

AMENDED IN ASSEMBLY MARCH 23, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 50

Introduced by Assembly Member Nava

December 1, 2008

An act to amend Sections 8686 and 65302.6 of the Government Code, and to amend Sections 218, 17207, and 24347.5 of, and to add Sections 195.146, 195.147, and 195.148 to, the Revenue and Taxation Code, relating to disaster relief, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 50, as amended, Nava. Disaster relief: ~~Santa Barbara County~~. relief.

(1) Under existing law, the California Disaster Assistance Act, the state share for eligible project costs is no more than 75% of total state eligible costs, and for specific incidents, the state share is up to 100% of total eligible state costs.

This bill would include, as eligible for 100% state share, the wildfires that occurred in southern California commencing on or about October 20, 2007, as specified in agreements between this state and the United States for federal financial assistance the wildfire that occurred in the Lake Tahoe Basin commencing on June 24, 2007, as specified in agreements for federal assistance between this state and the United States, and the wildfire that commenced on November 13, 2008, in Santa Barbara County, as declared a disaster by the Governor in November 2008.

(2) Under the California Disaster Assistance Act the state share may be up to 100% for costs connected with certain events only if the local

agency has adopted a local hazard mitigation plan in accordance with specified federal law.

Existing law, the Planning and Zoning Law, requires that a city, county, or city and county general plan contain a safety element for the protection of the community from specified safety risks, and authorizes a city, county, or a city and county to adopt with its safety element a federally specified local hazard mitigation plan that includes specified elements.

This bill would eliminate the requirement that adoption of the federally specified local hazard mitigation plan include required specified elements.

(1)

(3) Existing law authorizes a county board of supervisors to provide by ordinance for the reassessment of property that is damaged or destroyed, without fault on the part of the assessee, by a major misfortune or calamity, upon the application of the assessee or upon the action of the county assessor with the board's approval. With respect to certain counties that have adopted reassessment ordinances and have been declared by the Governor to be in a state of emergency as a result of certain events, existing law provides for state allocations of the estimated amounts of the reductions in property tax revenues resulting in certain fiscal years from reassessments under those ordinances. Existing law also continuously appropriates, without regard to fiscal years, moneys in the Special Fund for Economic Uncertainties for purposes of funding these state allocations.

This bill would provide for similar state allocations with respect to property tax revenue reductions resulting from a reassessment for damages incurred within the County of Santa Barbara, which was declared by the Governor to be in a state of emergency due to the wildfires that commenced in November 2008.

By requiring moneys continuously appropriated from the Special Fund for Economic Uncertainties to be allocated for the new purpose of reimbursing the County of Santa Barbara for these property tax revenue reductions, this bill would make an appropriation.

(2)

(4) Existing property tax law provides, pursuant to a specified provision of the California Constitution, for a homeowners' property tax exemption in the amount of \$7,000 of the full value of a "dwelling," as defined.

This bill would also provide that any dwelling that qualified for the exemption prior to November 13, 2008, that was damaged or destroyed by the wildfires in the County of Santa Barbara, as declared by the Governor in November 2008, and that has not changed ownership since November 13, 2008, may not be denied the exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to wildfires.

The California Constitution requires the Legislature, in each fiscal year, to reimburse local governments for the revenue losses incurred by those governments in that fiscal year as a result of the homeowners' property tax exemption.

This bill would state the intent of the Legislature to make this required reimbursement in the annual Budget Act. By requiring local tax officials to implement new exemption criteria, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, 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.

(3)

(5) The Personal Income Tax Law and the Corporation Tax Law provide for the carryover to specified taxable years of specified losses sustained as a result of certain disasters occurring in California in an area determined by the President of the United States to warrant specified federal assistance, or proclaimed by the Governor to be in a state of emergency.

This bill would extend these provisions to losses sustained in the County of Santa Barbara as a result of the wildfires that commenced in November 2008. This bill would authorize a taxpayer to make an election to claim a deduction for those losses on the tax return for the preceding year.

(4)

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

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. Section 8686 of the Government Code is amended
2 to read:

3 8686. (a) For any eligible project, the state share shall amount
4 to no more than 75 percent of total state eligible costs.

5 (b) Notwithstanding subdivision (a), the state share shall be up
6 to 100 percent of total state eligible costs connected with the
7 following events:

8 (1) The October 17, 1989, Loma Prieta earthquake.

9 (2) The October 20, 1991, East Bay fire.

10 (3) The fires that occurred in southern California from October
11 1, 1993, to November 30, 1993, inclusive.

12 (4) The January 17, 1994, Northridge earthquake.

13 (5) Storms that occurred in California during the periods
14 commencing January 3, 1995, and February 13, 1995, as specified
15 in agreements between this state and the United States for federal
16 financial assistance.

17 (6) The storms that occurred in California in December of 1996
18 and early January of 1997, as specified in agreements between this
19 state and the United States for federal financial assistance.

20 (7) The winter storms and flooding that occurred from February
21 1, 1998, to April 30, 1998, inclusive, as specified in agreements
22 between this state and the United States for federal financial
23 assistance.

24 (8) The wildfires that occurred in southern California
25 commencing October 21, 2003, as specified in agreements between
26 this state and the United States for federal financial assistance.

27 (9) The December 22, 2003, San Simeon earthquake, as
28 specified in agreements between this state and the United States
29 for federal financial assistance.

30 (10) The severe storms, flooding, debris flows, and mudslides
31 that occurred during December 27, 2004, to January 11, 2005,
32 inclusive, in southern California, as specified in agreements
33 between this state and the United States for federal financial
34 assistance.

35 (11) The severe storms, flooding, landslides, and mud and debris
36 flows that occurred in southern California during the period from
37 February 16 to February 23, 2005, inclusive, as specified in

1 agreements between this state and the United States for federal
2 financial assistance.

3 (12) The severe storms, flooding, mudslides, and landslides that
4 occurred in northern California during the period from December
5 17, 2005, to January 3, 2006, inclusive, as specified in agreements
6 between this state and the United States for federal financial
7 assistance.

8 (13) The severe storms and flooding that occurred in northern
9 and central California during the period from March 29, 2006, to
10 April 16, 2006, inclusive, as specified in agreements between this
11 state and the United States for federal financial assistance.

12 (14) *The wildfires that occurred in southern California*
13 *commencing on or about October 20, 2007, as specified in*
14 *agreements between this state and the United States for federal*
15 *financial assistance.*

16 (15) *The wildfire that occurred in the Lake Tahoe Basin*
17 *commencing on June 24, 2007, as specified in agreements for*
18 *federal assistance between this state and the United States.*

19 (16) *The wildfire that commenced on November 13, 2008, in*
20 *Santa Barbara County, as declared a disaster by the Governor in*
21 *November 2008.*

22 (c) For any federally declared disaster subsequent to January 1,
23 1995, that the Legislature has designated in subdivision (b), the
24 state shall assume the increased share specified in subdivision (b)
25 in those cases where the Federal Emergency Management Agency
26 or another applicable federal agency has approved the federal share
27 of costs.

28 (d) The state shall make no allocation for any project application
29 resulting in a state share of less than two thousand five hundred
30 dollars (\$2,500) under this section.

31 *SEC. 2. Section 65302.6 of the Government Code is amended*
32 *to read:*

33 65302.6. (a) A city, county, or a city and county may adopt,
34 with its safety element pursuant to subdivision (g) of Section
35 65302, a local hazard mitigation plan (HMP) specified in the
36 federal Disaster Mitigation Act of 2000 (~~P. L. 106-390; 42 U.S.C.~~
37 ~~Sec. 5121 et seq.~~) (*Public Law 106-390; 42 U.S.C. Sec. 5121 et*
38 *seq.*). ~~The hazard mitigation plan shall include all of the following~~
39 ~~elements called for in the federal act requirements:~~

1 ~~(1) An initial earthquake performance evaluation of public~~
2 ~~facilities that provide essential services, shelter, and critical~~
3 ~~governmental functions.~~

4 ~~(2) An inventory of private facilities that are potentially~~
5 ~~hazardous, including, but not limited to, multiunit, soft story,~~
6 ~~concrete tilt-up, and concrete frame buildings.~~

7 ~~(3) A plan to reduce the potential risk from private and~~
8 ~~governmental facilities in the event of a disaster.~~

9 (b) Local jurisdictions that have not adopted a local hazard
10 mitigation plan shall be given preference by the Office of
11 Emergency Services in recommending actions to be funded from
12 the Pre-Disaster Mitigation Program, the Hazard Mitigation Grant
13 Program, and the Flood Mitigation Assistance Program to assist
14 the local jurisdiction in developing and adopting a local hazard
15 mitigation plan, subject to available funding from the Federal
16 Emergency Management Agency.

17 **SECTION 1.**

18 **SEC. 3.** Section 195.146 is added to the Revenue and Taxation
19 Code, to read:

20 195.146. (a) By October 30, 2009, the auditor of the County
21 of Santa Barbara, which was the subject of the Governor's
22 proclamation of a state of emergency for wildfires that commenced
23 on November 13, 2008, shall certify to the Director of Finance an
24 estimate of the total amount of the reduction in property tax
25 revenues on both the regular secured roll and the supplemental
26 roll for the 2008–09 fiscal year resulting from the reassessment
27 by the county assessor pursuant to paragraph (1) of subdivision
28 (a) of Section 170 of those properties that are eligible properties
29 as a result of those disasters, except that the amount certified shall
30 not include any estimated property tax revenue reductions to school
31 districts, other than basic state aid school districts, and county
32 offices of education.

33 (b) For purposes of this section, "basic state aid school district"
34 means any school district that does not receive a state
35 apportionment pursuant to subdivision (h) of Section 42238 of the
36 Education Code, but receives from the state only a basic
37 apportionment pursuant to Section 6 of Article IX of the California
38 Constitution.

~~SEC. 2.~~

SEC. 4. Section 195.147 is added to the Revenue and Taxation Code, to read:

195.147. After the county auditor of the eligible county, as described in Section 195.146, has made the applicable certification to the Director of Finance pursuant to that section, the director shall within 30 days after verification of the county auditor's estimate, certify this amount to the Controller for allocation to the county. Upon receipt of certification from the Director of Finance, the Controller shall make the appropriate allocation to the county within 10 working days.

~~SEC. 3.~~

SEC. 5. Section 195.148 is added to the Revenue and Taxation Code, to read:

195.148. (a) On or before June 30, 2010, an eligible county, as described in Section 195.146, shall compute and remit to the Controller for deposit in the General Fund an amount equal to the amount allocated to it by the Controller pursuant to Section 195.147, less the actual amount of its property tax revenue lost on the regular secured and supplemental rolls with respect to those eligible properties described in Section 195.146 as a result of the reassessment of those properties pursuant to paragraph (1) of subdivision (a) of Section 170, excluding any property tax revenue lost by school districts, other than basic state aid school districts, and county offices of education. If the actual amount of property tax revenue lost by an eligible county in the immediately preceding fiscal year, as described and limited in the preceding sentence, exceeds the amount allocated by the Controller to that county pursuant to Section 195.147, the Controller shall allocate the amount of that excess to that eligible county.

(b) For purposes of this section, "basic state aid school district" means any school district that does not receive a state apportionment pursuant to subdivision (h) of Section 42238 of the Education Code, but receives from the state only a basic apportionment pursuant to Section 6 of Article IX of the California Constitution.

~~SEC. 4.~~

SEC. 6. Section 218 of the Revenue and Taxation Code is amended to read:

1 218. (a) The homeowners' property tax exemption is in the
2 amount of the assessed value of the dwelling specified in this
3 section, as authorized by subdivision (k) of Section 3 of Article
4 XIII of the Constitution. That exemption shall be in the amount
5 of seven thousand dollars (\$7,000) of the full value of the dwelling.

6 (b) The exemption does not extend to property that is rented,
7 vacant, under construction on the lien date, or that is a vacation or
8 secondary home of the owner or owners, nor does it apply to
9 property on which an owner receives the veteran's exemption.

10 (c) For purposes of this section, all of the following apply:

11 (1) "Owner" includes a person purchasing the dwelling under
12 a contract of sale or who holds shares or membership in a
13 cooperative housing corporation, which holding is a requisite to
14 the exclusive right of occupancy of a dwelling.

15 (2) (A) "Dwelling" means a building, structure, or other shelter
16 constituting a place of abode, whether real property or personal
17 property, and any land on which it may be situated. A two-dwelling
18 unit shall be considered as two separate single-family dwellings.

19 (B) "Dwelling" includes the following:

20 (i) A single-family dwelling occupied by an owner thereof as
21 his or her principal place of residence on the lien date.

22 (ii) A multiple-dwelling unit occupied by an owner thereof on
23 the lien date as his or her principal place of residence.

24 (iii) A condominium occupied by an owner thereof as his or her
25 principal place of residence on the lien date.

26 (iv) Premises occupied by the owner of shares or a membership
27 interest in a cooperative housing corporation, as defined in
28 subdivision (i) of Section 61, as his or her principal place of
29 residence on the lien date. Each exemption allowed pursuant to
30 this subdivision shall be deducted from the total assessed valuation
31 of the cooperative housing corporation. The exemption shall be
32 taken into account in apportioning property taxes among owners
33 of share or membership interests in the cooperative housing
34 corporations so as to benefit those owners who qualify for the
35 exemption.

36 (d) Any dwelling that qualified for an exemption under this
37 section prior to October 20, 1991, that was damaged or destroyed
38 by fire in a disaster, as declared by the Governor, occurring on or
39 after October 20, 1991, and before November 1, 1991, and that
40 has not changed ownership since October 20, 1991, shall not be

1 disqualified as a “dwelling” or be denied an exemption under this
2 section solely on the basis that the dwelling was temporarily
3 damaged or destroyed or was being reconstructed by the owner.

4 (e) Any dwelling that qualified for an exemption under this
5 section prior to October 15, 2003, that was damaged or destroyed
6 by fire or earthquake in a disaster, as declared by the Governor,
7 during October, November, or December 2003, and that has not
8 changed ownership since October 15, 2003, shall not be
9 disqualified as a “dwelling” or be denied an exemption under this
10 section solely on the basis that the dwelling was temporarily
11 damaged or destroyed or was being reconstructed by the owner.

12 (f) Any dwelling that qualified for an exemption under this
13 section prior to June 3, 2004, that was damaged or destroyed by
14 flood in a disaster, as declared by the Governor, during June 2004,
15 and that has not changed ownership since June 3, 2004, shall not
16 be disqualified as a “dwelling” or be denied an exemption under
17 this section solely on the basis that the dwelling was temporarily
18 damaged or destroyed or was being reconstructed by the owner.

19 (g) Any dwelling that qualified for an exemption under this
20 section prior to August 11, 2004, that was damaged or destroyed
21 by the wildfires and any other related casualty that occurred in
22 Shasta County in a disaster, as declared by the Governor, during
23 August 2004, and that has not changed ownership since August
24 11, 2004, shall not be disqualified as a “dwelling” or be denied an
25 exemption under this section solely on the basis that the dwelling
26 was temporarily damaged or destroyed or was being reconstructed
27 by the owner.

28 (h) Any dwelling that qualified for an exemption under this
29 section prior to December 28, 2004, that was damaged or destroyed
30 by severe rainstorms, floods, mudslides, or the accumulation of
31 debris in a disaster, as declared by the Governor, during December
32 2004, January 2005, February 2005, March 2005, or June 2005,
33 and that has not changed ownership since December 28, 2004,
34 shall not be disqualified as a “dwelling” or be denied an exemption
35 under this section solely on the basis that the dwelling was
36 temporarily damaged or destroyed or was being reconstructed by
37 the owner, or was temporarily uninhabited as a result of restricted
38 access to the property due to floods, mudslides, the accumulation
39 of debris, or washed-out or damaged roads.

(i) Any dwelling that qualified for an exemption under this section prior to December 19, 2005, that was damaged or destroyed by severe rainstorms, floods, mudslides, or the accumulation of debris in a disaster, as declared by the Governor in January 2006, April 2006, May 2006, or June 2006, and that has not changed ownership since December 19, 2005, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to floods, mudslides, the accumulation of debris, or washed-out or damaged roads.

(j) Any dwelling that qualified for an exemption under this section prior to July 9, 2006, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the County of San Bernardino, as declared by the Governor in July 2006, and that has not changed ownership since July 9, 2006, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(k) Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor’s proclamations of 2006 that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Riverside and Ventura, and that has not changed ownership since the commencement dates of these disasters as listed in the Governor’s proclamations of 2006 shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(l) Any dwelling that qualified for an exemption under this section prior to January 11, 2007, that was damaged or destroyed by severe freezing conditions, commencing January 11, 2007, and any other related casualty that occurred in the Counties of El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa

1 Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba as a
2 result of a disaster as declared by the Governor, and that has not
3 changed ownership since January 11, 2007, shall not be disqualified
4 as a “dwelling” or be denied an exemption under this section solely
5 on the basis that the dwelling was temporarily damaged or
6 destroyed or was being reconstructed by the owner, or was
7 temporarily uninhabited as a result of restricted access to the
8 property due to severe freezing conditions.

9 (m) Any dwelling that qualified for an exemption under this
10 section prior to June 24, 2007, that was damaged or destroyed by
11 the wildfires and any other related casualty that occurred as a result
12 of this disaster in the County of El Dorado, as declared by the
13 Governor in June 2007, and that has not changed ownership since
14 June 24, 2007, shall not be disqualified as a “dwelling” or be denied
15 an exemption under this section solely on the basis that the
16 dwelling was temporarily damaged or destroyed or was being
17 reconstructed by the owner, or was temporarily uninhabited as a
18 result of restricted access to the property due to the wildfires.

19 (n) Any dwelling that qualified for an exemption under this
20 section prior to July 4, 2007, that was damaged or destroyed by
21 the Zaca Fire and any other related casualty that occurred as a
22 result of this disaster in the Counties of Santa Barbara and Ventura,
23 as declared by the Governor in August 2007, and that has not
24 changed ownership since July 4, 2007, may not be denied an
25 exemption solely on the basis that the dwelling was temporarily
26 damaged or destroyed or was being reconstructed by the owner,
27 or was temporarily uninhabited as a result of restricted access to
28 the property due to the Zaca Fire.

29 (o) Any dwelling that qualified for an exemption under this
30 section prior to July 6, 2007, that was damaged or destroyed by
31 the wildfires and any other related casualty that occurred as a result
32 of this disaster in the County of Inyo, as declared by the Governor
33 in July 2007, and that has not changed ownership since July 6,
34 2007, may not be denied an exemption solely on the basis that the
35 dwelling was temporarily damaged or destroyed or was being
36 reconstructed by the owner, or was temporarily uninhabited as a
37 result of restricted access to the property due to the wildfires.

38 (p) Any dwelling that qualified for an exemption under this
39 section prior to the commencement dates of the wildfires listed in
40 the Governor’s disaster proclamations of September 15, 2007, and

1 October 21, 2007, that was damaged or destroyed by the wildfires
2 and any other related casualty that occurred in the Counties of Los
3 Angeles, Orange, Riverside, San Bernardino, San Diego, Santa
4 Barbara, and Ventura, and that has not changed ownership since
5 the commencement dates of these disasters as listed in the
6 proclamations shall not be disqualified as a “dwelling” or be denied
7 an exemption under this section solely on the basis that the
8 dwelling was temporarily damaged or destroyed or was being
9 reconstructed by the owner, or was temporarily uninhabited as a
10 result of restricted access to the property due to the wildfires.

11 (q) Any dwelling that qualified for an exemption under this
12 section prior to October 20, 2007, that was damaged or destroyed
13 by the extremely strong and damaging winds and any other related
14 casualty that occurred as a result of this disaster in the County of
15 Riverside, as declared by the Governor in November 2007, and
16 that has not changed ownership since October 20, 2007, shall not
17 be disqualified as a “dwelling” or be denied an exemption under
18 this section solely on the basis that the dwelling was temporarily
19 damaged or destroyed or was being reconstructed by the owner,
20 or was temporarily uninhabited as a result of restricted access to
21 the property due to the extremely strong and damaging winds.

22 (r) Any dwelling that qualified for an exemption under this
23 section prior to the commencement dates of the wildfires listed in
24 the Governor’s disaster proclamations of May, June, or July 2008,
25 that was damaged or destroyed by the wildfires and any other
26 related casualty that occurred in the Counties of Butte, Kern,
27 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
28 Shasta, and Trinity and that has not changed ownership since the
29 commencement dates of these disasters as listed in the
30 proclamations shall not be disqualified as a “dwelling” or be denied
31 an exemption under this section solely on the basis that the
32 dwelling was temporarily damaged or destroyed or was being
33 reconstructed by the owner, or was temporarily uninhabited as a
34 result of restricted access to the property due to the wildfires.

35 (s) Any dwelling that qualified for an exemption under this
36 section prior to July 1, 2008, that was damaged or destroyed by
37 the wildfires and any other related casualty that occurred as a result
38 of this disaster in the County of Santa Barbara, as declared by the
39 Governor in July 2008, and that has not changed ownership since
40 July 1, 2008, may not be denied an exemption solely on the basis

1 that the dwelling was temporarily damaged or destroyed or was
2 being reconstructed by the owner, or was temporarily uninhabited
3 as a result of restricted access to the property due to the wildfires.

4 (t) Any dwelling that qualified for an exemption under this
5 section prior to July 12, 2008, that was damaged or destroyed by
6 severe rainstorms, floods, landslides, or the accumulation of debris
7 in a disaster, as declared by the Governor, in July 2008, and that
8 has not changed ownership since July 12, 2008, shall not be
9 disqualified as a “dwelling” or be denied an exemption under this
10 section solely on the basis that the dwelling was temporarily
11 damaged or destroyed or was being reconstructed by the owner,
12 or was temporarily uninhabited as a result of restricted access to
13 the property due to floods, landslides, the accumulation of debris,
14 or washed-out or damaged roads.

15 (u) Any dwelling that qualified for an exemption under this
16 section prior to May 22, 2008, that was damaged or destroyed by
17 the wildfires and any other related casualty that occurred as a result
18 of this disaster in the County of Humboldt, as declared by the
19 Governor in August 2008, and that has not changed ownership
20 since May 22, 2008, may not be denied an exemption solely on
21 the basis that the dwelling was temporarily damaged or destroyed
22 or was being reconstructed by the owner, or was temporarily
23 uninhabited as a result of restricted access to the property due to
24 the wildfires.

25 (v) Any dwelling that qualified for an exemption under this
26 section prior to November 13, 2008, that was damaged or destroyed
27 by the wildfires and any other related casualty that occurred as a
28 result of this disaster in the County of Santa Barbara, as declared
29 by the Governor in November 2008, and that has not changed
30 ownership since November 13, 2008, shall not be disqualified as
31 a “dwelling” or be denied an exemption under this section solely
32 on the basis that the dwelling was temporarily damaged or
33 destroyed or was being reconstructed by the owner, or was
34 temporarily uninhabited as a result of restricted access to the
35 property due to the wildfires.

36 (w) The exemption provided for in subdivision (k) of Section
37 3 of Article XIII of the Constitution shall first be applied to the
38 building, structure, or other shelter and the excess, if any, shall be
39 applied to any land on which it may be located.

1 ~~SEC. 5.~~

2 *SEC. 7.* Section 17207 of the Revenue and Taxation Code is
3 amended to read:

4 17207. (a) An excess disaster loss, as defined in subdivision
5 (c), shall be carried to other taxable years as provided in
6 subdivision (b), with respect to losses resulting from any of the
7 following disasters:

8 (1) Forest fire or any other related casualty occurring in 1985
9 in California.

10 (2) Storm, flooding, or any other related casualty occurring in
11 1986 in California.

12 (3) Any loss sustained during 1987 as a result of a forest fire or
13 any other related casualty.

14 (4) Earthquake, aftershock, or any other related casualty
15 occurring in 1987 in California.

16 (5) Earthquake, aftershock, or any other related casualty
17 occurring in 1989 in California.

18 (6) Any loss sustained during 1990 as a result of fire or any
19 other related casualty in California.

20 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
21 of 1991, or any other related casualty.

22 (8) Any loss sustained as a result of storm, flooding, or any
23 other related casualty occurring in February 1992 in California.

24 (9) Earthquake, aftershock, or any other related casualty
25 occurring in April 1992 in the County of Humboldt.

26 (10) Riots, arson, or any other related casualty occurring in
27 April or May 1992 in California.

28 (11) Any loss sustained as a result of the earthquakes that
29 occurred in the County of San Bernardino in June and July of 1992,
30 or any other related casualty.

31 (12) Any loss sustained as a result of the Fountain Fire that
32 occurred in the County of Shasta, or as a result of either of the
33 fires in the Counties of Calaveras and Trinity that occurred in
34 August 1992, or any other related casualty.

35 (13) Any loss sustained as a result of storm, flooding, or any
36 other related casualty that occurred in the Counties of Alpine,
37 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
38 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
39 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,

1 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
2 Fillmore in January 1993.

3 (14) Any loss sustained as a result of a fire that occurred in the
4 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
5 Diego, and Ventura, during October or November of 1993, or any
6 other related casualty.

7 (15) Any loss sustained as a result of the earthquake, aftershocks,
8 or any other related casualty that occurred in the Counties of Los
9 Angeles, Orange, and Ventura on or after January 17, 1994.

10 (16) Any loss sustained as a result of a fire that occurred in the
11 County of San Luis Obispo during August of 1994, or any other
12 related casualty.

13 (17) Any loss sustained as a result of the storms or flooding
14 occurring in 1995, or any other related casualty, sustained in any
15 county of this state subject to a disaster declaration with respect
16 to the storms and flooding.

17 (18) Any loss sustained as a result of the storms or flooding
18 occurring in December 1996 or January 1997, or any related
19 casualty, sustained in any county of this state subject to a disaster
20 declaration with respect to the storms or flooding.

21 (19) Any loss sustained as a result of the storms or flooding
22 occurring in February 1998, or any related casualty, sustained in
23 any county of this state subject to a disaster declaration with respect
24 to the storms or flooding.

25 (20) Any loss sustained as a result of a freeze occurring in the
26 winter of 1998–99, or any related casualty, sustained in any county
27 of this state subject to a disaster declaration with respect to the
28 freeze.

29 (21) Any loss sustained as a result of an earthquake occurring
30 in September 2000, that was included in the Governor's
31 proclamation of a state of emergency for the County of Napa.

32 (22) Any loss sustained as a result of the Middle River levee
33 break in San Joaquin County occurring in June 2004.

34 (23) Any losses sustained as a result of the fires that occurred
35 in the Counties of Los Angeles, Riverside, San Bernardino, San
36 Diego, and Ventura in October and November 2003, or as a result
37 of floods, mudflows, and debris flows, directly related to fires.

38 (24) Any losses sustained in the Counties of Santa Barbara and
39 San Luis Obispo as a result of the San Simeon earthquake,
40 aftershocks, and any other related casualties.

1 (25) Any losses sustained as a result of the wildfires that
2 occurred in Shasta County, commencing August 11, 2004, and
3 any other related casualty.

4 (26) Any loss sustained in the Counties of Kern, Los Angeles,
5 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
6 and Ventura as a result of the severe rainstorms, related flooding
7 and slides, and any other related casualties, that occurred in
8 December 2004, January 2005, February 2005, March 2005, or
9 June 2005.

10 (27) Any loss sustained in the Counties of Alameda, Alpine,
11 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
12 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
13 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
14 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
15 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
16 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of
17 the severe rainstorms, related flooding and slides, and any other
18 related casualties, that occurred in December 2005, January 2006,
19 March 2006, or April 2006.

20 (28) Any loss sustained in the County of San Bernardino as a
21 result of the wildfires that occurred in July 2006.

22 (29) Any loss sustained in the Counties of Riverside and Ventura
23 as a result of wildfires that occurred during the 2006 calendar year.

24 (30) Any loss sustained in the Counties of El Dorado, Fresno,
25 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
26 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
27 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
28 of the Governor's proclamations of a state of emergency for the
29 severe freezing conditions that occurred in January 2007.

30 (31) Any loss sustained in the County of El Dorado as a result
31 of wildfires that occurred in June 2007.

32 (32) Any loss sustained in the Counties of Santa Barbara and
33 Ventura as a result of the Zaca Fire that occurred during the 2007
34 calendar year.

35 (33) Any loss sustained in the County of Inyo as a result of
36 wildfires that commenced in July 2007.

37 (34) Any loss sustained in the Counties of Los Angeles, Orange,
38 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
39 as a result of wildfires that occurred during the 2007 calendar year

1 that were the subject of the Governor's disaster proclamations of
2 September 15, 2007, and October 21, 2007.

3 (35) Any loss sustained in the County of Riverside as a result
4 of extremely strong and damaging winds that occurred in October
5 2007.

6 (36) Any loss sustained in the Counties of Butte, Kern,
7 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
8 Shasta, and Trinity as a result of wildfires that occurred in May or
9 June 2008 that were the subject of the Governor's proclamations
10 of a state of emergency.

11 (37) Any loss sustained in the County of Santa Barbara as a
12 result of wildfires that occurred in July 2008.

13 (38) Any loss sustained in the County of Inyo as a result of the
14 severe rainstorms, related flooding and landslides, and any other
15 related casualties, that occurred in July 2008.

16 (39) Any loss sustained in the County of Humboldt as a result
17 of wildfires that commenced in May 2008.

18 (40) Any loss sustained in the County of Santa Barbara as a
19 result of wildfires that commenced in November 2008.

20 (b) (1) In the case of any loss allowed under Section 165(c) of
21 the Internal Revenue Code, relating to limitation of losses of
22 individuals, any excess disaster loss shall be carried forward to
23 each of the five taxable years following the taxable year for which
24 the loss is claimed. However, if there is any excess disaster loss
25 remaining after the five-year period, then the applicable percentage,
26 as set forth in paragraph (1) of subdivision (b) of Section 17276,
27 of that excess disaster loss shall be carried forward to each of the
28 next 10 taxable years.

29 (2) The entire amount of any excess disaster loss as defined in
30 subdivision (c) shall be carried to the earliest of the taxable years
31 to which, by reason of subdivision (b), the loss may be carried.
32 The portion of the loss which shall be carried to each of the other
33 taxable years shall be the excess, if any, of the amount of excess
34 disaster loss over the sum of the adjusted taxable income for each
35 of the prior taxable years to which that excess disaster loss is
36 carried.

37 (c) "Excess disaster loss" means a disaster loss computed
38 pursuant to Section 165 of the Internal Revenue Code which
39 exceeds the adjusted taxable income of the year of loss or, if the

1 election under Section 165(i) of the Internal Revenue Code is
2 made, the adjusted taxable income of the year preceding the loss.

3 (d) The provisions of this section and Section 165(i) of the
4 Internal Revenue Code shall be applicable to any of the losses
5 listed in subdivision (a) sustained in any county or city in this state
6 which was proclaimed by the Governor to be in a state of disaster.

7 (e) Losses allowable under this section may not be taken into
8 account in computing a net operating loss deduction under Section
9 172 of the Internal Revenue Code.

10 (f) For purposes of this section, “adjusted taxable income” shall
11 be defined by Section 1212(b)(2)(B) of the Internal Revenue Code.

12 (g) For losses described in paragraphs (15) to (40), inclusive,
13 of subdivision (a), the election under Section 165(i) of the Internal
14 Revenue Code may be made on a return or amended return filed
15 on or before the due date of the return (determined with regard to
16 extension) for the taxable year in which the disaster occurred.

17 ~~SEC. 6.~~

18 *SEC. 8.* Section 24347.5 of the Revenue and Taxation Code is
19 amended to read:

20 24347.5. (a) An excess disaster loss, as defined in subdivision
21 (c), shall be carried to other taxable years as provided in
22 subdivision (b), with respect to losses resulting from any of the
23 following disasters:

24 (1) Forest fire or any other related casualty occurring in 1985
25 in California.

26 (2) Storm, flooding, or any other related casualty occurring in
27 1986 in California.

28 (3) Any loss sustained during 1987 as a result of a forest fire or
29 any other related casualty.

30 (4) Earthquake, aftershock, or any other related casualty
31 occurring in October 1987 in California.

32 (5) Earthquake, aftershock, or any other related casualty
33 occurring in October 1989 in California.

34 (6) Any loss sustained during 1990 as a result of fire or any
35 other related casualty in California.

36 (7) Any loss sustained as a result of the Oakland/Berkeley Fire
37 of 1991, or any other related casualty.

38 (8) Any loss sustained as a result of storm, flooding, or any
39 other related casualty occurring in February 1992 in California.

1 (9) Earthquake, aftershock, or any other related casualty
2 occurring in April 1992 in the County of Humboldt.

3 (10) Riots, arson, or any other related casualty occurring in
4 April or May 1992 in California.

5 (11) Any loss sustained as a result of the earthquakes or any
6 other related casualty that occurred in the County of San
7 Bernardino in June and July of 1992.

8 (12) Any loss sustained as a result of the Fountain Fire that
9 occurred in the County of Shasta, or as a result of either of the
10 fires in the Counties of Calaveras and Trinity that occurred in
11 August 1992, or any other related casualty.

12 (13) Any loss sustained as a result of storm, flooding, or any
13 other related casualty that occurred in the Counties of Alpine,
14 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,
15 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,
16 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,
17 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of
18 Fillmore in January 1993.

19 (14) Any loss sustained as a result of a fire that occurred in the
20 Counties of Los Angeles, Orange, Riverside, San Bernardino, San
21 Diego, and Ventura, during October or November of 1993, or any
22 other related casualty.

23 (15) Any loss sustained as a result of the earthquake, aftershocks,
24 or any other related casualty that occurred in the Counties of Los
25 Angeles, Orange, and Ventura on or after January 17, 1994.

26 (16) Any loss sustained as a result of a fire that occurred in the
27 County of San Luis Obispo during August of 1994, or any other
28 related casualty.

29 (17) Any loss sustained as a result of the storms or flooding
30 occurring in 1995, or any other related casualty, sustained in any
31 county of this state subject to a disaster declaration with respect
32 to the storms and flooding.

33 (18) Any loss sustained as a result of the storms or flooding
34 occurring in December 1996 or January 1997, or any related
35 casualty, sustained in any county of this state subject to a disaster
36 declaration with respect to the storms or flooding.

37 (19) Any loss sustained as a result of the storms or flooding
38 occurring in February 1998, or any related casualty, sustained in
39 any county of this state subject to a disaster declaration with respect
40 to the storms or flooding.

1 (20) Any loss sustained as a result of a freeze occurring in the
2 winter of 1998–99, or any related casualty, sustained in any county
3 of this state subject to a disaster declaration with respect to the
4 freeze.

5 (21) Any loss sustained as a result of an earthquake occurring
6 in September 2000, that was included in the Governor's
7 proclamation of a state of emergency for the County of Napa.

8 (22) Any loss sustained as a result of the Middle River levee
9 break in San Joaquin County occurring in June 2004.

10 (23) Any losses sustained as a result of the fires that occurred
11 in the Counties of Los Angeles, Riverside, San Bernardino, San
12 Diego, and Ventura in October and November 2003, or as a result
13 of floods, mudflows, and debris flows, directly related to fires.

14 (24) Any losses sustained in the Counties of Santa Barbara and
15 San Luis Obispo as a result of the San Simeon earthquake,
16 aftershocks, and any other related casualties.

17 (25) Any losses sustained as a result of the wildfires that
18 occurred in Shasta County, commencing August 11, 2004, and
19 any other related casualty.

20 (26) Any loss sustained in the Counties of Kern, Los Angeles,
21 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,
22 and Ventura as a result of the severe rainstorms, related flooding
23 and slides, and any other related casualties, that occurred in
24 December 2004, January 2005, February 2005, March 2005, or
25 June 2005.

26 (27) Any loss sustained in the Counties of Alameda, Alpine,
27 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El
28 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,
29 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,
30 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,
31 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,
32 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of
33 the severe rainstorms, related flooding and slides, and any other
34 related casualties, that occurred in December 2005, January 2006,
35 March 2006, or April 2006.

36 (28) Any loss sustained in the County of San Bernardino as a
37 result of the wildfires that occurred in July 2006.

38 (29) Any loss sustained in the Counties of Riverside and Ventura
39 as a result of wildfires that occurred during the 2006 calendar year.

1 (30) Any loss sustained in the Counties of El Dorado, Fresno,
2 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San
3 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa
4 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject
5 of the Governor's proclamations of a state of emergency for the
6 severe freezing conditions that occurred in January 2007.

7 (31) Any loss sustained in the County of El Dorado as a result
8 of wildfires that occurred in June 2007.

9 (32) Any loss sustained in the Counties of Santa Barbara and
10 Ventura as a result of the Zaca Fire that occurred during the 2007
11 calendar year.

12 (33) Any loss sustained in the County of Inyo as a result of
13 wildfires that commenced in July 2007.

14 (34) Any loss sustained in the Counties of Los Angeles, Orange,
15 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura
16 as a result of wildfires that occurred during the 2007 calendar year
17 that were the subject of the Governor's disaster proclamations of
18 September 15, 2007, and October 21, 2007.

19 (35) Any loss sustained in the County of Riverside as a result
20 of extremely strong and damaging winds that occurred in October
21 2007.

22 (36) Any loss sustained in the Counties of Butte, Kern,
23 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,
24 Shasta, and Trinity as a result of wildfires that occurred in May or
25 June 2008 that were the subject of the Governor's proclamations
26 of a state of emergency.

27 (37) Any loss sustained in the County of Santa Barbara as a
28 result of wildfires that occurred in July 2008.

29 (38) Any loss sustained in the County of Inyo as a result of the
30 severe rainstorms, related flooding and landslides, and any other
31 related casualties, that occurred in July 2008.

32 (39) Any loss sustained in the County of Humboldt as a result
33 of wildfires that commenced in May 2008.

34 (40) Any loss sustained in the County of Santa Barbara as a
35 result of wildfires that commenced in November 2008.

36 (b) (1) In the case of any loss allowed under Section 165 of the
37 Internal Revenue Code, relating to losses, any excess disaster loss
38 shall be carried forward to each of the five taxable years following
39 the taxable year for which the loss is claimed. However, if there
40 is any excess disaster loss remaining after the five-year period,

1 then the applicable percentage, as set forth in paragraph (1) of
2 subdivision (b) of Section 24416, of that excess disaster loss shall
3 be carried forward to each of the next 10 taxable years.

4 (2) The entire amount of any excess disaster loss as defined in
5 subdivision (c) shall be carried to the earliest of the taxable years
6 to which, by reason of subdivision (b), the loss may be carried.
7 The portion of the loss which shall be carried to each of the other
8 taxable years shall be the excess, if any, of the amount of excess
9 disaster loss over the sum of the net income for each of the prior
10 taxable years to which that excess disaster loss is carried.

11 (c) "Excess disaster loss" means a disaster loss computed
12 pursuant to Section 165 of the Internal Revenue Code, which
13 exceeds the net income of the year of loss or, if the election under
14 Section 165(i) of the Internal Revenue Code is made, the net
15 income of the year preceding the loss.

16 (d) The provisions of this section and Section 165(i) of the
17 Internal Revenue Code shall be applicable to any of the losses
18 listed in subdivision (a) sustained in any county or city in this state
19 which was proclaimed by the Governor to be in a state of disaster.

20 (e) Any corporation subject to the provisions of Section 25101
21 or 25101.15 that has disaster losses pursuant to this section, shall
22 determine the excess disaster loss to be carried to other taxable
23 years under the principles specified in Section 25108 relating to
24 net operating losses.

25 (f) Losses allowable under this section may not be taken into
26 account in computing a net operating loss deduction under Section
27 172 of the Internal Revenue Code.

28 (g) For losses described in paragraphs (15) to (40), inclusive,
29 of subdivision (a), the election under Section 165(i) of the Internal
30 Revenue Code may be made on a return or amended return filed
31 on or before the due date of the return (determined with regard to
32 extension) for the taxable year in which the disaster occurred.

33 ~~SEC. 7.~~

34 *SEC. 9.* It is the intent of the Legislature to provide in the
35 annual Budget Act those additional reimbursements to local
36 governments that, as a result of Section 4 of this act, are required
37 by Section 25 of Article XIII of the California Constitution.

38 ~~SEC. 8.~~

39 *SEC. 10.* The Legislature finds and declares that this act fulfills
40 a statewide public purpose because of all of the following:

(a) The Governor of California has officially proclaimed a state of emergency declaring that the wildfires that occurred within the County of Santa Barbara, commencing in November 2008, constitute conditions of extreme peril to public health and safety to persons and property within that county, thus qualifying affected persons for various forms of governmental assistance and relief.

(b) This act is consistent with, and supplements, the proclaimed disaster assistance and relief by providing necessary fiscal assistance and tax relief to affected jurisdictions and persons to allow them to maintain essential basic services and repair damage to, and restore, their homes and businesses.

~~SEC. 9.~~

SEC. 11. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

~~SEC. 10.~~

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to timely provide essential relief to those persons and jurisdictions who have suffered damage or loss as a result of the wildfires that occurred within the ~~County of Santa Barbara, commencing in November~~ *state in 2007 and 2008*, that were the subject of ~~the~~ *a* Governor's proclamation of a state of emergency, it is necessary that this act take effect immediately.