

AMENDED IN ASSEMBLY AUGUST 31, 2010

AMENDED IN ASSEMBLY AUGUST 20, 2010

AMENDED IN ASSEMBLY AUGUST 17, 2010

AMENDED IN SENATE JUNE 1, 2010

AMENDED IN SENATE APRIL 14, 2010

**SENATE BILL**

**No. 1398**

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**Introduced by Senator DeSaulnier**  
(Coauthor: Assembly Member Buchanan)

February 19, 2010

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An act to amend Section 100 of, and to add Section 100.96 to, the Revenue and Taxation Code, relating to local government finance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1398, as amended, DeSaulnier. Property tax revenue allocations: public utilities: qualified property.

(1) The California Constitution requires the State Board of Equalization to assess the property, other than franchises, of companies transmitting or selling gas or electricity. Existing property tax law provides for the valuation, as a unit, of properties of a state assessee that are operated as a unit as a primary function of that assessee, and for the allocation of the assessed value of the unit among various counties in which the state assessee's unitary property is located. Existing law also provides, pursuant to specified formulas, for the application in each county of specified tax rates to unitary assessed value, and for the allocation among jurisdictions in that county of the resulting revenues.

This bill would, for the 2011–12 fiscal year and for each fiscal year thereafter, require that a specified amount of property tax revenues derived from applying a specified tax rate to qualified property, as defined, be allocated first to the county in which the qualified property is located and to all of the school entities located in that county, 2nd to the East Contra Costa Fire Protection District, and 3rd to specified special districts, with the balance allocated to the redevelopment agency governing the project area in which the qualified property is located. This bill would also require that a specified amount of property tax revenues derived from applying another specified tax rate to the qualified property be first allocated to taxing jurisdictions in those tax rate areas in the county in which the qualified property is located, with the balance allocated to taxing jurisdictions pursuant to a specified formula. The bill would require the Oakley Redevelopment Agency to reimburse the county auditor for the actual and reasonable costs incurred by the county auditor in administering these allocations. *The bill would also require the Oakley Redevelopment Agency to develop one new housing unit for each 40 jobs created on real property within the project area, as prescribed.*

(2) This bill would make legislative findings and declarations as to the necessity of a special statute.

(3) This bill would also incorporate additional changes in Section 100 of the Revenue and Taxation Code, proposed by AB 308, to be operative if AB 308 and this bill are both enacted and become effective on or before January 1, 2011, and this bill is enacted last.

(4) By establishing new duties with respect to the annual allocation of property tax revenues derived from state-assessed property, this bill would create 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 no reimbursement is required by this act for a specified reason.

(5) This bill would change the pro rata shares in which ad valorem property tax revenues are allocated among local agencies in a county, within the meaning of paragraph (3) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution, and thus would require for passage the approval of  $\frac{2}{3}$  of the membership of each house of the Legislature.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

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

1     SECTION 1. Section 100 of the Revenue and Taxation Code  
2     is amended to read:  
3     100. Notwithstanding any other provision of law, commencing  
4     with the 1988–89 fiscal year, property tax assessed value  
5     attributable to unitary and operating nonunitary property, as defined  
6     in Sections 723 and 723.1, that is assessed by the State Board of  
7     Equalization, shall be allocated by county as provided in Section  
8     756, and the assessed value and revenues attributable to that  
9     allocation shall be allocated within each county as follows:  
10    (a) Each county shall establish one countywide tax rate area.  
11    The assessed value of all unitary and operating nonunitary property  
12    shall be assigned to this tax rate area. No other property shall be  
13    assigned to this tax rate area.  
14    (b) Property assigned to the tax rate area created by subdivision  
15    (a) shall be taxed at a rate equal to the sum of the following two  
16    rates:  
17    (1) A rate determined by dividing the county’s total ad valorem  
18    tax levies for the secured roll, including levies made pursuant to  
19    Section 96.8, for the prior year, exclusive of levies for debt service,  
20    by the county’s total ad valorem secured roll assessed value for  
21    the prior year.  
22    (2) A rate determined as follows:  
23    (A) By dividing the county’s total ad valorem tax levies for  
24    unitary and operating nonunitary property for the prior year debt  
25    service only by the county’s total unitary and operating nonunitary  
26    assessed value for the prior year.  
27    (B) Beginning with the 1989–90 fiscal year, adjusting the rate  
28    determined pursuant to subparagraph (A) by the percentage change  
29    between the two preceding fiscal years in the county’s ad valorem  
30    debt service levy for the secured roll, not including unitary and  
31    operating nonunitary debt service.  
32    (c) The property tax revenue derived from the assessed value  
33    assigned to the countywide tax rate area pursuant to subdivision  
34    (a) and pursuant to paragraph (2) of subdivision (a) of Section

1 100.1 by the use of the tax rate determined in paragraph (1) of  
2 subdivision (b) shall be allocated as follows:

3 (1) For the 1988–89 fiscal year and each fiscal year thereafter,  
4 each taxing jurisdiction shall be allocated an amount of property  
5 tax revenue equal to 102 percent of the amount of the aggregate  
6 property tax revenue it received from all unitary and operating  
7 nonunitary property in the prior fiscal year, exclusive of revenue  
8 attributable to qualified property under Sections 100.95 and 100.96  
9 and levies for debt service.

10 (2) If the amount of property tax revenue available for allocation  
11 in the current fiscal year is insufficient to make the allocations  
12 required by paragraph (1), the amount of revenue to be allocated  
13 to each taxing jurisdiction shall be prorated based on a factor  
14 determined by dividing the total amount of property tax revenue  
15 available to all taxing jurisdictions from unitary and operating  
16 nonunitary property in the current year, exclusive of revenue  
17 attributable to levies for debt service, by the total amount of  
18 property tax revenue received by all taxing jurisdictions from  
19 unitary and operating nonunitary property in the prior fiscal year,  
20 exclusive of revenue attributable to levies for debt service.

21 (3) If the amount of property tax revenue available for allocation  
22 to all taxing jurisdictions in the current fiscal year from unitary  
23 and operating nonunitary property, exclusive of revenue attributable  
24 to qualified property under Sections 100.95 and 100.96 and levies  
25 for debt service, exceeds 102 percent of the property tax revenue  
26 received by all taxing jurisdictions from all unitary and operating  
27 nonunitary property in the prior fiscal year, exclusive of revenue  
28 attributable to qualified property under Sections 100.95 and 100.96  
29 and levies for debt service, the amount of revenue in excess of 102  
30 percent shall be allocated to all taxing jurisdictions in the county  
31 by a ratio determined by dividing each taxing jurisdiction's share  
32 of the county's total ad valorem tax levies for the secured roll for  
33 the prior year, exclusive of levies for qualified property under  
34 Sections 100.95 and 100.96 and levies for debt service, by the  
35 county's total ad valorem tax levies for the secured roll for the  
36 prior year, exclusive of levies for qualified property under Sections  
37 100.95 and 100.96 and levies for debt service.

38 (d) The property tax revenue derived from the assessed value  
39 assigned to the countywide tax rate area pursuant to subdivision  
40 (a) and pursuant to paragraph (2) of subdivision (a) of Section

100.1 by the use of the tax rate determined in paragraph (2) of subdivision (b) shall be allocated as follows:

(1) An amount shall be computed for each taxing jurisdiction and shall be determined by multiplying the amounts required in the current year pursuant to subdivisions (a) and (c) of Section 93 by that percentage that shall be determined by dividing the amount of property tax revenue the jurisdiction received in the prior year from unitary property and operating nonunitary property by the total amount of property tax revenue the jurisdiction received in the prior year from all property.

(2) The amount of property tax revenue available for allocation pursuant to this subdivision shall be allocated among taxing jurisdictions in the proportion that the amount computed for each taxing jurisdiction pursuant to paragraph (1) bears to the total amount computed pursuant to paragraph (1) for all taxing jurisdictions.

(3) If a taxing jurisdiction is levying a tax rate for debt service for the first time in the current fiscal year, for purposes of determining the percentage specified in paragraph (1), that percentage shall be the percentage determined by dividing the amount of property tax revenue received by that taxing jurisdiction in the prior year pursuant to subdivision (c) from unitary and operating nonunitary property by the total amount of property tax revenue received by that taxing jurisdiction in the prior year from all property within the taxing jurisdiction.

(e) For purposes of this section:

(1) “The county’s total ad valorem tax levies for the secured roll” means all ad valorem tax levies for the county’s secured roll, including the general tax levy, levies for debt service (including land only and land and improvement rates), and levies for redevelopment agencies.

(2) “The county’s total ad valorem secured roll” means the county’s local roll, after all exemptions except the homeowner’s exemption, and the county’s utility roll.

(3) “Taxing jurisdiction” includes a redevelopment agency.

(4) In a county of the second class, for the 1992–93 fiscal year and each fiscal year thereafter, “taxing jurisdiction” includes that fund that has been designated by the auditor as the “Unallocated Residual Public Utility Tax Fund.” All revenues allocated to that

1 fund pursuant to this section shall be deposited in that fund and  
2 shall be distributed as follows:

3 (A) For the 1992–93 fiscal year to the 1996–97 fiscal year,  
4 inclusive, at the discretion of the county board of supervisors.

5 (B) For the 1997–98 fiscal year, 100 percent to the Orange  
6 County Fire Authority.

7 (C) For the 1998–99 fiscal year and each fiscal year thereafter,  
8 in accordance with the following schedule:

9 (i) Fifty-seven and forty-seven hundredths percent to the Orange  
10 County Fire Authority.

11 (ii) Forty-one and forty-seven hundredths percent to the Orange  
12 County Library District.

13 (iii) Forty-eight hundredths percent to the Buena Park Library  
14 District.

15 (iv) Fifty-eight hundredths percent to the Placentia Library  
16 District.

17 (f) The assessed value of the unitary and operating nonunitary  
18 property shall be kept separate for each state assessee throughout  
19 the allocation process.

20 (g) Each state assessee shall be issued only one tax bill for all  
21 unitary and operating nonunitary property within the county.

22 (h) This section applies to the unitary property of regulated  
23 railway companies only to the extent described in Section 100.1.

24 (i) This section does not apply to property that on July 1, 1987,  
25 was undeveloped and owned by a utility and located within a city,  
26 county, or city and county that adopts a resolution stating that the  
27 property is subject to a development plan or agreement and that  
28 this section shall not apply to that property, and the city, county,  
29 or city and county transmits a copy of that resolution, including a  
30 legal description of the property, to the State Board of Equalization  
31 and the county's auditor-controller prior to January 1, 1988.

32 (j) (1) For property that on July 1, 1990, was undeveloped and  
33 owned by a utility and that is located within a city, county, or city  
34 and county that adopts a resolution stating that the property is  
35 subject to a development plan or agreement and that this  
36 subdivision applies to that property, and the city, county, or city  
37 and county transmits a copy of that resolution, including a legal  
38 description of the property, to the county auditor prior to August  
39 1, 1991, the allocation of property tax revenues derived with respect  
40 to that property pursuant to Sections 96.1, 96.2, 97.31, 98, 98.01,

1 and 98.04, shall be subject to the allocation required by paragraph  
2 (2).

3 (2) The county auditor shall annually allocate to a city, county,  
4 or city and county, that has adopted and transmitted a resolution  
5 pursuant to paragraph (1), the amount of property tax revenues  
6 derived with respect to the property described in paragraph (1)  
7 that would be allocated to that city, county, or city and county if  
8 that property were subject to assessment by the county assessor.  
9 In order to provide the allocations required by this paragraph, the  
10 county auditor shall make any necessary pro rata reductions in  
11 allocations to local agencies other than that city, county, or city  
12 and county adopting and transmitting a resolution pursuant to  
13 paragraph (1), of property tax revenues derived with respect to the  
14 property described in paragraph (1).

15 (k) (1) For property subject to this section that is owned by a  
16 utility that serves no more than two counties and is located within  
17 a city, county, or city and county that adopts a resolution stating  
18 that the property is subject to a development plan or agreement  
19 for new construction and the city, county, or city and county  
20 transmits a copy of that resolution, including a legal description  
21 of the property, to the State Board of Equalization and the county  
22 auditor prior to January 1, 2006, the allocation of property tax  
23 revenues derived with respect to that property pursuant to Sections  
24 96.1, 97.31, 98, 98.01, and 98.04, shall be subject to the  
25 requirements of paragraph (2).

26 (2) If the city, county, or city and county has adopted and  
27 transmitted a resolution pursuant to paragraph (1), the county  
28 auditor shall annually allocate the property tax revenue attributable  
29 to the new construction described in the development plan or  
30 agreement, as if that new construction were subject to assessment  
31 by the county assessor, according to the following formula:

32 (A) An amount of property tax revenue to school entities, as  
33 defined in subdivision (f) of Section 95, equivalent to the same  
34 percentage the school entities received in the prior fiscal year of  
35 the property tax revenues paid by the utility in the county in which  
36 the property described in paragraph (1) is located.

37 (B) An amount of property tax revenue to the county in which  
38 the property is located equivalent to the same percentage the county  
39 received in the prior fiscal year of the property tax revenues paid  
40 by the utility in the county in which the property described in

paragraph (1) is located. The county shall distribute those property tax revenues to the county general fund, the county library district, the county flood control district, the county sanitation districts, and the county service areas.

(C) The property tax revenue remaining after the allocations described in subparagraphs (A) and (B) are made shall be distributed to the city in which the property described in paragraph (1) is located.

(3) In order to provide the allocations required by paragraph (2), the county auditor shall make any necessary pro rata reductions in allocations of property taxes attributable to the property specified in paragraph (1) to jurisdictions other than those receiving an allocation under paragraph (2).

(I) The amendments made to this section by the act that added this subdivision apply for the 2007–08 fiscal year and for each fiscal year thereafter.

SEC. 1.5. Section 100 of the Revenue and Taxation Code is amended to read:

100. Notwithstanding any other provision of law, commencing with the 1988–89 fiscal year, property tax assessed value attributable to unitary and operating nonunitary property, as defined in Sections 723 and 723.1, that is assessed by the State Board of Equalization shall be allocated by county as provided in Section 756, and the assessed value and revenues attributable to that allocation shall be allocated within each county as follows:

(a) Each county shall establish one countywide tax rate area. The assessed value of all unitary and operating nonunitary property shall be assigned to this tax rate area. No other property shall be assigned to this tax rate area.

(b) Property assigned to the tax rate area created by subdivision (a) shall be taxed at a rate equal to the sum of the following two rates:

(1) A rate determined by dividing the county’s total ad valorem tax levies for the secured roll, including levies made pursuant to Section 96.8, for the prior year, exclusive of levies for debt service, by the county’s total ad valorem secured roll assessed value for the prior year.

(2) A rate determined as follows:

(A) By dividing the county’s total ad valorem tax levies for unitary and operating nonunitary property for the prior year debt

1 service only by the county's total unitary and operating nonunitary  
2 assessed value for the prior year.

3 (B) Beginning with the 1989–90 fiscal year, adjusting the rate  
4 determined pursuant to subparagraph (A) by the percentage change  
5 between the two preceding fiscal years in the county's ad valorem  
6 debt service levy for the secured roll, not including unitary and  
7 operating nonunitary debt service.

8 (c) The property tax revenue derived from the assessed value  
9 assigned to the countywide tax rate area pursuant to subdivision  
10 (a) and pursuant to paragraph (2) of subdivision (a) of Section  
11 100.1 by the use of the tax rate determined in paragraph (1) of  
12 subdivision (b) shall be allocated as follows:

13 (1) For the 1988–89 fiscal year and each fiscal year thereafter,  
14 each taxing jurisdiction shall be allocated an amount of property  
15 tax revenue equal to 102 percent of the amount of the aggregate  
16 property tax revenue it received from all unitary and operating  
17 nonunitary property in the prior fiscal year, exclusive of revenue  
18 attributable to qualified property under Sections 100.95 and 100.96  
19 and levies for debt service.

20 (2) If the amount of property tax revenue available for allocation  
21 in the current fiscal year is insufficient to make the allocations  
22 required by paragraph (1), the amount of revenue to be allocated  
23 to each taxing jurisdiction shall be prorated based on a factor  
24 determined by dividing the total amount of property tax revenue  
25 available to all taxing jurisdictions from unitary and operating  
26 nonunitary property in the current year, exclusive of revenue  
27 attributable to levies for debt service, by the total amount of  
28 property tax revenue received by all taxing jurisdictions from  
29 unitary and operating nonunitary property in the prior fiscal year,  
30 exclusive of revenue attributable to levies for debt service.

31 (3) If the amount of property tax revenue available for allocation  
32 to all taxing jurisdictions in the current fiscal year from unitary  
33 and operating nonunitary property, exclusive of revenue attributable  
34 to qualified property under Sections 100.95 and 100.96 and levies  
35 for debt service, exceeds 102 percent of the property tax revenue  
36 received by all taxing jurisdictions from all unitary and operating  
37 nonunitary property in the prior fiscal year, exclusive of revenue  
38 attributable to qualified property under Sections 100.95 and 100.96  
39 and levies for debt service, the amount of revenue in excess of 102  
40 percent shall be allocated to all taxing jurisdictions in the county

1 by a ratio determined by dividing each taxing jurisdiction's share  
2 of the county's total ad valorem tax levies for the secured roll for  
3 the prior year, exclusive of levies for qualified property under  
4 Sections 100.95 and 100.96 and levies for debt service, by the  
5 county's total ad valorem tax levies for the secured roll for the  
6 prior year, exclusive of levies for qualified property under Sections  
7 100.95 and 100.96 and levies for debt service.

8 (d) The property tax revenue derived from the assessed value  
9 assigned to the countywide tax rate area pursuant to subdivision  
10 (a) and pursuant to paragraph (2) of subdivision (a) of Section  
11 100.1 by the use of the tax rate determined in paragraph (2) of  
12 subdivision (b) shall be allocated as follows:

13 (1) An amount shall be computed for each taxing jurisdiction  
14 and shall be determined by multiplying the amounts required in  
15 the current year pursuant to subdivisions (a) and (c) of Section 93  
16 by that percentage that shall be determined by dividing the amount  
17 of property tax revenue the jurisdiction received in the prior year  
18 from unitary property and operating nonunitary property by the  
19 total amount of property tax revenue the jurisdiction received in  
20 the prior year from all property.

21 (2) The amount of property tax revenue available for allocation  
22 pursuant to this subdivision shall be allocated among taxing  
23 jurisdictions in the proportion that the amount computed for each  
24 taxing jurisdiction pursuant to paragraph (1) bears to the total  
25 amount computed pursuant to paragraph (1) for all taxing  
26 jurisdictions.

27 (3) If a taxing jurisdiction is levying a tax rate for debt service  
28 for the first time in the current fiscal year, for purposes of  
29 determining the percentage specified in paragraph (1), that  
30 percentage shall be the percentage determined by dividing the  
31 amount of property tax revenue received by that taxing jurisdiction  
32 in the prior year pursuant to subdivision (c) from unitary and  
33 operating nonunitary property by the total amount of property tax  
34 revenue received by that taxing jurisdiction in the prior year from  
35 all property within the taxing jurisdiction.

36 (e) For purposes of this section:

37 (1) "The county's total ad valorem tax levies for the secured  
38 roll" means all ad valorem tax levies for the county's secured roll,  
39 including the general tax levy, levies for debt service (including

land only and land and improvement rates), and levies for redevelopment agencies.

(2) “The county’s total ad valorem secured roll” means the county’s local roll, after all exemptions except the homeowner’s exemption, and the county’s utility roll.

(3) “Taxing jurisdiction” includes a redevelopment agency.

(4) In a county of the second class, for the 1992–93 fiscal year and each fiscal year thereafter, “taxing jurisdiction” includes that fund that has been designated by the auditor as the “Unallocated Residual Public Utility Tax Fund.” All revenues allocated to that fund pursuant to this section shall be deposited in that fund and shall be distributed as follows:

(A) For the 1992–93 fiscal year to the 1996–97 fiscal year, inclusive, at the discretion of the county board of supervisors.

(B) For the 1997–98 fiscal year, 100 percent to the Orange County Fire Authority.

(C) For the 1998–99 fiscal year and each fiscal year thereafter, in accordance with the following schedule:

(i) Fifty-seven and forty-seven hundredths percent to the Orange County Fire Authority.

(ii) Forty-one and forty-seven hundredths percent to the Orange County Library District.

(iii) Forty-eight hundredths percent to the Buena Park Library District.

(iv) Fifty-eight hundredths percent to the Placentia Library District.

(f) The assessed value of the unitary and operating nonunitary property shall be kept separate for each state assessee throughout the allocation process.

(g) Each state assessee shall be issued only one tax bill for all unitary and operating nonunitary property within the county.

(h) This section applies to the unitary property of regulated railway companies only to the extent described in Section 100.1.

(i) This section does not apply to property that on July 1, 1987, was undeveloped and owned by a utility and located within a city, county, or city and county that adopts a resolution stating that the property is subject to a development plan or agreement and that this section shall not apply to that property, and the city, county, or city and county transmits a copy of that resolution, including a

1 legal description of the property, to the State Board of Equalization  
2 and the county's auditor-controller prior to January 1, 1988.

3 (j) (1) For property that on July 1, 1990, was undeveloped and  
4 owned by a utility and that is located within a city, county, or city  
5 and county that adopts a resolution stating that the property is  
6 subject to a development plan or agreement and that this  
7 subdivision applies to that property, and the city, county, or city  
8 and county transmits a copy of that resolution, including a legal  
9 description of the property, to the county auditor prior to August  
10 1, 1991, the allocation of property tax revenues derived with respect  
11 to that property pursuant to Sections 96.1, 96.2, 97.31, 98, 98.01,  
12 and 98.04, shall be subject to the allocation required by paragraph  
13 (2).

14 (2) The county auditor shall annually allocate to a city, county,  
15 or city and county, that has adopted and transmitted a resolution  
16 pursuant to paragraph (1), the amount of property tax revenues  
17 derived with respect to the property described in paragraph (1)  
18 that would be allocated to that city, county, or city and county if  
19 that property were subject to assessment by the county assessor.  
20 In order to provide the allocations required by this paragraph, the  
21 county auditor shall make any necessary pro rata reductions in  
22 allocations to local agencies other than that city, county, or city  
23 and county adopting and transmitting a resolution pursuant to  
24 paragraph (1), of property tax revenues derived with respect to the  
25 property described in paragraph (1).

26 (k) (1) For property subject to this section that is owned by a  
27 utility that serves no more than two counties and is located within  
28 a city, county, or city and county that adopts a resolution stating  
29 that the property is subject to a development plan or agreement  
30 for new construction and the city, county, or city and county  
31 transmits a copy of that resolution, including a legal description  
32 of the property, to the State Board of Equalization and the county  
33 auditor prior to January 1, 2006, the allocation of property tax  
34 revenues derived with respect to that property pursuant to Sections  
35 96.1, 97.31, 98, 98.01, and 98.04, shall be subject to the  
36 requirements of paragraph (2).

37 (2) If the city, county, or city and county has adopted and  
38 transmitted a resolution pursuant to paragraph (1), the county  
39 auditor shall annually allocate the property tax revenue attributable  
40 to the new construction described in the development plan or

1 agreement, as if that new construction were subject to assessment  
2 by the county assessor, according to the following formula:

3 (A) An amount of property tax revenue to school entities, as  
4 defined in subdivision (f) of Section 95, equivalent to the same  
5 percentage the school entities received in the prior fiscal year of  
6 the property tax revenues paid by the utility in the county in which  
7 the property described in paragraph (1) is located.

8 (B) An amount of property tax revenue to the county in which  
9 the property is located equivalent to the same percentage the county  
10 received in the prior fiscal year of the property tax revenues paid  
11 by the utility in the county in which the property described in  
12 paragraph (1) is located. The county shall distribute those property  
13 tax revenues to the county general fund, the county library district,  
14 the county flood control district, the county sanitation districts,  
15 and the county service areas.

16 (C) The property tax revenue remaining after the allocations  
17 described in subparagraphs (A) and (B) are made shall be  
18 distributed to the city in which the property described in paragraph  
19 (1) is located.

20 (3) In order to provide the allocations required by paragraph  
21 (2), the county auditor shall make any necessary pro rata reductions  
22 in allocations of property taxes attributable to the property specified  
23 in paragraph (1) to jurisdictions other than those receiving an  
24 allocation under paragraph (2).

25 (l) (1) For property subject to this section that is owned by a  
26 utility that was constructed by a wholly owned subsidiary of the  
27 utility prior to January 1, 2007, and placed in service by the utility  
28 on or after January 1, 2007, and the property is located within a  
29 redevelopment project area of a joint powers authority comprised  
30 of cities and a county that adopts a resolution stating that the  
31 property is subject to a redevelopment plan and the joint powers  
32 authority transmits a copy of that resolution, including a legal  
33 description of the property, to the State Board of Equalization and  
34 the county auditor prior to January 1, 2011, the allocation of  
35 property tax revenues derived with respect to that property shall  
36 be subject to the requirements of subdivision (a) of Section 100.9.

37 (2) Notwithstanding any other law, the State Board of  
38 Equalization may amend the tax rolls for the 2010–11 fiscal year  
39 in order to provide the allocations required by paragraph (1).

1 (m) The amendments made to this section by the act that added  
2 this subdivision apply for the 2007–08 fiscal year and for each  
3 fiscal year thereafter.

4 (n) The amendments made to this section by the act that added  
5 this subdivision apply for the 2010–11 fiscal year and for each  
6 fiscal year thereafter.

7 SEC. 2. Section 100.96 is added to the Revenue and Taxation  
8 Code, to read:

9 100.96. (a) Notwithstanding any other law, for the 2011–12  
10 fiscal year and each fiscal year thereafter, all of the following shall  
11 apply:

12 (1) The revenue from the property tax assessed on qualified  
13 property, which is owned by a public utility and assessed by the  
14 State Board of Equalization, shall be allocated in accordance with  
15 subdivision (b) entirely within the county in which the qualified  
16 property is located.

17 (2) The tax rate applied to the assessed value of qualified  
18 property shall be the rate calculated pursuant to subdivision (b) of  
19 Section 100.

20 (b) The county auditor shall do both of the following with  
21 respect to the property tax revenues derived from applying the tax  
22 rate described in subdivision (b) of Section 100 to the qualified  
23 property:

24 (1) Allocate the property tax revenues derived from applying  
25 the tax rate described in paragraph (1) of subdivision (b) of Section  
26 100 as follows:

27 (A) First, to the county in which the qualified property is located  
28 and to all of the school entities located in that county, the amount  
29 of property tax revenues that would have otherwise been allocated  
30 to the county and school entities or districts had this section not  
31 been enacted.

32 (B) Second, to the East Contra Costa Fire Protection District,  
33 an amount equal to 2 percent of the property tax revenues.

34 (C) Third, to any special district formed pursuant to Article 3  
35 (commencing with Section 5500) of Chapter 3 of Division 5 of  
36 the Public Resources Code, an amount of property tax revenues  
37 equal to the amount of property tax revenues allocated to that  
38 special district in the 2010–11 fiscal year.

1 (D) Fourth, to the redevelopment agency governing the project  
2 area in which the qualified property is located, the balance of the  
3 property tax revenues.

4 (2) Allocate the property tax revenues derived from applying  
5 the tax rate described in paragraph (2) of subdivision (b) of Section  
6 100 as follows:

7 (A) First, to taxing jurisdictions in those tax rate areas in the  
8 county in which the qualified property is located, an amount  
9 equivalent to the State Board of Equalization's assessed value of  
10 the qualified property for the year multiplied by any override rate  
11 adopted by the local agency for the year.

12 (B) Second, the balance to taxing jurisdictions in accordance  
13 with subdivision (d) of Section 100.

14 (3) In order to make the allocations required by this subdivision,  
15 the county auditor shall make any necessary pro rata reductions  
16 in the allocations of property tax revenues attributable to the  
17 qualified property to jurisdictions other than those receiving an  
18 allocation under this subdivision.

19 (c) The Oakley Redevelopment Agency shall reimburse the  
20 county auditor for the actual and reasonable costs incurred by the  
21 county auditor to administer this section.

22 (d) For purposes of this section, all of the following shall apply:

23 (1) "Qualified property" means both of the following:

24 (A) All plant and associated equipment, including substation  
25 facilities and fee-owned land and easements, placed in service by  
26 a public utility in the Oakley Redevelopment Project Area on or  
27 after January 1, 2011, and related to the following:

28 (i) Electrical substation facilities that meet either of the  
29 following conditions:

30 (I) The high-side voltage of the facility's transformer is 50,000  
31 volts or more.

32 (II) The substation facilities are operated at 50,000 volts or  
33 more.

34 (ii) Electric generation facilities that have a nameplate generating  
35 capacity of 50 megawatts or more.

36 (iii) Electric transmission line facilities of 200,000 volts or more.

37 (B) Any additions, modifications, reconductoring, or equivalent  
38 replacements to the plant and associated equipment made after the  
39 plant and associated equipment are placed into service.

(2) A public utility shall provide to the State Board of Equalization a description of the qualified property in the form prescribed by the board so that separate valuation can be determined. The State Board of Equalization shall transmit to the auditor of Contra Costa County the information necessary to identify the qualified property and the corresponding assessed value data necessary to make the property tax revenue allocations required by this section.

*(e) (1) The Oakley Redevelopment Agency shall develop one new housing unit for each 40 jobs created on real property within the project area that was, on September 1, 2010, owned by the Dupont Corporation, commonly and formerly known as the Dupont Antioch plant, and consisting of approximately 378 acres. This obligation shall commence upon placing the qualified property in service.*

*(2) All units newly developed pursuant to this section:*

*(A) Shall be affordable to, and occupied by, extremely low income persons, as defined in the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).*

*(B) Shall comply with the requirements of the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code), except as otherwise provided in this section.*

*(C) Shall be completed and occupied no later than 10 years after any number of units required pursuant to paragraph (1) is determined pursuant to paragraph (3).*

*(D) May be located anywhere within the City of Oakley. The number of units required by this section shall not be affected by whether the units are within a project area, notwithstanding such a requirement in the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).*

*(E) May be used to satisfy the City of Oakley's regional housing needs allocation.*

*(3) The number of jobs created in the area specified in paragraph (1) shall be determined as follows:*

*(A) The agency shall determine the number of jobs, full and part time, existing in the area described in paragraph (1) six months prior to the approval of an agency's five-year*

1 *implementation plan. The agency shall use data from a state or*  
2 *federal agency in making the determination. The number of units*  
3 *required pursuant to this section shall be 1/40th of the number of*  
4 *jobs calculated and shall be included in the first applicable*  
5 *implementation plan.*

6 *(B) For each subsequent implementation plan, the number of*  
7 *additional units shall be based on the increase, if any, in the*  
8 *number of jobs since the prior calculation.*

9 SEC. 3. The Legislature finds and declares that a special law  
10 is necessary, and that a general law cannot be made applicable  
11 within the meaning of Section 16 of Article IV of the California  
12 Constitution, in order to ensure that the Oakley Redevelopment  
13 Agency receives sufficient tax increment funding to repay loans,  
14 or moneys advanced to, or indebtedness incurred by, the  
15 redevelopment agency to finance or refinance redevelopment  
16 projects.

17 SEC. 4. Section 1.5 of this bill incorporates amendments to  
18 Section 100 of the Revenue and Taxation Code proposed by this  
19 bill and AB 308. It shall only become operative if (1) both bills  
20 are enacted and become effective on or before January 1, 2011,  
21 (2) each bill amends Section 100 of the Revenue and Taxation  
22 Code, and (3) this bill is enacted after AB 308, in which case  
23 Section 100 of the Revenue and Taxation Code, as amended by  
24 AB 308, shall remain operative only until the operative date of  
25 this bill, at which time Section 1.5 of this bill shall become  
26 operative, and Section 1 of this bill shall not become operative.

27 SEC. 5. No reimbursement is required by this act pursuant to  
28 Section 6 of Article XIII B of the California Constitution because  
29 this act provides for reimbursement to a local agency in the form  
30 of additional revenues that are sufficient in amount to fund the  
31 new duties established by this act, within the meaning of Section  
32 17556 of the Government Code.