of tax imposed pursuant to  
22 the Motor Vehicle Fuel License Tax Law on motor  
23 vehicle fuel, as defined for purposes of that law, shall be  
24 transferred quarterly to the Transportation Planning and  
25 Development Account, a trust fund in the State  
26 Transportation Fund.

27 (3) All revenues, less refunds, derived under this part  
28 at the 4  $\frac{3}{4}$ -percent rate from the imposition of sales and  
29 use taxes on fuel, as defined for purposes of the Use Fuel  
30 Tax Law (Part 3 (commencing with Section 8601)) and  
31 the Diesel Fuel Tax Law (Part 31 (commencing with  
32 Section 60001)), shall be estimated by the State Board of  
33 Equalization, with the concurrence of the Department of  
34 Finance, and shall be transferred quarterly to the  
35 Transportation Planning and Development Account, a  
36 trust fund in the State Transportation Fund.

37 (4) All revenues, less refunds, derived under this part  
38 from a rate of more than 4  $\frac{3}{4}$  percent pursuant to  
39 Sections 6051.1 and 6201.1 for the period December 1,  
40 1989, to June 5, 1990, inclusive, shall be transferred to the



1 Disaster Relief Fund created by Section 16419 of the  
2 Government Code.

3 (5) All revenues, less refunds, derived under this part  
4 from a rate of more than 4 <sup>3</sup>/<sub>4</sub> percent pursuant to  
5 Sections 6051.1 and 6201.1 for the period June 6, 1990, to  
6 December 31, 1990, inclusive, which is attributable to the  
7 imposition of sales and use taxes with respect to the sale,  
8 storage, use, or other consumption of tangible personal  
9 property other than fuel, as defined for purposes of the  
10 Use Fuel Tax Law (Part 3 (commencing with Section  
11 8601)), shall be transferred to the Disaster Relief Fund  
12 created by Section 16419 of the Government Code.

13 (6) All revenues, less refunds, derived under this part  
14 from a rate of more than 4 <sup>3</sup>/<sub>4</sub> percent pursuant to  
15 Sections 6051.1 and 6201.1 for the period June 6, 1990, to  
16 December 31, 1990, inclusive, which is attributable to the  
17 imposition of sales and use taxes with respect to the sale,  
18 storage, use, or other consumption of fuel, as defined for  
19 purposes of the Use Fuel Tax Law (Part 3 (commencing  
20 with Section 8601)), shall be transferred to the Disaster  
21 Relief Fund created by Section 16419 of the Government  
22 Code.

23 (7) All revenues, less refunds, derived under this part  
24 from the taxes imposed pursuant to Sections 6051.2 and  
25 6201.2 shall be transferred to the Sales Tax Account of the  
26 Local Revenue Fund for allocation to cities and counties  
27 as prescribed by statute.

28 (8) All revenues, less refunds, derived under this part  
29 from the taxes imposed pursuant to Sections 6051.6 and  
30 6201.6 shall be transferred to the Interim Public Safety  
31 Account in the Local Public Safety Fund created in  
32 Section 30051 of the Government Code for allocation to  
33 counties as prescribed by statute.

34 (9) All revenues, less refunds, derived from the taxes  
35 imposed pursuant to Section 35 of Article XIII of the  
36 California Constitution shall be transferred to the Public  
37 Safety Account in the Local Public Safety Fund created  
38 in Section 30051 of the Government Code for allocation  
39 to counties as prescribed by statute.



1 (10) An amount equal to all revenues, less refunds,  
2 derived under this part at a 4  $\frac{3}{4}$ -percent rate for the  
3 period between January 1, 1994, and July 1, 1994, from the  
4 increase in sales and use tax revenue attributable to the  
5 increase in the rate of the federal motor vehicle fuel tax  
6 between January 1, 1993, and the rate in effect on January  
7 1, 1994, shall be estimated by the State Board of  
8 Equalization, with the concurrence of the Department of  
9 Finance, and an amount equal to that amount, but not  
10 exceeding seven million five hundred thousand dollars  
11 (\$7,500,000) shall be transferred from the Retail Sales Tax  
12 Fund to the Small Business Expansion Fund created by  
13 Article 5 (commencing with Section 14030) of Chapter 1  
14 of Part 5 of Division 3 of Title 1 of the Corporations Code.

15 (b) The balance shall be transferred to the General  
16 Fund.

17 (c) The estimates required by subdivision (a) shall be  
18 based on taxable transactions occurring during a calendar  
19 year, and the transfers required by subdivision (a) shall  
20 be made during the fiscal year that commences during  
21 that same calendar year. Transfers required by  
22 paragraphs (1), (2), and (3) of subdivision (a) shall be  
23 made quarterly.

24 (d) Notwithstanding the designation of the  
25 Transportation Planning and Development Account as a  
26 trust fund pursuant to subdivision (a), the Controller may  
27 use the Transportation Planning and Development  
28 Account for loans to the General Fund as provided in  
29 Sections 16310 and 16381 of the Government Code. The  
30 loans shall be repaid with interest from the General Fund  
31 at the Pooled Money Investment Account rate.

32 (e) The Legislature may amend this section, by statute  
33 passed in each house of the Legislature by rollcall vote  
34 entered in the journal, two-thirds of the membership  
35 concurring, if the statute is consistent with, and furthers  
36 the purposes of this section.

37 *SEC. 3.5. Section 7102 of the Revenue and Taxation*  
38 *Code is amended to read:*

39 7102. The money in the fund shall, upon order of the  
40 Controller, be drawn therefrom for refunds under this



1 part, *credits or refunds pursuant to Section 60202*, and  
2 *refunds* pursuant to Section 1793.25 of the Civil Code, or  
3 be transferred in the following manner:

4 (a) (1) All revenues, less refunds, derived under this  
5 part at the 4  $\frac{3}{4}$ -percent rate, including the imposition of  
6 sales and use taxes with respect to the sale, storage, use,  
7 or other consumption of motor vehicle fuel which would  
8 not have been received if the sales and use tax rate had  
9 been 5 percent and if motor vehicle fuel, as defined for  
10 purposes of the Motor Vehicle Fuel License Tax Law  
11 (Part 2 (commencing with Section 7301)), had been  
12 exempt from sales and use taxes, shall be estimated by the  
13 State Board of Equalization, with the concurrence of the  
14 Department of Finance, and shall be transferred  
15 quarterly to the Transportation Planning and  
16 Development Account, a trust fund in the State  
17 Transportation Fund.

18 (2) All revenues, less refunds, derived under this part  
19 at the 4  $\frac{3}{4}$ -percent rate, resulting from increasing after  
20 December 31, 1989, the rate of tax imposed pursuant to  
21 the Motor Vehicle Fuel License Tax Law on motor  
22 vehicle fuel, as defined for purposes of that law, shall be  
23 transferred quarterly to the Transportation Planning and  
24 Development Account, a trust fund in the State  
25 Transportation Fund.

26 (3) All revenues, less refunds, derived under this part  
27 at the 4  $\frac{3}{4}$ -percent rate from the imposition of sales and  
28 use taxes on fuel, as defined for purposes of the Use Fuel  
29 Tax Law (Part 3 (commencing with Section 8601)) *and*  
30 *the Diesel Fuel Tax Law (Part 31 (commencing with*  
31 *Section 60001))*, shall be estimated by the State Board of  
32 Equalization, with the concurrence of the Department of  
33 Finance, and shall be transferred quarterly to the  
34 Transportation Planning and Development Account, a  
35 trust fund in the State Transportation Fund.

36 (4) All revenues, less refunds, derived under this part  
37 from a rate of more than 4  $\frac{3}{4}$  percent pursuant to  
38 Sections 6051.1 and 6201.1 for the period December 1,  
39 1989, to June 5, 1990, inclusive, shall be transferred to the



1 Disaster Relief Fund created by Section 16419 of the  
2 Government Code.

3 (5) All revenues, less refunds, derived under this part  
4 from a rate of more than 4 3/4 percent pursuant to  
5 Sections 6051.1 and 6201.1 for the period June 6, 1990, to  
6 December 31, 1990, inclusive, which is attributable to the  
7 imposition of sales and use taxes with respect to the sale,  
8 storage, use, or other consumption of tangible personal  
9 property other than fuel, as defined for purposes of the  
10 Use Fuel Tax Law (Part 3 (commencing with Section  
11 8601)), shall be transferred to the Disaster Relief Fund  
12 created by Section 16419 of the Government Code.

13 (6) All revenues, less refunds, derived under this part  
14 from a rate of more than 4 3/4 percent pursuant to  
15 Sections 6051.1 and 6201.1 for the period June 6, 1990, to  
16 December 31, 1990, inclusive, which is attributable to the  
17 imposition of sales and use taxes with respect to the sale,  
18 storage, use, or other consumption of fuel, as defined for  
19 purposes of the Use Fuel Tax Law (Part 3 (commencing  
20 with Section 8601)), shall be transferred to the Disaster  
21 Relief Fund created by Section 16419 of the Government  
22 Code.

23 (7) All revenues, less refunds, derived under this part  
24 from the taxes imposed pursuant to Sections 6051.2 and  
25 6201.2 shall be transferred to the Sales Tax Account of the  
26 Local Revenue Fund for allocation to cities and counties  
27 as prescribed by statute.

28 (8) All revenues, less refunds, derived under this part  
29 from the taxes imposed pursuant to Sections 6051.6 and  
30 6201.6 shall be transferred to the Interim Public Safety  
31 Account in the Local Public Safety Fund created in  
32 Section 30051 of the Government Code for allocation to  
33 counties as prescribed by statute.

34 (9) All revenues, less refunds, derived from the taxes  
35 imposed pursuant to Section 35 of Article XIII of the  
36 California Constitution shall be transferred to the Public  
37 Safety Account in the Local Public Safety Fund created  
38 in Section 30051 of the Government Code for allocation  
39 to counties as prescribed by statute.



1 (10) An amount equal to all revenues, less refunds,  
2 derived under this part at a 4 <sup>3</sup>/<sub>4</sub>-percent rate for the  
3 period between January 1, 1994, and July 1, 1994, from the  
4 increase in sales and use tax revenue attributable to the  
5 increase in the rate of the federal motor vehicle fuel tax  
6 between January 1, 1993, and the rate in effect on January  
7 1, 1994, shall be estimated by the State Board of  
8 Equalization, with the concurrence of the Department of  
9 Finance, and an amount equal to that amount, but not  
10 exceeding seven million five hundred thousand dollars  
11 (\$7,500,000) shall be transferred from the Retail Sales Tax  
12 Fund to the Small Business Expansion Fund created by  
13 Article 5 (commencing with Section 14030) of Chapter 1  
14 of Part 5 of Division 3 of Title 1 of the Corporations Code.

15 (b) The balance shall be transferred to the General  
16 Fund.

17 (c) The estimates required by subdivision (a) shall be  
18 based on taxable transactions occurring during a calendar  
19 year, and the transfers required by subdivision (a) shall  
20 be made during the fiscal year that commences during  
21 that same calendar year. Transfers required by  
22 paragraphs (1), (2), and (3) of subdivision (a) shall be  
23 made quarterly.

24 (d) Notwithstanding the designation of the  
25 Transportation Planning and Development Account as a  
26 trust fund pursuant to subdivision (a), the Controller may  
27 use the Transportation Planning and Development  
28 Account for loans to the General Fund as provided in  
29 Sections 16310 and 16381 of the Government Code. The  
30 loans shall be repaid with interest from the General Fund  
31 at the Pooled Money Investment Account rate.

32 (e) The Legislature may amend this section, by statute  
33 passed in each house of the Legislature by rollcall vote  
34 entered in the journal, two-thirds of the membership  
35 concurring, if the statute is consistent with, and furthers  
36 the purposes of this section.

37 SEC. 4. Section 8255 of the Revenue and Taxation  
38 Code is amended to read:

39 8255. (a) Upon request from the officials to whom is  
40 entrusted the enforcement of the motor fuel tax law of



1 another government the board or the Controller may  
2 furnish to such officials such information in the possession  
3 of the board or the Controller which is deemed essential  
4 to the enforcement of the motor fuel tax laws.

5 Any information so furnished shall not be used for any  
6 purpose other than that for which it was furnished.

7 (b) The board may furnish to any state or federal  
8 agency investigating violations of or enforcing any state  
9 or federal law related to motor fuels any motor fuel  
10 information in the possession of the board that is deemed  
11 necessary for the enforcement of those laws.

12 SEC. 5. Section 8651.7 of the Revenue and Taxation  
13 Code is amended to read:

14 8651.7. (a) The owner or operator, except an  
15 interstate user, of a vehicle propelled by a system using  
16 liquefied petroleum gas, liquid natural gas, or compressed  
17 natural gas may pay the fuel tax for the use of those fuels  
18 by paying an annual flat rate fuel tax according to the  
19 following schedule:

Unladen weight	Fee
All passenger cars and other vehicles 4,000 lbs. or less . . . . .	\$ 36
More than 4,000 lbs. but less than 8,001 lbs. . . . .	72
More than 8,000 lbs. but less than 12,001 lbs. . . . .	120
12,001 lbs. or more . . . . .	168

26  
27 (b) The annual flat rate fuel tax described in  
28 subdivision (a) shall be an annual tax. The annual period  
29 shall be that period from the end of the month in which  
30 the tax was paid to the end of the month prior in the  
31 following calendar year. When an owner or operator  
32 elects to pay the annual flat rate fuel tax on more than one  
33 vehicle, the owner or operator may request that the  
34 board prorate the tax due on a vehicle added during the  
35 annual period, so that all vehicles have the same annual  
36 period. In the year a vehicle is added, the annual flat rate  
37 fuel tax for that vehicle shall be calculated by dividing the  
38 fee set forth in subdivision (a) by 12 and multiplying the  
39 resulting amount by the number of months remaining  
40 before the beginning of the next annual period.



1 (c) The board shall adopt an identification procedure  
2 for vehicles with respect to which the annual flat rate tax  
3 described in subdivision (a) of this section has been paid.

4 SEC. 6. Section 9255 of the Revenue and Taxation  
5 Code is amended to read:

6 9255. It is unlawful for the board or any person having  
7 an administrative duty under this part to make known in  
8 any manner whatever the business affairs, operations, or  
9 information obtained by an investigation of records and  
10 equipment of any user visited or examined in the  
11 discharge of official duty, or the amount or source of  
12 income, profits, losses, expenditures, or any particular  
13 thereof set forth or disclosed in any return, or to permit  
14 any return or copy thereof or any book containing any  
15 abstract or particulars thereof to be seen or examined by  
16 any person except to another government, state agency  
17 or federal agency as specified in Section 9255.1.  
18 Information respecting the tax due from a user may be  
19 furnished, however, to any person owning or having an  
20 interest in a motor vehicle subject to the lien of the tax.  
21 The Governor may, by general or special order, authorize  
22 examination by other state officers, by tax officers of  
23 another state, by the federal government, if a reciprocal  
24 arrangement exists, or by any other person of the records  
25 maintained by the board under this part. The information  
26 so obtained pursuant to the order of the Governor shall  
27 not be made public except to the extent and in the  
28 manner that the order may authorize that it be made  
29 public. Successors, receivers, trustees, executors,  
30 administrators, assignees, and guarantors, if directly  
31 interested, may be given information as to the items  
32 included in the measure and amounts of any unpaid tax  
33 or amounts of tax required to be collected, interest and  
34 penalties.

35 Any violation of this section is a misdemeanor and is  
36 punishable by a fine not exceeding one thousand dollars  
37 (\$1,000), by imprisonment not exceeding one year, or by  
38 both that fine and imprisonment, in the discretion of the  
39 court.



1 SEC. 7. Section 9255.1 is added to the Revenue and  
2 Taxation Code, to read:

3 9255.1. (a) Upon request from the officials to whom  
4 is entrusted the enforcement of the motor fuel tax laws of  
5 another government, the board may furnish to those  
6 officials any information in the possession of the board  
7 that is deemed essential to the enforcement of the motor  
8 fuel tax laws. Any information so furnished shall not be  
9 used for any purpose other than that for which it was  
10 furnished.

11 (b) The board may furnish to any state or federal  
12 agency investigating violations of or enforcing any state  
13 or federal law related to motor fuels any motor fuel  
14 information in the possession of the board that is deemed  
15 necessary for the enforcement of those laws.

16 SEC. 8. Section 30179 of the Revenue and Taxation  
17 Code is amended to read:

18 30179. Interest shall be computed, allowed, and paid  
19 upon any overpayment for the purchase of stamps or  
20 meter register settings at the modified adjusted rate per  
21 month established pursuant to Section 6591.5, from the  
22 26th day of the calendar month following the period  
23 during which the overpayment was made. In addition, a  
24 refund or credit shall be made of any interest imposed  
25 upon the claimant with respect to the amount being  
26 refunded or credited.

27 The interest shall be paid as follows:

28 (a) In the case of a refund, to the 25th day of the  
29 calendar month following the date upon which the  
30 claimant, if he or she has not already filed a claim, is  
31 notified by the board that a claim may be filed or the date  
32 upon which the claim is approved by the board,  
33 whichever date is earlier.

34 (b) In the case of a credit, to the same date as that to  
35 which interest is computed on the tax or amount against  
36 which the credit is applied.

37 SEC. 9. Section 30366 of the Revenue and Taxation  
38 Code is amended to read:

39 30366. Interest shall be computed, allowed, and paid  
40 upon any overpayment of any amount of tax at the



1 modified adjusted rate per month established pursuant to  
2 Section 6591.5, from the 26th day of the calendar month  
3 following the period during which the overpayment was  
4 made. In addition, a refund or credit shall be made of any  
5 interest imposed upon the claimant with respect to the  
6 amount being refunded or credited.

7 The interest shall be paid as follows:

8 (a) In the case of a refund, to the 25th day of the  
9 calendar month following the date upon which the  
10 claimant, if he or she has not already filed a claim, is  
11 notified by the board that a claim may be filed or the date  
12 upon which the claim is approved by the board,  
13 whichever date is earlier.

14 (b) In the case of a credit, to the same date as that to  
15 which interest is computed on the tax or amount against  
16 which the credit is applied.

17 SEC. 10. Section 30455 of the Revenue and Taxation  
18 Code is amended to read:

19 30455. It is unlawful for the board or any person  
20 having an administrative duty under this part to make  
21 known in any manner whatever the business affairs,  
22 operations, or information obtained by an investigation of  
23 records and equipment of any person visited or examined  
24 in the discharge of official duty, or the amount or source  
25 of income, profits, losses, expenditures, or any particular  
26 thereof, set forth or disclosed in any report, or to permit  
27 any report or copy thereof or any book containing any  
28 abstract or particulars thereof to be seen or examined by  
29 any person. However, the Governor may, by general or  
30 special order, authorize examination of the records  
31 maintained by the board under this part by other state  
32 officers, by tax officers of another state, by the federal  
33 government, if a reciprocal arrangement exists, or by any  
34 other person.

35 Successors, receivers, trustees, executors,  
36 administrators, assignees, and guarantors, if directly  
37 interested, may be given information as to the items  
38 included in the measure and amounts of any unpaid tax  
39 or amounts of tax required to be collected, interest, and  
40 penalties.



1 Nothing in this section shall prevent the board from  
2 exchanging with officials of other states information  
3 concerning interstate shipments of cigarettes or tobacco  
4 products.

5 Any violation of this section is a misdemeanor and is  
6 punishable by a fine not exceeding one thousand dollars  
7 (\$1,000), by imprisonment not exceeding one year, or by  
8 both, in the discretion of the court.

9 SEC. 11. Section 32405 of the Revenue and Taxation  
10 Code is amended to read:

11 32405. Interest shall be computed, allowed, and paid  
12 upon any overpayment of any amount of tax at the  
13 modified adjusted rate per month established pursuant to  
14 Section 6591.5, from the 16th day of the calendar month  
15 following the period during which the overpayment was  
16 made. In addition, a refund or credit shall be made of any  
17 interest imposed upon the claimant with respect to the  
18 amount being refunded or credited.

19 The interest shall be paid as follows:

20 (a) In the case of a refund, to the 15th day of the  
21 calendar month following the date upon which the  
22 claimant, if he or she has not already filed a claim, is  
23 notified by the board that a claim may be filed or the date  
24 upon which the claim is approved by the board,  
25 whichever date is earlier.

26 (b) In the case of a credit, to the same date as that to  
27 which interest is computed on the tax or amount against  
28 which the credit is applied.

29  
30 SEC. 12. Section 40116 of the Revenue and Taxation  
31 Code is amended to read:

32 40116. Interest at the modified adjusted rate per  
33 month established pursuant to Section 6591.5, shall be  
34 paid upon any overpayment of any amount of surcharge  
35 from the first day of the calendar month following the  
36 month during which the overpayment was made. In  
37 addition, a refund or credit shall be made of any interest  
38 imposed upon the person making the overpayment with  
39 respect to the amount being refunded or credited.

40 The interest shall be paid as follows:



1 (a) In the case of a refund, to the last day of the  
2 calendar month following the date upon which the  
3 person making the overpayment, if he or she has not  
4 already filed a claim, is notified by the board that a claim  
5 may be filed or the date upon which the claim is approved  
6 by the board, whichever date is the earlier.

7 (b) In the case of a credit, to the same date as that to  
8 which interest is computed on the surcharge or amount  
9 against which the credit is applied.

10 SEC. 13. Section 43455 of the Revenue and Taxation  
11 Code is amended to read:

12 43455. Interest shall be computed, allowed, and paid  
13 upon any overpayment of any amount of tax at the  
14 modified adjusted rate per month established pursuant to  
15 Section 6591.5, from the first day of the monthly period  
16 following the period during which the overpayment was  
17 made. For purposes of this section, “monthly period”  
18 means the month commencing on the day after the due  
19 date of the payment through the same date as the due  
20 date in each successive month. In addition, a refund or  
21 credit shall be made of any interest imposed upon the  
22 claimant with respect to the amount being refunded or  
23 credited.

24 The interest shall be paid as follows:

25 (a) In the case of a refund, to the last day of the  
26 monthly period following the date upon which the  
27 claimant, if he or she has not already filed a claim, is  
28 notified by the board that a claim may be filed or the date  
29 upon which the claim is approved by the board,  
30 whichever date is earlier.

31 (b) In the case of a credit, to the same date as that to  
32 which interest is computed on the tax or amount against  
33 which the credit is applied.

34 SEC. 14. Section 45655 of the Revenue and Taxation  
35 Code is amended to read:

36 45655. Interest shall be computed, allowed, and paid  
37 upon any overpayment of any amount of fee at the  
38 modified adjusted rate per month established pursuant to  
39 Section 6591.5, from the first day of the monthly period  
40 following the period during which the overpayment was



1 made. For purposes of this section, “monthly period”  
2 means the month commencing on the day after the due  
3 date of the payment through the same date as the due  
4 date in each successive month. In addition, a refund or  
5 credit shall be made of any interest imposed upon the  
6 claimant with respect to the amount being refunded or  
7 credited.

8 The interest shall be paid as follows:

9 (a) In the case of a refund, to the last day of the  
10 monthly period following the date upon which the  
11 claimant, if he or she has not already filed a claim, is  
12 notified by the board that a claim may be filed or the date  
13 upon which the claim is approved by the board,  
14 whichever date is earlier.

15 (b) In the case of a credit, to the same date as that to  
16 which interest is computed on the fee or amount against  
17 which the credit is applied.

18 SEC. 15. Section 46506 of the Revenue and Taxation  
19 Code is amended to read:

20 46506. Interest shall be computed, allowed, and paid  
21 upon any overpayment of any amount of fee at the  
22 modified adjusted rate per month established pursuant to  
23 Section 6591.5, from the 26th day of the calendar month  
24 following the period during which the overpayment was  
25 made. In addition, a refund or credit shall be made of any  
26 interest imposed upon the claimant with respect to the  
27 amount being refunded or credited.

28 The interest shall be paid as follows:

29 (a) In the case of a refund, to the 25th day of the  
30 calendar month following the date upon which the  
31 claimant, if he or she has not already filed a claim, is  
32 notified by the board that a claim may be filed or the date  
33 upon which the claim is approved by the board,  
34 whichever date is earlier.

35 (b) In the case of a credit, to the same date as that to  
36 which interest is computed on the fee or amount against  
37 which the credit is applied.

38 SEC. 16. Section 46751 of the Revenue and Taxation  
39 Code is amended to read:



1 46751. (a) The board shall provide any and all  
2 information obtained under this part to the Department  
3 of Fish and Game.

4 (b) The Department of Fish and Game and the board  
5 may utilize any information obtained pursuant to this  
6 part to develop data on oil spill prevention, abatement,  
7 and removal within the state. Notwithstanding any other  
8 provision of this section, the Department of Fish and  
9 Game may make oil spill prevention, abatement, and  
10 removal public.

11 (c) It shall be unlawful for the board, or any person  
12 having an administrative duty under Chapter 7.4  
13 (commencing with Section 8670.1) of Division 1 of Title  
14 2 of the Government Code or Division 7.8 (commencing  
15 with Section 8750) of the Public Resources Code to make  
16 known, in any manner whatever, the business affairs,  
17 operations, or any other information pertaining to a fee  
18 payer which was submitted to the board in a report or  
19 return required by this part, or to permit any report or  
20 copy thereof or any book containing any abstract or  
21 particulars thereof to be seen or examined by any person  
22 not expressly authorized by subdivision (a), subdivision  
23 (d), and this subdivision. However, the Governor may, by  
24 general or special order, authorize examination of the  
25 records maintained by the board under this part by other  
26 state officers, by officers of another state, by the federal  
27 government, if a reciprocal arrangement exists, or by any  
28 other person. The information so obtained pursuant to  
29 the order of the Governor shall not be made public except  
30 to the extent and in the manner that the order may  
31 authorize that it be made public.

32 (d) The board may furnish to any state or federal  
33 agency investigating violations of or enforcing any state  
34 or federal law related to crude oil and petroleum products  
35 any crude oil and petroleum products information in the  
36 possession of the board that is deemed necessary for the  
37 enforcement of those laws.

38 (e) Notwithstanding subdivision (c), the successors,  
39 receivers, trustees, executors, administrators, assignees,  
40 and guarantors, if directly interested, may be given



1 information regarding the determination of any unpaid  
2 fee or the amount of fees, interest, or penalties required  
3 to be collected or assessed.

4 (f) Nothing in this section shall be construed as  
5 limiting or increasing the public's access to information  
6 on any aspect of oil spill prevention, abatement, and  
7 removal collected pursuant to other state or local laws,  
8 regulations, or ordinances.

9 SEC. 17. Section 50142.1 of the Revenue and Taxation  
10 Code is amended to read:

11 50142.1. Interest shall be computed, allowed, and paid  
12 upon any overpayment of any amount of fee at the  
13 modified adjusted rate per month established pursuant to  
14 Section 6591.5, from the 26th day of the calendar month  
15 following the period during which the overpayment was  
16 made. In addition, a refund or credit shall be made of any  
17 interest imposed upon the claimant with respect to the  
18 amount being refunded or credited.

19 The interest shall be paid as follows:

20 (a) In the case of a refund, to the 25th day of the  
21 calendar month following the date upon which the  
22 claimant, if he or she has not already filed a claim, is  
23 notified by the board that a claim may be filed or the date  
24 upon which the claim is approved by the board,  
25 whichever date is earlier.

26 (b) In the case of a credit, to the same date as that to  
27 which interest is computed on the fee or amount against  
28 which the credit is applied.

29 SEC. 18. Section 50161 of the Revenue and Taxation  
30 Code is amended to read:

31 50161. Except as provided in subdivisions (b) and (c)  
32 of Section 50159 and Section 50162, this chapter does not  
33 limit or increase public access to information on any  
34 aspect of petroleum contained in underground storage  
35 tanks made available pursuant to any other state or local  
36 law, regulation, or ordinance.

37 SEC. 19. Section 50162 is added to the Revenue and  
38 Taxation Code, to read:

39 50162. (a) Upon request from the officials to whom is  
40 entrusted the enforcement of the motor fuel tax laws of



1 another government, the board may furnish to those  
2 officials any information in the possession of the board  
3 that is deemed essential to the enforcement of the motor  
4 fuel tax laws. Any information so furnished shall not be  
5 used for any purpose other than that for which it was  
6 furnished.

7 (b) The board may furnish to any state or federal  
8 agency investigating violations of or enforcing any state  
9 or federal law related to motor fuels any motor fuel  
10 information in the possession of the board that is deemed  
11 necessary for the enforcement of those laws.

12 SEC. 20. Section 55225 of the Revenue and Taxation  
13 Code is amended to read:

14 55225. Interest shall be computed, allowed, and paid  
15 upon any overpayment of any amount of fee at the  
16 modified adjusted rate per month established pursuant to  
17 Section 6591.5, from the first day of the monthly period  
18 following the period during which the overpayment was  
19 made. For purposes of this section, “monthly period”  
20 means the period commencing on the day after the due  
21 date of the payment and continuing through the same  
22 date in the immediately following month. In addition, a  
23 refund or credit shall be made of any interest imposed  
24 upon the claimant with respect to the amount being  
25 refunded or credited.

26 The interest shall be paid as follows:

27 (a) In the case of a refund, to the last day of the  
28 monthly period following the date upon which the  
29 claimant, if he or she has not already filed a claim, is  
30 notified by the board that a claim may be filed or the date  
31 upon which the claim is approved by the board,  
32 whichever date is earlier.

33 (b) In the case of a credit, to the same date as to that  
34 to which interest is computed on the fee or amount  
35 against which the credit is applied.

36 SEC. 21. Section 60104 of the Revenue and Taxation  
37 Code is repealed:

38 SEC. 22. Section 60105 is added to the Revenue and  
39 Taxation Code, to read:



1 60105. (a) A penalty applies to any person who does  
2 any of the following:

3 (1) Sells or holds for sale dyed diesel fuel for any use  
4 that the person knows or has reason to know is a taxable  
5 use of the diesel fuel.

6 (2) Holds for use or uses dyed diesel fuel for a use other  
7 than a nontaxable use and that person knew, or had  
8 reason to know, that the diesel fuel was so dyed.

9 (3) Knowingly alters, or attempts to alter, the strength  
10 or composition of any dye or marker in any dyed diesel  
11 fuel.

12 (4) Fails to provide or post the required notice with  
13 respect to any dyed diesel fuel. The failure to provide or  
14 post the required notice creates a presumption that the  
15 person so failing knows the diesel fuel will be used for a  
16 taxable use.

17 (b) The amount of the penalty for each violation  
18 specified in subdivision (a) is ten dollars (\$10) for every  
19 gallon of diesel fuel involved or one thousand dollars  
20 (\$1,000), whichever is greater. The penalty shall be  
21 increased for subsequent violations by multiplying the  
22 penalty amount by the number of prior violations.

23 (c) If a penalty is imposed under this section on any  
24 business entity, each officer, employee, or agent of the  
25 entity, who participated in any act giving rise to the  
26 penalty shall be jointly and severally liable with the entity  
27 for the penalty.

28 SEC. 23. Section 60120 of the Revenue and Taxation  
29 Code is amended to read:

30 60120. Every person operating a qualified motor  
31 vehicle within and without this state or the United States  
32 shall apply to the board for a license on forms prescribed  
33 by the board. It is unlawful for any person to be an  
34 interstate user without first securing a license.

35 SEC. 24. Section 60121 of the Revenue and Taxation  
36 Code is amended to read:

37 60121. Before granting a license to an interstate user,  
38 the board may require the person to file with the board  
39 security pursuant to Section 60401. The license issued to



1 any interstate user is not transferable and is valid until  
2 canceled or revoked.

3 SEC. 25. Section 60361 of the Revenue and Taxation  
4 Code is amended to read:

5 60361. (a) The board shall forthwith ascertain as best  
6 it may the amount of the diesel fuel removed, entered,  
7 sold, delivered, or used and shall determine immediately  
8 the tax on that amount, adding to the tax a penalty of 25  
9 percent of the amount of tax or five hundred dollars  
10 (\$500), whichever is greater, and shall give the  
11 unlicensed person notice of this determination as  
12 prescribed by Section 60340. However, where the board  
13 determines that the failure to secure a license was due to  
14 reasonable cause, the penalty may be waived. Sections  
15 60331 and 60332 shall be applicable with respect to the  
16 finality of the determination and the right of the  
17 unlicensed person to petition for a redetermination.

18 Any person seeking to be relieved of the penalty shall  
19 file with the board a statement under penalty of perjury  
20 setting forth the facts upon which he or she bases the  
21 claim for relief.

22 (b) In any case where the board does not determine  
23 an amount of tax due, the unlicensed person shall be  
24 subject to a penalty of one hundred dollars (\$100), which  
25 penalty shall be immediately due and payable. Each  
26 subsequent violation shall increase the penalty amount by  
27 one hundred dollars (\$100), up to a maximum penalty of  
28 five hundred dollars (\$500). The board shall serve the  
29 person with a notice of penalty assessment in the manner  
30 prescribed by Section 60340 for service of notice of a  
31 deficiency determination. However, if the board finds  
32 that the failure of the person to secure a license was due  
33 to reasonable cause, the board may waive the penalty. A  
34 person seeking to be relieved of the penalty shall file with  
35 the board a statement under penalty of perjury setting  
36 forth the facts upon which the request for relief is based.

37 SEC. 26. Section 60524 of the Revenue and Taxation  
38 Code is amended to read:

39 60524. Interest shall be paid upon any overpayment of  
40 any amount of tax at the modified adjusted rate per



1 month established pursuant to Section 6591.5 from the first day of the calendar month following the period during which the overpayment is made. In addition, a refund or credit shall be made of any interest imposed upon the claimant with respect to the amount being refunded or credited.

The interest shall be paid as follows:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he or she has not already filed a claim, is notified by the board that a claim may be filed or the date upon which the claim is approved by the board, whichever date is the earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or amount against which the credit is applied.

SEC. 27. Section 60608 of the Revenue and Taxation Code is amended to read:

60608. (a) Upon request from the officials to whom is entrusted the enforcement of the motor fuel tax laws of another government, the board may furnish to those officials the information in the possession of the board that is deemed essential to the enforcement of the motor fuel tax laws.

Any information so furnished shall not be used for any purpose other than that for which it was furnished.

(b) The board may furnish to any state or federal agency investigating violations of or enforcing any state or federal law related to motor fuels any motor fuel information in the possession of the board that is deemed necessary for the enforcement of those laws.

SEC. 28. Section 60609 of the Revenue and Taxation Code is amended to read:

60609. It is unlawful for the board or any person having an administrative duty under this part to make known in any manner whatever the business affairs, operations, or information obtained by an investigation of records and equipment of any person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures, or any particular



1 thereof set forth or disclosed in any return, or to permit  
2 any return or copy thereof or any book containing any  
3 abstract or particulars thereof to be seen or examined by  
4 any person except to another government, state agency,  
5 or federal agency as specified in Section 60608.  
6 Information respecting the tax due from a person may be  
7 furnished, however, to any person owning or having an  
8 interest in a qualified motor vehicle or property subject  
9 to the lien of the tax. The Governor may, by general or  
10 special order, authorize examination by other state  
11 officers, by tax officers of another state, by the federal  
12 government, if a reciprocal arrangement exists, or by any  
13 other person of the records maintained by the board  
14 under this part. The information so obtained pursuant to  
15 the order of the Governor shall not be made public except  
16 to the extent and in the manner that the order may  
17 authorize that it be made public. Successors, receivers,  
18 trustees, executors, administrators, assignees, and  
19 guarantors, if directly interested, may be given  
20 information as to the items included in the measure and  
21 amounts of any unpaid tax or amounts of tax required to  
22 be collected, interest, and penalties.

23 SEC. 29. Section 60709 of the Revenue and Taxation  
24 Code is repealed.

25 SEC. 30. Section 2104 of the Streets and Highways  
26 Code is amended to read:

27 2104. A sum equal to the net revenue derived from a  
28 per gallon tax of 2.035 cents (\$0.02035) under the Motor  
29 Vehicle Fuel License Tax Law (Part 2 (commencing with  
30 Section 7301) of Division 2), 1.80 cents (\$0.0180) under  
31 the Use Fuel Tax Law (Part 3 (commencing with Section  
32 8601) of Division 2), and 1.80 cents (\$0.0180) under the  
33 Diesel Fuel Tax Law (Part 31 (commencing with Section  
34 60001) of Division 2) of the Revenue and Taxation Code,  
35 shall be apportioned among the counties, as follows:

36 (a) Each county shall be paid one thousand six  
37 hundred sixty-seven dollars (\$1,667) during each  
38 calendar month, which amount shall be expended  
39 exclusively for engineering costs and administrative  
40 expenses with respect to county roads.



1 (b) A sum equal to the total of all reimbursable snow  
 2 removal costs filed pursuant to subdivision (d) of Section  
 3 2152, or five million five hundred thousand dollars  
 4 (\$5,500,000), whichever is less, shall be apportioned in 12  
 5 approximately equal monthly apportionments for snow  
 6 removal on county roads, as provided in Section 2110.

7 (c) A sum equal to five hundred thousand dollars  
 8 (\$500,000) shall be apportioned in 12 approximately equal  
 9 monthly apportionments, as provided in Section 2110.5.

10 (d) Seventy-five percent of the funds payable under  
 11 this section shall be apportioned among the counties  
 12 monthly in the respective proportions that the number of  
 13 fee-paid and exempt vehicles which are registered in  
 14 each county bears to the total number of fee-paid and  
 15 exempt vehicles registered in the state.

16 For purposes of apportionment under this subdivision,  
 17 the Department of Motor Vehicles shall, as soon as  
 18 possible after the last day of each calendar month, furnish  
 19 to the Controller a verified statement showing the  
 20 number of fee-paid and exempt vehicles which are  
 21 registered in each county and in the state as of the last day  
 22 of each calendar month as reflected by the records of the  
 23 Department of Motor Vehicles.

24 (e) Of the remaining money payable, there shall be  
 25 paid to each eligible county an amount monthly  
 26 computed, as follows: The number of miles of maintained  
 27 county roads in each county shall be multiplied by sixty  
 28 dollars (\$60); from the resultant amount, there shall be  
 29 deducted the amount received by each county under  
 30 subdivision (d) and the remainder, if any, shall be paid to  
 31 each county.

32 (f) The remaining money payable, after the foregoing  
 33 apportionments, shall be apportioned among the  
 34 counties in the same proportion as the money referred to  
 35 in subdivision (d).

36 *SEC. 30.5. Section 2104 of the Streets and Highways*  
 37 *Code is amended to read:*

38 2104. A sum equal to the net revenue derived from a  
 39 per gallon tax of 2.035 cents (\$0.02035) under the Motor  
 40 Vehicle Fuel License Tax Law (Part 2 (commencing with



1 Section 7301) of Division 2 ~~of the Revenue and Taxation~~  
2 ~~Code), and 2), 1.80 cents (\$0.0180) under the Use Fuel~~  
3 ~~Tax Law (Part 3 (commencing with Section 8601) of that~~  
4 ~~division) of Division 2), and 1.80 cents (\$0.0180) under~~  
5 ~~the Diesel Fuel Tax Law (Part 31 (commencing with~~  
6 ~~Section 60001) of Division 2) of the Revenue and Taxation~~  
7 ~~Code, shall be apportioned among the counties, as~~  
8 follows:

9 (a) Each county shall be paid one thousand six  
10 hundred sixty-seven dollars (\$1,667) during each  
11 calendar month, which amount shall be expended  
12 exclusively for engineering costs and administrative  
13 expenses with respect to county roads.

14 (b) A sum equal to the total of all reimbursable snow  
15 removal *or snow grooming, or both*, costs filed pursuant  
16 to subdivision (d) of Section 2152, or five million five  
17 hundred thousand dollars (\$5,500,000), whichever is less,  
18 shall be apportioned in 12 approximately equal monthly  
19 apportionments for snow removal *or snow grooming, or*  
20 *both*, on county roads, as provided in Section 2110.

21 (c) A sum equal to five hundred thousand dollars  
22 (\$500,000) shall be apportioned in 12 approximately equal  
23 monthly apportionments, as provided in Section 2110.5.

24 (d) Seventy-five percent of the funds payable under  
25 this section shall be apportioned among the counties  
26 monthly in the respective proportions that the number of  
27 fee-paid and exempt vehicles which are registered in  
28 each county bears to the total number of fee-paid and  
29 exempt vehicles registered in the state.

30 For purposes of apportionment under this subdivision,  
31 the Department of Motor Vehicles shall, as soon as  
32 possible after the last day of each calendar month, furnish  
33 to the Controller a verified statement showing the  
34 number of fee-paid and exempt vehicles which are  
35 registered in each county and in the state as of the last day  
36 of each calendar month as reflected by the records of the  
37 Department of Motor Vehicles.

38 (e) Of the remaining money payable, there shall be  
39 paid to each eligible county an amount monthly  
40 computed, as follows: The number of miles of maintained



1 county roads in each county shall be multiplied by sixty  
2 dollars (\$60); from the resultant amount, there shall be  
3 deducted the amount received by each county under  
4 subdivision (d) and the remainder, if any, shall be paid to  
5 each county.

6 (f) The remaining money payable, after the foregoing  
7 apportionments, shall be apportioned among the  
8 counties in the same proportion as the money referred to  
9 in subdivision (d).

10 SEC. 31. Section 2105 of the Streets and Highways  
11 Code is amended to read:

12 2105. In addition to the apportionments prescribed by  
13 Sections 2104, 2106, and 2107, from the revenues derived  
14 from a per gallon tax imposed pursuant to Section 7351 of  
15 the Revenue and Taxation Code, and a per gallon tax  
16 imposed pursuant to Section 8651 of the Revenue and  
17 Taxation Code, and a per gallon tax imposed pursuant to  
18 Sections 60050 and 60115 of the Revenue and Taxation  
19 Code, the following apportionments shall be made:

20 (a) A sum equal to the net revenue from a tax of 11.5  
21 percent of any per gallon tax in excess of nine cents  
22 (\$0.09) per gallon under Section 7351 of the Revenue and  
23 Taxation Code, 11.5 percent of any per gallon tax in excess  
24 of nine cents (\$0.09) per gallon under Section 8651 of the  
25 Revenue and Taxation Code, and 11.5 percent of any per  
26 gallon tax in excess of nine cents (\$0.09) per gallon under  
27 Sections 60050 and 60115 of the Revenue and Taxation  
28 Code, shall be apportioned among the counties, including  
29 a city and county.

30 The amount of apportionment to each county,  
31 including a city and county, during a fiscal year shall be  
32 calculated as follows:

33 (1) One million dollars (\$1,000,000) for  
34 apportionment to all counties, including a city and  
35 county, in proportion to each county's receipts during the  
36 prior fiscal year under Sections 2104 and 2106.

37 (2) One million dollars (\$1,000,000) for  
38 apportionment to all counties, including a city and  
39 county, as follows:



1 (A) Seventy-five percent in the proportion that the  
2 number of fee-paid and exempt vehicles which are  
3 registered in the county bears to the number of fee-paid  
4 and exempt vehicles registered in the state.

5 (B) Twenty-five percent in the proportion that the  
6 number of miles of maintained county roads in the county  
7 bears to the miles of maintained county roads in the state.

8 (3) For each county, determine its factor which is the  
9 higher amount calculated pursuant to paragraph (1) or  
10 (2) divided by the sum of the higher amounts for all of the  
11 counties.

12 (4) The amount to be apportioned to each county is  
13 equal to its factor multiplied by the amount available for  
14 apportionment.

15 (b) A sum equal to the net revenue from a tax of 11.5  
16 percent of any per gallon tax in excess of nine cents  
17 (\$0.09) per gallon under Section 7351 of the Revenue and  
18 Taxation Code, 11.5 percent of any per gallon tax in excess  
19 of nine cents (\$0.09) per gallon under Section 8651 of the  
20 Revenue and Taxation Code, and 11.5 percent of any per  
21 gallon tax in excess of nine cents (\$0.09) per gallon under  
22 Sections 60050 and 60115 of the Revenue and Taxation  
23 Code, shall be apportioned to cities, including a city and  
24 county, in the proportion that the total population of the  
25 city bears to the total population of all the cities in the  
26 state.

27 SEC. 32. Section 2107 of the Streets and Highways  
28 Code is amended to read:

29 2107. A sum equal to the net revenues derived from  
30 a per gallon tax of 1.315 cents (\$0.01315) under the Motor  
31 Vehicle Fuel License Tax Law (Part 2 (commencing with  
32 Section 7301) of Division 2), 2.59 cents (\$0.0259) under  
33 the Use Fuel Tax Law (Part 3 (commencing with Section  
34 8601) of Division 2), and 1.80 cents (\$0.0180) under the  
35 Diesel Fuel Tax Law (Part 31 (commencing with Section  
36 60001) of Division 2) of the Revenue and Taxation Code,  
37 shall be apportioned monthly to the cities and cities and  
38 counties of this state from the Highway Users Tax  
39 Account in the Transportation Tax Fund as provided in  
40 this section.



1 From that sum, the Controller shall allocate annually to  
2 each city which has filed a report containing the  
3 information prescribed by subdivision (c) of Section 2152,  
4 and which had expenditures in excess of five thousand  
5 dollars (\$5,000) during the preceding fiscal year for snow  
6 removal, an amount equal to one-half of the amount of its  
7 expenditures for snow removal in excess of five thousand  
8 dollars (\$5,000) during that fiscal year.

9 The balance of that sum from the Highway Users Tax  
10 Account shall be allocated to each city, including city and  
11 county, in the proportion that the total population of the  
12 city bears to the total population of all the cities in this  
13 state.

14 For the purpose of this section, the population in each  
15 city is that determined in the manner specified in  
16 Sections 11005 and 11005.3 of the Revenue and Taxation  
17 Code.

18 *SEC. 32.5. Section 2107 of the Streets and Highways*  
19 *Code is amended to read:*

20 2107. A sum equal to the net revenues derived from  
21 a per gallon tax of 1.315 cents (\$0.01315) under the Motor  
22 Vehicle Fuel License Tax Law (Part 2 (commencing with  
23 Section 7301) of Division 2 ~~of the Revenue and Taxation~~  
24 ~~Code), and 2), 2.59 cents (\$0.0259) under the Use Fuel~~  
25 ~~Tax Law (Part 3 (commencing with Section 8601) of that~~  
26 ~~division) Division 2), and 1.80 cents (\$0.0180) under the~~  
27 ~~Diesel Fuel Tax Law (Part 31 (commencing with Section~~  
28 ~~60001) of Division 2) of the Revenue and Taxation Code,~~  
29 shall be apportioned monthly to the cities and cities and  
30 counties of this state from the Highway Users Tax  
31 Account in the Transportation Tax Fund as provided in  
32 this section.

33 From that sum, the Controller shall allocate annually to  
34 each city ~~which~~ *that* has filed a report containing the  
35 information prescribed by subdivision (c) of Section 2152,  
36 and ~~which~~ *that* had expenditures in excess of five  
37 thousand dollars (\$5,000) during the preceding fiscal year  
38 for snow removal, an amount equal to one-half of the  
39 amount of its expenditures for snow removal in excess of  
40 five thousand dollars (\$5,000) during that fiscal year.



1 The balance of that sum from the Highway Users Tax  
2 Account shall be allocated to each city, including city and  
3 county, in the proportion that the total population of the  
4 city bears to the total population of all the cities in this  
5 state.

6 For the purpose of this section, *except as otherwise*  
7 *provided in this paragraph*, the population in each city is  
8 ~~that the population~~ determined for that city in the  
9 manner specified in Sections 11005 and 11005.3 of the  
10 Revenue and Taxation Code. Commencing with the  
11 ninth fiscal year of a city described in subdivision (a) of  
12 Section 11005.3 of the Revenue and Taxation Code, and  
13 the sixth fiscal year of a city described in subdivision (b)  
14 of that same section, the population in each city is the  
15 population determined for that city in the manner  
16 specified in Section 11005 of the Revenue and Taxation  
17 Code.

18 SEC. 33. The Legislature hereby finds and declares  
19 that the amendment to Section 7102 of the Revenue and  
20 Taxation Code made by this act is consistent with and  
21 furthers the purpose of Proposition 116, which was  
22 enacted at the June 5, 1990, statewide election.

23 SEC. 34. Section 3.5 of this bill incorporates  
24 amendments to Section 7102 of the Revenue and Taxation  
25 Code proposed by both this bill and AB 1269. It shall only  
26 become operative if (1) both bills are enacted and  
27 become effective on or before January 1, 1998, (2) each  
28 bill amends Section 7102 of the Revenue and Taxation  
29 Code, and (3) this bill is enacted after AB 1269, in which  
30 case Section 7102 of the Revenue and Taxation Code, as  
31 amended by AB 1269, shall remain operative only until  
32 the operative date of this bill, at which time Section 3.5 of  
33 this bill shall become operative, and Section 3 of this bill  
34 shall not become operative.

35 SEC. 35. Section 30.5 of this bill incorporates  
36 amendments to Section 2104 of the Streets and Highways  
37 Code proposed by both this bill and SB 506. It shall only  
38 become operative if (1) both bills are enacted and  
39 become effective on or before January 1, 1998, (2) each  
40 bill amends Section 2104 of the Streets and Highways

1 *Code, and (3) this bill is enacted after SB 506, in which*  
2 *case Section 30 of this bill shall not become operative.*  
3 *SEC. 36. Section 32.5 of this bill incorporates*  
4 *amendments to Section 2107 of the Streets and Highways*  
5 *Code proposed by both this bill and AB 1226. It shall only*  
6 *become operative if (1) both bills are enacted and*  
7 *become effective on or before January 1, 1998, (2) each*  
8 *bill amends Section 2107 of the Streets and Highways*  
9 *Code, and (3) this bill is enacted after AB 1226, in which*  
10 *case Section 32 of this bill shall not become operative.*

