

AMENDED IN ASSEMBLY JANUARY 3, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1167

Introduced by Assembly Member Frusetta

February 25, 1999

~~An act to add Section 97.46 to the Revenue and Taxation Code, relating to local government finance. An act to amend Section 972.1 of the Military and Veterans Code, relating to veterans.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1167, as amended, Frusetta. *County veteran service officers: disbursements to counties.* ~~Property tax revenue shifts: exemption: veterans memorial districts.~~

Existing law authorizes each county board of supervisors to appoint a county veteran service officer, and permits the county to provide the officer with any assistance and facilities that it determines to be necessary. Existing law requires the Department of Veterans Affairs to disburse funds, appropriated to the department for the purpose of supporting county veteran service officers pursuant to the annual Budget Act, on a pro rata basis to counties that comply with certain conditions. Commencing January 1, 2001, existing law includes the condition that county funds are allocated to county veteran service officers in an amount not less than that allocated in the 1988–89 fiscal year.

This bill would instead, commencing January 1, 2006, include the condition that county funds are allocated to

county veteran service officers in an amount not less than that allocated in the 1988–89 fiscal year.

~~Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. Existing property tax law also reduces the amounts of ad valorem property tax revenue that would otherwise be annually allocated to the county, cities, and special districts pursuant to these general allocation requirements by requiring, for purposes of determining property tax revenue allocations in each county for the 1992–93 and 1993–94 fiscal years, that 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.~~

~~This bill would, for the 1999–2000 fiscal year and each fiscal year thereafter, modify these reduction and transfer provisions by eliminating the reduction and transfer amount for any veterans memorial district established pursuant to certain statutory provisions. By establishing new duties with respect to the allocation of ad valorem property tax revenues for the 1999–2000 fiscal year, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.~~



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

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

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

1 ~~SECTION 1. Section 97.46 is added to the Revenue~~
2 *SECTION 1. Section 972.1 of the Military and*
3 *Veterans Code, as amended by Section 2 of Chapter 318*
4 *of the Statutes of 1997, is amended to read:*
5 972.1. (a) The sum of five hundred thousand dollars
6 (\$500,000) is hereby appropriated from the General Fund
7 to the Department of Veterans Affairs for allocation,
8 during the 1989–90 fiscal year, for purposes of funding the
9 activities of county veteran service officers pursuant to
10 this section. Funds for allocation in future years shall be
11 as provided in the annual Budget Act.
12 (b) Funds shall be disbursed each fiscal year on a pro
13 rata basis to counties that have established and maintain
14 a county veteran service officer in accordance with the
15 staffing level and workload of each county veteran
16 service officer under a formula based upon performance
17 that shall be developed by the Department of Veterans
18 Affairs for these purposes.
19 (c) The department shall annually determine the
20 amount of new or increased monetary benefits paid to
21 eligible veterans by the federal government attributable
22 to the assistance of county veteran service officers. The
23 department shall on or before January 1, prepare and
24 transmit its determination for the preceding fiscal year to
25 the Department of Finance and the Legislature. The
26 Department of Finance shall review the department’s
27 determination in time to use the information in the
28 annual Budget Act for the budget of the department for
29 the next fiscal year.
30 (d) (1) The Legislature finds and declares that 50
31 percent of the amount annually budgeted for county



1 veteran service officers is approximately five million
2 dollars (\$5,000,000). The Legislature further finds and
3 declares that it is an efficient and reasonable use of state
4 funds to increase the annual budget for county veteran
5 service officers in an amount not to exceed five million
6 dollars (\$5,000,000) if it is justified by the monetary
7 benefits to the state's veterans attributable to the effort
8 of these officers.

9 (2) It is the intent of the Legislature, after reviewing
10 the department's determination in subdivision (c), to
11 consider an increase in the annual budget for county
12 veteran service officers in an amount not to exceed five
13 million dollars (\$5,000,000), if the monetary benefits to
14 the state's veterans attributable to the assistance of
15 county veteran service officers justify that increase in the
16 budget.

17 (e) This section shall remain in effect only until
18 January 1, ~~2001~~ 2006, and as of that date is repealed, unless
19 a later enacted statute, that is enacted before January 1,
20 ~~2001~~ 2006, deletes or extends that date.

21 *SEC. 2. Section 972.1 of the Military and Veterans*
22 *Code, as amended by Section 3 of Chapter 318 of the*
23 *Statutes of 1997, is amended to read:*

24 972.1. (a) The sum of five hundred thousand dollars
25 (\$500,000) is hereby appropriated from the General Fund
26 to the Department of Veterans Affairs for allocation,
27 during the 1989–90 fiscal year, for purposes of funding the
28 activities of county veteran service officers pursuant to
29 this section. Funds for allocation in future years shall be
30 as provided in the annual Budget Act.

31 (b) Funds shall be disbursed each fiscal year on a pro
32 rata basis to counties that have established and maintain
33 a county veteran service officer in accordance with the
34 staffing level and workload of each county veteran
35 service officer under a formula based upon performance
36 that shall be developed by the Department of Veterans
37 Affairs for these purposes, and that shall allocate county
38 funds in any fiscal year for county veterans service
39 officers in an amount not less than the amount allocated
40 in the 1988–89 fiscal year.



1 (c) The department shall annually determine the
2 amount of new or increased monetary benefits paid to
3 eligible veterans by the federal government attributable
4 to the assistance of county veteran service officers. The
5 department shall on or before January 1, prepare and
6 transmit its determination for the preceding fiscal year to
7 the Department of Finance and the Legislature. The
8 Department of Finance shall review the department's
9 determination in time to use the information in the
10 annual Budget Act for the budget of the department for
11 the next fiscal year.

12 (d) (1) The Legislature finds and declares that 50
13 percent of the amount annually budgeted for county
14 veteran service officers is approximately five million
15 dollars (\$5,000,000). The Legislature further finds and
16 declares that it is an efficient and reasonable use of state
17 funds to increase the annual budget for county veteran
18 service officers in an amount not to exceed five million
19 dollars (\$5,000,000) if it is justified by the monetary
20 benefits to the state's veterans attributable to the effort
21 of these officers.

22 (2) It is the intent of the Legislature, after reviewing
23 the department's determination in subdivision (c), to
24 consider an increase in the annual budget for county
25 veteran service officers in an amount not to exceed five
26 million dollars (\$5,000,000), if the monetary benefits to
27 the state's veterans attributable to the assistance of
28 county veteran service officers justify that increase in the
29 budget.

30 (e) This section shall become operative January 1, 2004
31 2006.

32 ~~and Taxation Code, to read:~~

33 ~~97.46. Notwithstanding any other provision of this~~
34 ~~article, the auditor shall, for the 1999-2000 fiscal year and~~
35 ~~each fiscal year thereafter, eliminate the shift of ad~~
36 ~~valorem property tax revenues to the county's~~
37 ~~Educational Revenue Augmentation Fund from a~~
38 ~~veterans memorial district, established pursuant to~~
39 ~~Chapter 1 (commencing with Section 1170) of Division~~
40 ~~6 of the Military and Veterans Code, resulting from any~~



1 ~~reduction calculated for that district pursuant to Section~~
2 ~~97.2 or 97.3.~~
3 ~~SEC. 2. Notwithstanding Section 17610 of the~~
4 ~~Government Code, if the Commission on State Mandates~~
5 ~~determines that this act contains costs mandated by the~~
6 ~~state, reimbursement to local agencies and school~~
7 ~~districts for those costs shall be made pursuant to Part 7~~
8 ~~(commencing with Section 17500) of Division 4 of Title~~
9 ~~2 of the Government Code. If the statewide cost of the~~
10 ~~claim for reimbursement does not exceed one million~~
11 ~~dollars (\$1,000,000), reimbursement shall be made from~~
12 ~~the State Mandates Claims Fund.~~

