

AMENDED IN ASSEMBLY AUGUST 19, 2010

AMENDED IN ASSEMBLY JULY 1, 2009

AMENDED IN SENATE MAY 21, 2009

AMENDED IN SENATE MAY 6, 2009

AMENDED IN SENATE APRIL 20, 2009

AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 190

Introduced by Senator ~~Wright~~ Strickland
(Coauthor: Senator Padilla)
(Principal coauthor: Assembly Member Smyth)
(Coauthors: Senators Wright and Lowenthal)

February 18, 2009

~~An act to add Sections 110051 and 110726 to the Health and Safety Code, relating to misbranded food. An act to amend Sections 98 and 98.02 of the Revenue and Taxation Code, relating to property taxation, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 190, as amended, ~~Wright~~ Strickland. ~~Misbranded food: pomegranate juice.~~ Property taxes: TEA formula allocation: maintenance or improvement districts.

Existing property tax law requires the auditor of each county with qualifying cities, as defined, to make certain property tax revenue allocations to those cities in accordance with an established Tax Equity Allocation (TEA) formula and to make corresponding reductions in the

amount of property tax revenue that is allocated to the county, as specified.

This bill, commencing with the 2011–12 fiscal year, would prohibit the auditor of those counties from reducing the amount distributed to a qualifying city by reason of that city receiving property taxes previously allocated to a maintenance or improvement district pursuant to specified provisions.

By imposing new duties upon county officials in the allocation of ad valorem property tax revenues, 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.

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

~~The Sherman Food, Drug, and Cosmetic Law contains various provisions regarding the contents, packaging, labeling, and advertising of food, drugs, and cosmetics. The law provides that, except as specified, any food fabricated from 2 or more ingredients is misbranded unless it bears a label clearly stating the common or usual name of each ingredient, and if the food purports to be a beverage containing vegetable or fruit juice, a statement with appropriate prominence on the information panel of the total percentage of fruit or vegetable juice contained in the food. The law makes it a misdemeanor, punishable as prescribed, to misbrand any food.~~

~~The law also provides that all food labeling regulations adopted pursuant to the Federal Food, Drug, and Cosmetic Act shall be the food labeling regulations of this state.~~

~~This bill would require the State Department of Public Health, by July 1, 2011, in consultation with interested parties, to adopt regulations establishing definitions and standards of identity for 100% pomegranate juice consistent with ensuring the public health.~~

~~Existing law establishes the Food Safety Fund in the State Treasury, into which various fees are deposited for use by the department, upon~~

appropriation, for the purposes of specified inspection, licensing, education and training, and registration provisions of the law.

This bill would also state that moneys in the fund are also available to the department, upon appropriation by the Legislature, to fund the development and adoption of regulations required by this bill.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~-yes.

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

1 SECTION 1. Section 98 of the Revenue and Taxation Code is
2 amended to read:

3 98. (a) In each county, other than the County of Ventura,
4 having within its boundaries a qualifying city, the computations
5 made pursuant to Section 96.1 or its predecessor section, for the
6 1989–90 fiscal year and each fiscal year thereafter, shall be
7 modified as follows:

8 With respect to tax rate areas within the boundaries of a
9 qualifying city, there shall be excluded from the aggregate amount
10 of “property tax revenue allocated pursuant to this chapter to local
11 agencies, other than for a qualifying city, in the prior fiscal year,”
12 an amount equal to the sum of the amounts calculated pursuant to
13 the TEA formula.

14 (b) (1) Except as otherwise provided in this section, each
15 qualifying city shall, for the 1989–90 fiscal year and each fiscal
16 year thereafter, be allocated by the auditor an amount determined
17 pursuant to the TEA formula.

18 (2) For each qualifying city, the auditor shall, for the 1989–90
19 fiscal year and each fiscal year thereafter, allocate the amount
20 determined pursuant to the TEA formula to all tax rate areas within
21 that city in proportion to each tax rate area’s share of the total
22 assessed value in the city for the applicable fiscal year, and the
23 amount so determined shall be subtracted from the county’s
24 proportionate share of property tax revenue for that fiscal year
25 within those tax rate areas.

26 (3) After making the allocations pursuant to paragraphs (1) and
27 (2), but before making the calculations pursuant to Section 96.5
28 or its predecessor section, the auditor shall, for all tax rate areas
29 in the qualifying city, calculate the proportionate share of property
30 tax revenue allocated pursuant to this section and Section 96.1, or

1 their predecessor sections, in the 1989–90 fiscal year and each
2 fiscal year thereafter to each jurisdiction in the tax rate area.

3 (4) In lieu of making the allocations of annual tax increment
4 pursuant to subdivision (e) of Section 96.5 or its predecessor
5 section, the auditor shall, for the 1989–90 fiscal year and each
6 fiscal year thereafter, allocate the amount of property tax revenue
7 determined pursuant to subdivision (d) of Section 96.5 or its
8 predecessor section to jurisdictions in the tax rate area using the
9 proportionate shares derived pursuant to paragraph (3).

10 (5) For purposes of the calculations made pursuant to Section
11 96.1 or its predecessor section, in the 1990–91 fiscal year and each
12 fiscal year thereafter, the amounts that would have been allocated
13 to qualifying cities pursuant to this subdivision shall be deemed
14 to be the “amount of property tax revenue allocated in the prior
15 fiscal year.”

16 (c) “TEA formula” means the Tax Equity Allocation formula,
17 and shall be calculated by the auditor for each qualifying city as
18 follows:

19 (1) For the 1988–89 fiscal year and each fiscal year thereafter,
20 the auditor shall determine the total amount of property tax revenue
21 to be allocated to all jurisdictions in all tax rate areas within the
22 qualifying city, before the allocation and payment of funds in that
23 fiscal year to a community redevelopment agency within the
24 qualifying city, as provided in subdivision (b) of Section 33670
25 of the Health and Safety Code.

26 (2) The auditor shall determine the total amount of funds
27 allocated in each fiscal year to a community redevelopment agency
28 in accordance with subdivision (b) of Section 33670 of the Health
29 and Safety Code.

30 (3) The auditor shall determine the total amount of funds paid
31 in each fiscal year by a community redevelopment agency within
32 the city to jurisdictions other than the city pursuant to subdivision
33 (b) of Section 33401 and Section 33676 of the Health and Safety
34 Code, and the cost to the redevelopment agency of any land or
35 facilities transferred and any amounts paid to jurisdictions other
36 than the city to assist in the construction or reconstruction of
37 facilities pursuant to an agreement entered into under Section
38 33401 or 33445.5 of the Health and Safety Code.

39 (4) The auditor shall subtract the amount determined in
40 paragraph (3) from the amount determined in paragraph (2).

1 (5) The auditor shall subtract the amount determined in
2 paragraph (4) from the amount determined in paragraph (1).

3 (6) The amount computed in paragraph (5) shall be multiplied
4 by the following percentages in order to determine the TEA
5 formula amount to be distributed to the qualifying city in each
6 fiscal year:

7 (A) For the first fiscal year in which the qualifying city receives
8 a distribution pursuant to this section, 1 percent of the amount
9 determined in paragraph (5).

10 (B) For the second fiscal year in which the qualifying city
11 receives a distribution pursuant to this section, 2 percent of the
12 amount determined in paragraph (5).

13 (C) For the third fiscal year in which the qualifying city receives
14 a distribution pursuant to this section, 3 percent of the amount
15 determined in paragraph (5).

16 (D) For the fourth fiscal year in which the qualifying city
17 receives a distribution pursuant to this section, 4 percent of the
18 amount determined in paragraph (5).

19 (E) For the fifth fiscal year in which the qualifying city receives
20 a distribution pursuant to this section, 5 percent of the amount
21 determined in paragraph (5).

22 (F) For the sixth fiscal year in which the qualifying city receives
23 a distribution pursuant to this section, 6 percent of the amount
24 determined in paragraph (5).

25 (G) For the seventh fiscal year and each fiscal year thereafter
26 in which the city receives a distribution pursuant to this section,
27 7 percent of the amount determined in paragraph (5).

28 (d) “Qualifying city” means any city, except a qualifying city
29 as defined in Section 98.1, that incorporated prior to June 5, 1987,
30 and had an amount of property tax revenue allocated to it pursuant
31 to subdivision (a) of Section 96.1 or its predecessor section in the
32 1988–89 fiscal year that is less than 7 percent of the amount of
33 property tax revenue computed as follows:

34 (1) The auditor shall determine the total amount of property tax
35 revenue allocated to the city in the 1988–89 fiscal year.

36 (2) The auditor shall subtract the amount in the 1988–89 fiscal
37 year determined in paragraph (3) of subdivision (c) from the
38 amount determined in paragraph (2) of subdivision (c).

1 (3) The auditor shall subtract the amount determined in
2 paragraph (2) from the amount of property tax revenue determined
3 in paragraph (1) of subdivision (c).

4 (4) The auditor shall divide the amount of property tax revenue
5 determined in paragraph (1) of this subdivision by the amount of
6 property tax revenue determined in paragraph (3) of this
7 subdivision.

8 (5) If the quotient determined in paragraph (4) of this subdivision
9 is less than 0.07, the city is a qualifying city. If the quotient
10 determined in that paragraph is equal to or greater than 0.07, the
11 city is not a qualifying city.

12 (e) The auditor may assess each qualifying city its proportional
13 share of the actual costs of making the calculations required by
14 this section, and may deduct that assessment from the amount
15 allocated pursuant to subdivision (b). For purposes of this
16 subdivision, a qualifying city's proportional share of the auditor's
17 actual costs shall not exceed the proportion it receives of the total
18 amounts excluded in the county pursuant to subdivision (a).

19 (f) Notwithstanding subdivision (b), in any fiscal year in which
20 a qualifying city is to receive a distribution pursuant to this section,
21 the auditor shall reduce the actual amount distributed to the
22 qualifying city by the sum of the following:

23 (1) The amount of property tax revenue that was exchanged
24 between the county and the qualifying city as a result of negotiation
25 pursuant to Section 99.03.

26 (2) (A) The amount of revenue not collected by the qualifying
27 city in the first fiscal year following the city's reduction after
28 January 1, 1988, of the tax rate or tax base of any locally imposed
29 tax, except any tax that was imposed after January 1, 1988. In the
30 case of a tax that existed before January 1, 1988, this clause shall
31 apply only with respect to an amount attributable to a reduction
32 of the rate or base to a level lower than the rate or base applicable
33 on January 1, 1988. The amount so computed by the auditor shall
34 constitute a reduction in the amount of property tax revenue
35 distributed to the qualifying city pursuant to this section in each
36 succeeding fiscal year. That amount shall be aggregated with any
37 additional amount computed pursuant to this clause as the result
38 of the city's reduction in any subsequent year of the tax rate or tax
39 base of the same or any other locally imposed general or special
40 tax.

1 (B) No reduction may be made pursuant to subparagraph (A)
2 in the case in which a local tax is reduced or eliminated as a result
3 of either a court decision or the approval or rejection of a ballot
4 measure by the voters.

5 (3) The amount of property tax revenue received pursuant to
6 this chapter in excess of the amount allocated for the 1986–87
7 fiscal year by all special districts that are governed by the city
8 council of the qualifying city or whose governing body is the same
9 as the city council of the qualifying city with respect to all tax rate
10 areas within the boundaries of the qualifying city.

11 Notwithstanding this paragraph:

12 (A) Commencing with the 1994–95 fiscal year, the auditor shall
13 not reduce the amount distributed to a qualifying city under this
14 section by reason of that city becoming the successor agency to a
15 special district, that is dissolved, merged with that city, or becomes
16 a subsidiary district of that city, on or after July 1, 1994.

17 (B) Commencing with the 1997–98 fiscal year, the auditor shall
18 not reduce the amount distributed to a qualifying city under this
19 section by reason of that city withdrawing from a county free
20 library system pursuant to Section 19116 of the Education Code.

21 (C) *Commencing with the 2011–12 fiscal year, the auditor shall*
22 *not reduce the amount distributed to a qualifying city under this*
23 *section by reason of that city receiving, pursuant to subdivision*
24 *(c) of Section 99, property taxes previously allocated to a*
25 *maintenance or improvement district.*

26 (4) Any amount of property tax revenues that has been
27 exchanged pursuant to Section 56842 of the Government Code
28 between the City of Rancho Mirage and a community services
29 district, the formation of which was initiated on or after March 6,
30 1997, pursuant to Chapter 4 (commencing with Section 56800) of
31 Part 3 of Division 3 of Title 5 of the Government Code.

32 (g) Notwithstanding any other provision of this section, in no
33 event may the auditor reduce the amount of ad valorem property
34 tax revenue otherwise allocated to a qualifying city pursuant to
35 this section on the basis of any additional ad valorem property tax
36 revenues received by that city pursuant to a services for revenue
37 agreement. For purposes of this subdivision, a “services for revenue
38 agreement” means any agreement between a qualifying city and
39 the county in which it is located, entered into by joint resolution
40 of that city and that county, under which additional service

1 responsibilities are exchanged in consideration for additional
2 property tax revenues.

3 (h) In any fiscal year in which a qualifying city is to receive a
4 distribution pursuant to this section, the auditor shall increase the
5 actual amount distributed to the qualifying city by the amount of
6 property tax revenue allocated to the qualifying city pursuant to
7 Section 19116 of the Education Code.

8 (i) If the auditor determines that the amount to be distributed to
9 a qualifying city pursuant to subdivision (b), as modified by
10 subdivisions (e), (f), and (g) would result in a qualifying city having
11 proceeds of taxes in excess of its appropriation limit, the auditor
12 shall reduce the amount, on a dollar-for-dollar basis, by the amount
13 that exceeds the city’s appropriations limit.

14 (j) The amount not distributed to the tax rate areas of a
15 qualifying city as a result of this section shall be distributed by the
16 auditor to the county.

17 (k) Notwithstanding any other provision of this section, no
18 qualifying city shall be distributed an amount pursuant to this
19 section that is less than the amount the city would have been
20 allocated without the application of the TEA formula.

21 (l) Notwithstanding any other provision of this section, the
22 auditor shall not distribute any amount determined pursuant to this
23 section to any qualifying city that has in the prior fiscal year used
24 any revenues or issued bonds for the construction, acquisition, or
25 development, of any facility which is defined in Section 103(b)(4),
26 103(b)(5), or 103(b)(6) of the Internal Revenue Code of 1954 prior
27 to the enactment of the Tax Reform Act of 1986-~~PL~~ (*Public Law*
28 99-514) and is no longer eligible for tax-exempt financing.

29 (m) (1) The amendments made to this section, and the repeal
30 of Section 98.04, by the act that added this subdivision shall apply
31 for the 2006–07 fiscal year and each fiscal year thereafter.

32 (2) For the 2006–07 fiscal year and for each fiscal year
33 thereafter, all of the following apply:

34 (A) The auditor of the County of Santa Clara shall do both of
35 the following:

36 (i) Reduce the total amount of ad valorem property tax revenue
37 otherwise required to be allocated to qualifying cities in that county
38 by the ERAF reimbursement amount. This reduction for each
39 qualifying city in the county for each fiscal year shall be the
40 percentage share, of the total reduction required by this clause for

1 all qualifying cities in the county for the 2006–07 fiscal year, that
2 is equal to the proportion that the total amount of additional ad
3 valorem property tax revenue that is required to be allocated to
4 the qualifying city as a result of the act that added this subdivision
5 bears to the total amount of additional ad valorem property tax
6 revenue that is required to be allocated to all qualifying cities in
7 the county as a result of the act that added this subdivision.

8 (ii) Increase the total amount of ad valorem property tax revenue
9 otherwise required to be allocated to the county Educational
10 Revenue Augmentation Fund by the ERAF reimbursement amount.

11 (B) For purposes of this subdivision, “ERAF reimbursement
12 amount” means an amount equal to the difference between the
13 following two amounts:

14 (i) The portion of the annual tax increment that would have been
15 allocated from the county to the county Educational Revenue
16 Augmentation Fund for the applicable fiscal year if the act that
17 added this subdivision had not been enacted.

18 (ii) The portion of the annual tax increment that is allocated
19 from the county to the county Educational Revenue Augmentation
20 Fund for the applicable fiscal year.

21 *SEC. 2. Section 98.02 of the Revenue and Taxation Code is*
22 *amended to read:*

23 98.02. (a) In the County of Ventura, the computations made
24 pursuant to Section 96.1 or its predecessor section, for the 1989–90
25 fiscal year and each fiscal year thereafter, shall be modified as
26 follows:

27 With respect to tax rate areas, except excluded tax rate areas,
28 within the boundaries of a qualifying city, there shall be excluded
29 from the aggregate amount of “property tax revenue allocated
30 pursuant to this chapter to local agencies, other than for a qualifying
31 city, in the prior fiscal year,” an amount equal to the sum of the
32 amounts calculated pursuant to the TEA formula.

33 (b) (1) Each qualifying city shall, for the 1989–90 fiscal year
34 and each fiscal year thereafter, be allocated by the auditor an
35 amount determined pursuant to the TEA formula.

36 (2) For each qualifying city, the auditor shall, for the 1989–90
37 fiscal year and each fiscal year thereafter, distribute the amount
38 determined pursuant to the TEA formula to all tax rate areas, except
39 excluded tax rate areas, within that city in proportion to each tax
40 rate area’s share of the total assessed value in the city for the

1 applicable fiscal year, and the amount so determined shall be
2 subtracted from the county's proportionate share of the property
3 tax revenue for that fiscal year within those tax rate areas.

4 (3) After making the allocations pursuant to paragraphs (1) and
5 (2), but before making the calculations pursuant to Section 96.5
6 or its predecessor section, the auditor shall, for all tax rate areas,
7 except excluded tax rate areas, in the qualifying city, calculate the
8 proportionate share of property tax revenue allocated pursuant to
9 this section and Section 96.1, or their predecessor sections, in the
10 1989–90 fiscal year and each fiscal year thereafter to each
11 jurisdiction in the tax rate area.

12 (4) In lieu of making the allocations of annual tax increment
13 pursuant to subdivision (e) of Section 96.5 or its predecessor
14 section, the auditor shall for the 1989–90 fiscal year and each fiscal
15 year thereafter, allocate the amount of property tax revenue
16 determined pursuant to subdivision (d) of Section 98 to
17 jurisdictions in the tax rate area, except an excluded tax rate area,
18 using the proportionate shares derived pursuant to paragraph (3).

19 (5) For purposes of the calculations made pursuant to Section
20 96.1 or its predecessor section, in the 1990–91 fiscal year and each
21 fiscal year thereafter, the amounts that would have been allocated
22 to all tax rate areas, except excluded tax rate areas, of qualifying
23 cities pursuant to this subdivision shall be deemed to be the
24 “amount of property tax revenue allocated to those tax rate areas
25 in the prior fiscal year.”

26 (c) “TEA formula” means the Tax Equity Allocation formula,
27 and shall be calculated by the auditor for each qualifying city as
28 follows:

29 (1) For the 1988–89 fiscal year and each fiscal year thereafter,
30 the auditor shall determine the total amount of property tax revenue
31 to be allocated to all jurisdictions in all tax rate areas, except
32 excluded tax rate areas, within the qualifying city, before the
33 allocation and payment of funds in that fiscal year to a community
34 redevelopment agency within the qualifying city, as provided in
35 subdivision (b) of Section 33670 of the Health and Safety Code.

36 (2) The auditor shall determine the amount of funds allocated
37 in each fiscal year to those tax rate areas, except excluded tax rate
38 areas, within a community redevelopment agency in accordance
39 with subdivision (b) of Section 33670 of the Health and Safety
40 Code.

1 (3) (A) The auditor shall determine the total amount of funds
2 paid in each fiscal year by a community redevelopment agency
3 within the city to jurisdictions other than the city pursuant to
4 subdivision (b) of Section 33401 and Section 33676 of the Health
5 and Safety Code, and the cost to the redevelopment agency of any
6 land or facilities transferred and any amounts paid to jurisdictions
7 other than the city to assist in the construction or reconstruction
8 of facilities pursuant to an agreement entered into under Section
9 33401 or 33445.5 of the Health and Safety Code.

10 (B) Of the total amount determined in subparagraph (A), the
11 auditor shall compute a proportionate amount to be attributed to
12 all tax rate areas, except excluded tax rate areas, within the
13 community redevelopment agency. That proportionate amount
14 shall be equal to that proportion which the amount determined in
15 paragraph (2) in each fiscal year bears to the total amount of funds
16 allocated in each fiscal year to a community redevelopment agency
17 in accordance with subdivision (b) of Section 33670 of the Health
18 and Safety Code.

19 (4) The auditor shall subtract the amount determined in
20 subparagraph (B) of paragraph (3) from the amount determined
21 in paragraph (2).

22 (5) The auditor shall subtract the amount determined in
23 paragraph (4) from the amount determined in paragraph (1).

24 (6) The amount computed in paragraph (5) shall be multiplied
25 by the following percentages in order to determine the TEA
26 formula amount to be distributed to the qualifying city in each
27 fiscal year:

28 (A) For the first fiscal year in which the qualifying city receives
29 a distribution pursuant to this section, 1 percent of the amount
30 determined in paragraph (5).

31 (B) For the second fiscal year in which the qualifying city
32 receives a distribution pursuant to this section, 2 percent of the
33 amount determined in paragraph (5).

34 (C) For the third fiscal year in which the qualifying city receives
35 a distribution pursuant to this section, 3 percent of the amount
36 determined in paragraph (5).

37 (D) For the fourth fiscal year and each fiscal year thereafter in
38 which the qualifying city receives a distribution pursuant to this
39 section, 4 percent of the amount determined in paragraph (5).

1 (d) For purposes of this section, “excluded tax rate area” means
2 either of the following:

3 (1) Any tax rate area included in territory annexed by the
4 qualifying city and allocated a prescribed percentage of property
5 tax revenue pursuant to an existing agreement between the
6 qualifying city and the county.

7 (2) Any tax rate area described in paragraph (1) that was
8 detached from the county library district and that is also allocated
9 an additional prescribed percentage of property tax revenue
10 pursuant to an existing agreement between the qualifying city and
11 the county.

12 (e) (1) All existing agreements between the qualifying city and
13 the county covering the allocation of property tax revenues to tax
14 rate areas described in subdivision (d) shall remain in force.

15 (2) All existing agreements between the qualifying city and the
16 county covering the allocation of property tax revenues to tax rate
17 areas that were detached from the county library district but are
18 not included in territory that was annexed by the qualifying city
19 shall remain in force.

20 (3) All allocations to those tax rate areas described in subdivision
21 (d), including allocations of annual tax increments, made pursuant
22 to the existing agreements between the qualifying city and the
23 county shall be governed by subdivision (a) of Section 96.1 and
24 Section 96.5.

25 (4) All allocations to those tax rate areas described in paragraph
26 (2), including allocations of annual tax increments, made pursuant
27 to the existing agreements between the qualifying city and the
28 county shall be governed by subdivision (a) of Section 96.1 and
29 Section 96.5. However, the tax rate areas referred to in this
30 paragraph shall also be distributed an amount of property tax
31 revenue determined pursuant to the TEA formula that is over and
32 above the amount allocated as provided in the preceding sentence.

33 (f) “Qualifying city” means any city that incorporated prior to
34 June 5, 1987, and had an amount of property tax revenue allocated
35 to it pursuant to subdivision (a) of Section 96.1 or its predecessor
36 section in the 1988–89 fiscal year that is less than 4 percent of the
37 amount of property tax revenue computed as follows:

38 (1) The auditor shall determine the total amount of property tax
39 revenue allocated to all tax rate areas, except excluded tax rate
40 areas, in the city in the 1988–89 fiscal year.

1 (2) The auditor shall subtract the amount in the 1988–89 fiscal
2 year determined in paragraph (3) of subdivision (c) from the
3 amount determined in paragraph (2) of subdivision (c).

4 (3) The auditor shall subtract the amount determined in
5 paragraph (2) from the amount of property tax revenue in paragraph
6 (1) of subdivision (c).

7 (4) The auditor shall divide the amount of property tax revenue
8 determined in paragraph (1) of this subdivision by the amount of
9 property tax revenue determined in paragraph (3) of this
10 subdivision.

11 (5) If the quotient determined in paragraph (4) of this subdivision
12 is less than 0.04, the city is a qualifying city. If the quotient
13 determined in that paragraph is equal to or greater than 0.04, the
14 city is not a qualifying city.

15 (g) The auditor may assess each qualifying city its proportional
16 share of the actual costs of making the calculations required by
17 this section, and may deduct that assessment from the amount
18 allocated pursuant to subdivision (b). For purposes of this
19 subdivision, a qualifying city’s proportional share of the auditor’s
20 actual costs shall not exceed the proportion it receives of the total
21 amounts excluded in the county pursuant to subdivision (a).

22 (h) (1) Notwithstanding subdivision (b), except as otherwise
23 provided in paragraph (2), in any fiscal year in which a qualifying
24 city receives a distribution pursuant to this section, the auditor
25 shall reduce the actual amount distributed to the qualifying city
26 by the amount of revenue not collected by the qualifying city in
27 the first fiscal year following the city’s reduction after January 1,
28 1988, of the tax rate or tax base of any locally imposed general or
29 special tax. The amount so computed by the auditor shall constitute
30 a reduction in the amount of property tax revenue distributed to
31 the qualifying city pursuant to this section in each succeeding fiscal
32 year. That amount shall be aggregated with any additional amount
33 computed pursuant to this paragraph as the result of the city’s
34 reduction in any subsequent year of the tax rate or tax base of the
35 same or any other locally imposed general or special tax.

36 (2) No reduction shall be made pursuant to paragraph (1) in the
37 case in which a local tax is reduced or eliminated as a result of
38 either a court decision or the approval or rejection of a ballot
39 measure by the voters.

1 (i) If the auditor determines that the amount to be distributed to
2 a qualifying city pursuant to subdivision (b), as modified by
3 subdivisions (g) and (h), would result in a qualifying city having
4 proceeds of taxes in excess of its appropriation limit, the auditor
5 shall reduce the amount, on a dollar-for-dollar basis, by the amount
6 that exceeds the city's appropriations limit.

7 (j) Notwithstanding any other provision of this section, no
8 qualifying city shall be distributed an amount pursuant to this
9 section that is less than the amount the city would have been
10 allocated without the application of the TEA formula.

11 (k) (1) Notwithstanding any other provision of this section,
12 commencing with the 1994–95 fiscal year, the auditor shall not
13 reduce the amount distributed to a qualifying city under this section
14 by reason of that city becoming the successor agency to a special
15 district that is dissolved, merged with that city, or becomes a
16 subsidiary district of that city, on or after July 1, 1994.

17 (2) Notwithstanding any other provision of this section, in no
18 event may the auditor reduce the amount of ad valorem property
19 tax revenue otherwise allocated to a qualifying city pursuant to
20 this section on the basis of any additional ad valorem property tax
21 revenues received by that city pursuant to a services for revenue
22 agreement. For purposes of this subdivision, a “services for revenue
23 agreement” means any agreement between a qualifying city and
24 the county in which it is located, entered into by joint resolution
25 of that city and that county, under which additional service
26 responsibilities are exchanged in consideration for additional
27 property tax revenues.

28 (3) *Notwithstanding any other law, commencing with the*
29 *2011–12 fiscal year, the auditor shall not reduce the amount*
30 *distributed to a qualifying city under this section by reason of that*
31 *city receiving, pursuant to subdivision (c) of Section 99, property*
32 *taxes previously allocated to a maintenance or improvement*
33 *district.*

34 (l) The amount not distributed as a result of this section to the
35 tax rate areas, except excluded tax rate areas, in each qualifying
36 city shall be allocated by the auditor to the county.

37 *SEC. 3. If the Commission on State Mandates determines that*
38 *this act contains costs mandated by the state, reimbursement to*
39 *local agencies and school districts for those costs shall be made*

1 pursuant to Part 7 (commencing with Section 17500) of Division
2 4 of Title 2 of the Government Code.

3 SEC. 4. This act is an urgency statute necessary for the
4 immediate preservation of the public peace, health, or safety within
5 the meaning of Article IV of the Constitution and shall go into
6 immediate effect. The facts constituting the necessity are:

7 In order to ensure that local jurisdictions can meet established
8 timelines to begin the process of immediately dissolving a
9 maintenance district and serving as its successor, to simplify city
10 accounting, and to give cities maximum budget flexibility, it is
11 necessary that this act take effect immediately.

12 SECTION 1. ~~Section 110051 is added to the Health and Safety~~
13 ~~Code, to read:~~

14 ~~110051. Moneys deposited on or after January 1, 2010, into~~
15 ~~the Food Safety Fund, established pursuant to Section 110050,~~
16 ~~shall also be made available, upon appropriation by the Legislature,~~
17 ~~to the department for purposes of funding the development and~~
18 ~~adoption of the regulations required by Section 110726.~~

19 SEC. 2. ~~Section 110726 is added to the Health and Safety Code,~~
20 ~~to read:~~

21 ~~110726. The department shall, by July 1, 2011, and consistent~~
22 ~~with ensuring the public health in consultation with interested~~
23 ~~parties, adopt regulations establishing definitions and standards~~
24 ~~of identity for 100 percent pomegranate juice. These regulations~~
25 ~~shall apply regardless of the origin or source of the pomegranates.~~