

AMENDED IN ASSEMBLY AUGUST 16, 1999

AMENDED IN ASSEMBLY JULY 8, 1999

AMENDED IN ASSEMBLY JUNE 17, 1999

AMENDED IN SENATE MAY 3, 1999

AMENDED IN SENATE APRIL 7, 1999

SENATE BILL

No. 275

Introduced by Committee on Local Government (Senators Rainey (Chair), Baca, Johannessen, Johnston, Monteith, Perata, and Polanco

February 1, 1999

An act to amend ~~Sections 349.1 and 349.4 of, and to repeal Section 349^{1/2} of, the Code of Civil Procedure, to amend~~ Section 13.5 of the Elections Code, to amend Sections 27000.8, 27000.9, 27063, 30063, 37361, ~~56103~~, 56332, 56853, 56857, 61107, 65307, 65850, 65850.4, 65956, 66451.2, 66458, 66498.1, 66498.2, and 66498.3 of, and to repeal Section 77202.5 of, the Government Code, to amend Sections 4730.6 and 13890 of the Health and Safety Code, and to amend Sections 98.02, 99, 4986.3, and 11005 of the Revenue and Taxation Code, relating to local agencies, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 275, as amended, Committee on Local Government. 1999 Local Agency Omnibus Act.



~~(1) Existing law requires that lawsuits challenging boundary changes and other changes of organization or reorganizations subject to the Cortese-Knox Local Government Reorganization Act of 1985 be commenced within 60 days after proceedings are completed. However, laws enacted prior to that act provide that the deadlines to contest those proceedings are 3 months or 6 months, as specified.~~

~~This bill would repeal the 3-month deadline and make the 6-month deadline inapplicable to proceedings under the Cortese-Knox Act.~~

~~(2) Existing law provides that in order to be considered a legally qualified candidate for certain county and judicial offices, a person is required to file specified documents.~~

~~This bill would add to those offices requiring the filing of those documents the offices of county treasurer, county tax collector, and county treasurer-tax collector.~~

~~(3)~~

~~(2) Existing law authorizes a county board of supervisors to enact an ordinance adopting continuing education requirements for the office of county treasurer, county tax collector, or county treasurer-tax collector within the discipline of treasury management or public finance or both.~~

~~This bill would also permit the continuing education requirements to be within the disciplines of public administration, governmental accounting, or directly related subjects.~~

~~(4)~~

~~(3) Existing law requires the county treasurer to file with the county board of supervisors a monthly report of funds received and disbursed.~~

~~This bill would authorize a county auditor to file those reports if the county treasurer and county auditor have a written agreement.~~

~~(5)~~

~~(4) Existing law requires the county auditor and the city treasurer to file a written report on or before September 1 each year with the Supplemental Law Enforcement Oversight Committee and the local governing body detailing and summarizing allocations from the county's or city's~~



Supplemental Law Enforcement Services Fund, as applicable for the entire preceding year. Existing law requires local officials to hold a public hearing in September in each year that the Legislature appropriates money to the fund for the purpose of considering requests for money from the fund.

This bill instead would require the report to be filed on or before the date of the duly noticed public hearing.

~~(6)~~

(5) Existing law authorizes the legislative body of a city to impose appropriate and reasonable control of the use or appearance of neighboring private property within public view of places, buildings, structures, works of art, and other objects having a special character or special historical or aesthetic interest or value.

This bill would make corrective, technical changes in that provision.

~~(7)~~

(6) Under existing law, when the executive officer of a local agency formation commission determines that it is not feasible to hold a meeting of the special district selection committee for the purpose of selecting the special district representatives to the commission or for filling a vacancy, the executive officer may conduct the selection process by delivering the necessary papers, or sending them by certified mail, to each independent special district.

This bill would additionally authorize this selection process to be conducted by electronic mail.

~~(8)~~

(7) Existing law requires the executive officer of a local agency formation commission to mail a copy of the commission's resolution of its determinations concerning a proposed change of organization or reorganization to the chief petitioners, if any, each affected local agency whose boundaries would be changed, and the conducting authority.

This bill would authorize the executive officer to transmit the resolutions by electronic mail.

~~(9)~~

(8) Under existing law, when a local agency formation commission is requested to amend or reconsider a resolution making determinations, the deadline for filing certain actions



is tolled during the time it takes the commission to act on the request.

This bill would toll the time for filing any action during the time it takes the commission to act on the request.

~~(10)~~

(9) Existing law specifies the proceedings necessary to form a community services district.

This bill would correct a technical error in that provision.

~~(11)~~

(10) Existing law requires that on or before October 1, the planning agency of each city or county shall annually report to its legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of its general plan and progress in its implementation.

This bill would correct an obsolete cross-reference in that provision.

~~(12)~~

(11) Existing law authorizes cities and counties to adopt zoning ordinances including content neutral zoning ordinances, regulating the time, place, and manner of operation of sexually oriented businesses, subject to specified conditions.

This bill would make a technical nonsubstantive change to those provisions.

~~(13)~~

(12) Under existing law, the failure of a development project applicant to submit complete or adequate information under the Permit Streamlining Act may be grounds for disapproving the project.

This bill would correct an obsolete cross-reference in that provision.

~~(14)~~

(13) Existing law permits cities and counties to establish fees for processing tentative, final, and parcel subdivision maps and related procedures.

This bill would correct obsolete cross-references in that provision.

~~(15)~~



(14) Under existing law, the legislative body of a city or county is required to provide specified notice of a pending approval or disapproval of a final subdivision map by the official to whom that authority has been delegated.

This bill instead would require that the notice be given by the clerk of the legislative body.

~~(16)~~

(15) Existing law specifies the time period for which rights exist that are conferred by a vesting tentative map.

This bill would correct obsolete cross references to that provision in other provisions of the Subdivision Map Act.

~~(17)~~

(16) Under existing law, in any year that the net county benefit for Ventura County between the property taxes allocated to cities by the county and the state money received by the county under the Trial Court Funding Program is less than \$5,262,500, the county receives a special subvention from vehicle license fee revenues.

This bill instead would establish a subvention of vehicle license fee revenues to Ventura County equal to 60% of the property tax revenue allocated to no and low property tax cities.

~~(18)~~

(17) Existing law provides for the establishment of the Ventura Regional Sanitation District, and further provides that the board of directors shall be the governing board of the district. Existing law also provides for an independent special district committee, composed of the presiding officers of specified independent special districts.

This bill would redesignate the independent special district committee as the special district committee, and would revise the membership requirements for that committee.

~~(19)~~

(18) The Fire Protection District Law requires fire districts to adopt budgets conforming to specified state regulations.

This bill would correct an obsolete reference to those regulations.

~~(20)~~

(19) Existing law authorizes the cancellation of property taxes and special taxes imposed to pay for bonds in certain



situations where the property was acquired by a city through foreclosure.

This bill would also permit these procedures for tax cancellation to be applied to property acquired through foreclosure by counties, cities and counties, special districts, school districts, and joint powers agencies.

~~(21)~~

(20) Existing law generally requires those agencies affected by a proposed jurisdictional change to negotiate, in accordance with specified procedures, an exchange of property tax revenues to reflect the changes in service area obligations that will result from the jurisdictional change. The process of negotiation, mediation, and arbitration concludes no more than 150 days after the initiation of proceedings for the jurisdictional change before the local agency formation commission.

This bill instead would require negotiation, mediation, and arbitration to be concluded no more than 150 days after the auditor provides specified property tax information to the local agencies.

~~(22)~~

(21) This bill would declare that it is to take effect immediately as an urgency statute but would also provide that all but specified provisions of the bill shall become operative on January 1, 2000.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. (a) This act shall be known and may be
 2 cited as the 1999 Local Agency Omnibus Act.
 3 (b) The Legislature finds and declares that
 4 Californians desire their government to be run efficiently
 5 and economically, and that public officials should avoid
 6 waste and duplication whenever possible. The
 7 Legislature further finds and declares that it desires to
 8 control its own operating costs by reducing the number
 9 of separate bills. Therefore, it is the intent of the
 10 Legislature in enacting this act to combine several minor,



1 noncontroversial statutory changes relating to public
2 agencies into a single measure.

3 ~~SEC. 2. Section 349^{1/2} of the Code of Civil Procedure~~
4 ~~is repealed.~~

5 ~~SEC. 3. Section 349.1 of the Code of Civil Procedure~~
6 ~~is amended to read:~~

7 ~~349.1. (a) The validity of any acts or proceedings~~
8 ~~taken under color of law for the formation, organization,~~
9 ~~incorporation, dissolution, consolidation, change of~~
10 ~~organization or reorganization of, or for any change in the~~
11 ~~territorial boundaries of, any county, city and county,~~
12 ~~public corporation or other public entity, or~~
13 ~~improvement district within any of the foregoing, shall~~
14 ~~not be contested in any action unless the action shall have~~
15 ~~been brought within six months from the date of~~
16 ~~completion of those acts or proceedings. Unless an action~~
17 ~~is commenced within that period, all of those acts or~~
18 ~~proceedings shall be held valid and in every respect legal~~
19 ~~and incontestable.~~

20 ~~(b) This section shall not amend or repeal any existing~~
21 ~~statute prescribing a shorter period of limitation than that~~
22 ~~specified in this section.~~

23 ~~(c) This section shall not apply to changes of~~
24 ~~organization or reorganizations that are subject to the~~
25 ~~Cortese-Knox Local Government Reorganization Act of~~
26 ~~1985, Division 3 (commencing with Section 56000) of~~
27 ~~Title 5 of the Government Code.~~

28 ~~SEC. 4. Section 349.4 of the Code of Civil Procedure~~
29 ~~is amended to read:~~

30 ~~349.4. (a) All acts and proceedings heretofore or~~
31 ~~hereafter taken under color of law for the formation,~~
32 ~~organization or incorporation of, or for any change in the~~
33 ~~territorial boundaries of, any county, city and county~~
34 ~~public corporation or other public entity, or~~
35 ~~improvement district, annexed area or zone within any~~
36 ~~of the foregoing, and for the authorization, issuance, sale,~~
37 ~~or exchange of bonds of the entity or the territory thereof~~
38 ~~may be confirmed, validated, and declared legally~~
39 ~~effective in the manner provided in this section.~~



1 ~~(b) The legislative body of the entity may instruct its~~
2 ~~clerk or secretary to mail a notice to all owners of~~
3 ~~property within the entity, within the improvement~~
4 ~~district or zone, or within the annexed area, as the case~~
5 ~~may be, as their names and addresses appear on the last~~
6 ~~equalized county assessment roll, or as known to the clerk~~
7 ~~or secretary. The notice shall include the name of the~~
8 ~~entity, the date the entity or the zone or improvement~~
9 ~~district therein was ordered formed or its territory~~
10 ~~changed by annexation or otherwise, as the case may be,~~
11 ~~the amount of bonds authorized, if any, and a statement~~
12 ~~that commencing with the date of mailing of the notice~~
13 ~~there shall be a 60-calendar day period during which~~
14 ~~period any property owner may file an action contesting~~
15 ~~the validity of the formation of the entity, or of the~~
16 ~~improvement district or zone, or of the change of~~
17 ~~boundaries by annexation or otherwise, as the case may~~
18 ~~be, or the validity of the bond authorization, if any. The~~
19 ~~clerk or secretary shall make and file with the legislative~~
20 ~~body of the entity a certificate of mailing of the notices.~~
21 ~~The legislative body of the entity may order the clerk or~~
22 ~~secretary to include in the notice any other additional~~
23 ~~information that it deems pertinent.~~

24 ~~(c) If no action is filed during this 60-day period, the~~
25 ~~formation of the entity or of the improvement district or~~
26 ~~zone, or the change of boundaries by annexation or~~
27 ~~otherwise, as the case may be, and the bond~~
28 ~~authorization, if any, are valid and uncontestable.~~

29 ~~(d) This section shall not apply to changes of~~
30 ~~organization or reorganizations that are subject to the~~
31 ~~Cortese Knox Local Government Reorganization Act of~~
32 ~~1985, Division 3 (commencing with Section 56000) of~~
33 ~~Title 5 of the Government Code.~~

34 SEC. 5. Section 13.5 of the Elections Code is amended
35 to read:

36 13.5. (a) (1) Notwithstanding subdivision (a) of
37 Section 13, no person shall be considered a legally
38 qualified candidate for any of the offices set forth in
39 subdivision (b) unless that person has filed a declaration
40 of candidacy, nomination papers, or statement of write-in



1 candidacy, accompanied by documentation, including,
2 but not necessarily limited to, certificates, declarations
3 under penalty of perjury, diplomas, or official
4 correspondence, sufficient to establish, in the
5 determination of the official with whom the declaration
6 or statement is filed, that the person meets each
7 qualification established for service in that office by the
8 provision referenced in subdivision (b).

9 (2) The provision of “documentation,” for purposes of
10 compliance with the requirements of paragraph (1), may
11 include the submission of either an original, as defined in
12 Section 255 of the Evidence Code, or a duplicate, as
13 defined in Section 260 of the Evidence Code.

14 (b) This section shall be applicable to the following
15 offices and qualifications therefor:

16 (1) For the office of county auditor, the qualifications
17 set forth in Sections 26945 and 26946 of the Government
18 Code.

19 (2) For the office of county district attorney, the
20 qualifications set forth in Sections 24001 and 24002 of the
21 Government Code.

22 (3) For the office of county sheriff, the qualifications
23 set forth in Section 24004.3 of the Government Code.

24 (4) For the office of county superintendent of schools,
25 the qualifications set forth in Sections 1205 to 1208,
26 inclusive, of the Education Code.

27 (5) For the office of judge of the municipal court, the
28 qualifications set forth in Article 4 (commencing with
29 Section 71140) of Chapter 6 of Title 8 of the Government
30 Code.

31 (6) For the office of judge of the superior court, the
32 qualifications set forth in Section 15 of Article VI of the
33 California Constitution.

34 (7) For the office of county treasurer, county tax
35 collector, or county treasurer-tax collector, the
36 qualifications set forth in Section 27000.7 of the
37 Government Code, provided that the board of
38 supervisors has adopted the provisions of that section
39 pursuant to Section 27000.8 of the Government Code.



1 SEC. 6. Section 27000.8 of the Government Code is
2 amended to read:

3 27000.8. Any duly elected county treasurer, county
4 tax collector, or county treasurer-tax collector serving in
5 that office on January 1, 1996, may serve for his or her
6 remaining term of office during which period of time the
7 requirements of this section shall not apply. After the
8 election of a county treasurer, county tax collector, or
9 county treasurer-tax collector to office, that person shall
10 complete a valid continuing course of study as prescribed
11 in this section, and shall during the person's four-year
12 term of office on or before June 30 of the fourth year,
13 render to the State Controller a certification indicating
14 that the person has successfully completed a continuing
15 education program consisting of, at a minimum, 48 hours,
16 or an equivalent amount of continuing education units
17 within the discipline of treasury management, public
18 finance, public administration, governmental
19 accounting, or directly related subjects, offered by a
20 recognized state or national association, institute, or
21 accredited college or university, or the California Debt
22 and Investment Advisory Commission, that provides the
23 requisite educational programs prescribed in this section.
24 The willful or negligent failure of any elected county
25 treasurer, county tax collector, or county treasurer-tax
26 collector to comply with the requirements of this section
27 shall be deemed a violation of this section.

28 SEC. 7. Section 27000.9 of the Government Code is
29 amended to read:

30 27000.9. Notwithstanding any other requirement of
31 law, any duly appointed county officer serving in the
32 capacity of county treasurer, county tax collector, or
33 county treasurer-tax collector shall, beginning in 2000,
34 complete a valid continuing course of study as prescribed
35 in this section, and shall, on or before June 30 of each
36 two-year period, render to the State Controller, a
37 certification indicating that the county officer has
38 successfully completed a continuing education program
39 consisting of, at a minimum, 24 hours or an equivalent
40 amount of continuing education units within the



1 discipline of treasury management, public finance, public
2 administration, governmental accounting, or directly
3 related subjects, offered by a recognized state or national
4 association, institute, or accredited college or university,
5 or the California Debt and Investment Advisory
6 Commission, that provides the requisite educational
7 programs prescribed in this section. The willful or
8 negligent failure of any county officer serving in the
9 capacity of county treasurer, county tax collector, or
10 county treasurer-tax collector to comply with the
11 requirements of this section shall be deemed a violation
12 of this section.

13 SEC. 8. Section 27063 of the Government Code is
14 amended to read:

15 27063. Not later than the 25th day of each month, the
16 treasurer, or, if the auditor has a written agreement with
17 the treasurer, the auditor, shall file with the board of
18 supervisors a detailed report of all money received and
19 disbursed by him or her during the preceding report
20 period which shall be no less frequent than monthly, so
21 that the receipts into the treasury and the amounts of
22 disbursements for the period will distinctly appear. The
23 report shall be filed and preserved by the clerk of the
24 board.

25 SEC. 9. Section 30063 of the Government Code is
26 amended to read:

27 30063. (a) The Supplemental Law Enforcement
28 Services Fund (SLESF) in each county or city is to be
29 expended exclusively as required by this chapter. Moneys
30 in that fund shall not be transferred to, or intermingled
31 with, the moneys in any other fund in the county or city
32 treasury, except that moneys may be transferred from the
33 SLESF to the county's or city's general fund to the extent
34 necessary to facilitate the appropriation and expenditure
35 of those transferred moneys in the manner required by
36 this chapter.

37 (b) Moneys in a SLESF may only be invested in safe
38 and conservative investments in accordance with those
39 standards of prudent investment applicable to the
40 investment of trust moneys. The treasurer of the county



1 and each city shall provide a monthly SLESF investment
2 report to either the police chief or the county sheriff and
3 district attorney, as applicable.

4 (c) Each year, on or before the date of the duly noticed
5 public hearing required pursuant to paragraph (1) of
6 subdivision (c) of Section 30061, the county auditor and
7 city treasurer shall detail and summarize allocations from
8 the county's or city's SLESF, as applicable, in a written,
9 public report filed with the Supplemental Law
10 Enforcement Oversight Committee (SLEOC), the
11 county board of supervisors or city council, as applicable,
12 for the entirety of the immediately preceding fiscal year,
13 and the county sheriff or police chief, as applicable.

14 (d) A summary of the annual reports required in
15 subdivision (c) shall be submitted in a standardized
16 format to be developed by the Controller, in conjunction
17 with the California District Attorney's Association,
18 California Police Chief's Association, California State
19 Sheriff's Association, California Peace Officer's
20 Association, California County Auditor's Association, and
21 California Municipal Treasurer's Association, by each
22 SLEOC to the Controller on or before October 15, 1998,
23 and each year thereafter. Upon request, the Controller
24 shall make a copy of the summarized reports available to
25 the Governor and the Legislature.

26 SEC. 10. Section 37361 of the Government Code is
27 amended to read:

28 37361. (a) The legislative body may acquire property
29 for the preservation or development of a historical
30 landmark. The legislative body may also acquire property
31 for development for recreational purposes and for
32 development of facilities in connection therewith.

33 (b) The legislative body may provide for places,
34 buildings, structures, works of art, and other objects,
35 having a special character or special historical or aesthetic
36 interest or value, special conditions or regulations for
37 their protection, enhancement, perpetuation or use,
38 which may include appropriate and reasonable control of
39 the use or appearance of neighboring private property
40 within public view, or both.



1 (c) Until January 1, 1995, subdivision (b) shall not
2 apply to noncommercial property owned by a religiously
3 affiliated association or corporation not organized for
4 private profit, whether incorporated as a religious or
5 public benefit corporation, unless the owner of the
6 property does not object to its application. This
7 subdivision does apply to a charter city. Nothing in this
8 subdivision shall be construed to infringe on the authority
9 of the legislative body to enforce special conditions and
10 regulations on any property designated prior to January
11 1, 1994. Subdivision (b) shall not apply to noncommercial
12 property owned by any association or corporation that is
13 religiously affiliated and not organized for private profit,
14 whether the corporation is organized as a religious
15 corporation, or as a public benefit corporation, provided
16 that both of the following occur:

17 (1) The association or corporation objects to the
18 application of the subdivision to its property.

19 (2) The association or corporation determines in a
20 public forum that it will suffer substantial hardship, which
21 is likely to deprive the association or corporation of
22 economic return on its property, the reasonable use of its
23 property, or the appropriate use of its property in the
24 furtherance of its religious mission, if the application is
25 approved.

26 (d) Nothing in this subdivision shall be construed to
27 infringe on the authority of any legislative body to
28 enforce special conditions and regulations on any
29 property designated prior to January 1, 1994, or to
30 authorize any legislative body to override the
31 determination made pursuant to paragraph (2) of
32 subdivision (c). This subdivision shall apply to a charter
33 city.

34 ~~SEC. 11. Section 56103 of the Government Code is~~
35 ~~amended to read:~~

36 ~~56103. (a) An action to determine the validity of any~~
37 ~~change of organization or reorganization completed~~
38 ~~pursuant to this division shall be brought pursuant to~~
39 ~~Chapter 9 (commencing with Section 860) of Title 10 of~~
40 ~~Part 2 of the Code of Civil Procedure.~~



1 ~~(b) Except as provided in subdivision (a), no action to~~
2 ~~attack, review, set aside, void, or annul any decision or~~
3 ~~determination by a commission shall be maintained~~
4 ~~unless the action is commenced and service is made on~~
5 ~~the commission within 60 days of the commission's~~
6 ~~decision or determination.~~

7 SEC. 12. Section 56332 of the Government Code is
8 amended to read:

9 56332. (a) The commission of any county shall be
10 enlarged by two members if, pursuant to Chapter 5
11 (commencing with Section 56450), the commission of any
12 county does both of the following:

13 (1) Orders representation of special districts upon the
14 commission.

15 (2) Adopts regulations affecting the functions and
16 services of special districts.

17 In addition to the commission members selected
18 pursuant to Sections 56325, 56329, and 56330, two
19 commission members shall be selected by an
20 independent special district selection committee to
21 represent special districts in the county.

22 (b) The independent special district selection
23 committee shall consist of the presiding officer of the
24 legislative body of each independent special district.
25 However, if the presiding officer of an independent
26 special district is unable to attend a meeting of the
27 independent special district selection committee, the
28 legislative body of the district may appoint one of its
29 members to attend the meeting of the selection
30 committee in the presiding officer's place. Those districts
31 shall include districts located wholly within the county
32 and those containing territory within the county
33 representing 50 percent or more of the assessed value of
34 taxable property of the district, as shown on the last
35 equalized county assessment roll. Each member of the
36 committee shall be entitled to one vote for each
37 independent special district of which he or she is the
38 presiding officer. Members representing a majority of the
39 eligible districts shall constitute a quorum.



1 (c) The executive officer shall call and give written
2 notice of all meetings of the members of the selection
3 committee. A meeting shall be called and held under
4 either of the following circumstances:

5 (1) Whenever a vacancy exists among the members or
6 alternate members representing independent special
7 districts upon the commission.

8 (2) Upon receipt of a written request by one or more
9 members of the selection committee representing
10 districts having 10 percent or more of the assessed value
11 of taxable property within the county, as shown on the last
12 equalized county assessment roll.

13 (d) (1) If the executive officer determines that a
14 meeting of the special district selection committee, for
15 the purpose of selecting the special district
16 representatives or for filling a vacancy, is not feasible, the
17 executive officer may conduct the business of the
18 committee in writing, as provided in this subdivision. The
19 executive officer may call for nominations to be
20 submitted in writing within 30 days. At the end of the
21 nominating period, the executive officer shall prepare
22 and deliver, or send by certified mail, to each
23 independent special district one ballot and voting
24 instructions.

25 (2) As an alternative to the delivery or certified mail,
26 the executive officer, with the prior concurrence of the
27 district, may transmit the ballot and voting instructions
28 by electronic mail, provided that the executive officer
29 shall retain written evidence of the receipt of that
30 material.

31 (3) The ballot shall include the names of all nominees
32 and the office for which each was nominated. The
33 districts shall return the ballots to the executive officer by
34 the date specified in the voting instructions, which date
35 shall be at least 30 days from the date on which the
36 executive officer mailed the ballots to the districts.

37 (4) If the executive officer has transmitted the ballot
38 and voting instructions by electronic mail, the districts
39 may return the ballots to the executive officer by



1 electronic mail, provided that the executive officer
2 retains written evidence of the receipt of the ballot.

3 (5) Any ballot received by the executive officer after
4 the specified date is invalid. The executive officer shall
5 announce the results of the election within seven days of
6 the specified date.

7 (e) The selection committee shall appoint two regular
8 members and one alternate member to the commission.
9 The members so appointed shall be elected or appointed
10 special district officers residing within the county but
11 shall not be members of the legislative body of a city or
12 county. If one of the regular district members is absent
13 from a commission meeting or disqualifies himself or
14 herself from participating in a meeting, the alternate
15 district member may serve and vote in place of the
16 regular district member for that meeting. The
17 representation by a regular district member who is a
18 special district officer shall not disqualify, or be cause for
19 disqualification of, the member from acting on a proposal
20 affecting the special district. The special district selection
21 committee may, at the time it appoints a member or
22 alternate, provide that the member or alternate is
23 disqualified from voting on proposals affecting the
24 district of which the member is a representative.

25 (f) If the office of a regular district member becomes
26 vacant, the alternate member may serve and vote in
27 place of the former regular district member until the
28 appointment and qualification of a regular district
29 member to fill the vacancy.

30 SEC. 13. Section 56853 of the Government Code is
31 amended to read:

32 56853. The executive officer shall mail a copy of the
33 resolution adopted by the commission making
34 determinations addressed to each of the following
35 persons or entities:

36 (a) The chief petitioners, if any, where the
37 proceedings for change of organization were initiated by
38 petition.

39 (b) Each affected local agency whose boundaries
40 would be changed by the proposal.



1 (c) The conducting authority, by certified mail, return
2 receipt requested. The copy of the resolution mailed to
3 the conducting authority shall be certified as a true and
4 correct copy by the executive officer. As an alternative to
5 mailing the resolution by certified mail, the executive
6 officer, with the prior concurrence of the conducting
7 authority, may transmit the resolution by electronic mail,
8 provided that the executive officer shall retain written
9 evidence of the receipt of that resolution.

10 SEC. 14. Section 56857 of the Government Code is
11 amended to read:

12 56857. (a) Any person or affected agency may file a
13 written request with the executive officer requesting
14 amendments to or reconsideration of any resolution
15 adopted by the commission making determinations. The
16 request shall state the specific modification to the
17 resolution being requested.

18 (b) Notwithstanding Section 56106, the deadlines set
19 by this section are mandatory. The person or agency shall
20 file the written request within 30 days of the adoption of
21 the initial or superseding resolution by the commission
22 making determinations or prior to the adoption of a
23 resolution by the conducting authority pursuant to
24 Chapter 4 (commencing with Section 57075), whichever
25 is earlier. If no person or agency files a timely request, the
26 commission shall not take any action pursuant to this
27 section.

28 (c) Upon receipt of a timely request, the executive
29 officer shall immediately notify the conducting authority
30 which shall not take any further action until the
31 commission acts on the request.

32 (d) Upon receipt of a timely request by the executive
33 officer, the time to file any action, including, but not
34 limited to, an action pursuant to Section 21167 of the
35 Public Resources Code and any provisions of Part 4
36 (commencing with Section 57000) governing the time
37 within which the conducting authority is to act shall be
38 tolled for the time that the commission takes to act on the
39 request.



1 (e) The executive officer shall place the request on the
2 agenda of the next meeting of the commission for which
3 notice can be given pursuant to this subdivision. The
4 executive officer shall give notice of the consideration of
5 the request by the commission in the same manner as for
6 the original proposal. The executive officer may give
7 notice in any other manner as he or she deems necessary
8 or desirable.

9 (f) At that meeting, the commission shall consider the
10 request and receive any oral or written testimony. The
11 consideration may be continued from time to time but
12 not to exceed 70 days from the date specified in the
13 notice. The person or agency which filed the request may
14 withdraw it at any time prior to the conclusion of the
15 consideration by the commission.

16 (g) At the conclusion of its consideration, the
17 commission may approve or disapprove with or without
18 amendment, wholly, partially, or conditionally, the
19 request. If the commission disapproves the request, it
20 shall not adopt a new resolution making determinations,
21 but shall direct the executive officer to notify the
22 conducting authority of its action. If the commission
23 approves the request, with or without amendment,
24 wholly, partially, or conditionally, the commission shall
25 adopt a resolution making determinations which shall
26 supersede the resolution previously issued.

27 (h) The determinations of the commission shall be
28 final and conclusive. No person or agency shall make any
29 further request for the same change or a substantially
30 similar change, as determined by the commission.

31 (i) Notwithstanding subdivision (h), clerical errors or
32 mistakes may be corrected pursuant to Section 56854.

33 SEC. 15. Section 61107 of the Government Code is
34 amended to read:

35 61107. Once the chief petitioners have filed a
36 sufficient petition or a legislative body has filed a
37 resolution of application, the local agency formation
38 commission shall proceed pursuant to Chapter 5
39 (commencing with Section 56825) of Part 3 of Division 3
40 of Title 5.



1 SEC. 16. Section 65307 of the Government Code is
2 amended to read:

3 65307. On or before October 1 of each year, the
4 planning agency of each city or county shall comply with
5 the provisions of Section 65400.

6 SEC. 17. Section 65850 of the Government Code is
7 amended to read:

8 65850. The legislative body of any county or city may,
9 pursuant to this chapter, adopt ordinances that do any of
10 the following:

11 (a) Regulate the use of buildings, structures, and land
12 as between industry, business, residences, open space,
13 including agriculture, recreation, enjoyment of scenic
14 beauty, use of natural resources, and other purposes.

15 (b) Regulate signs and billboards.

16 (c) Regulate all of the following:

17 (1) The location, height, bulk, number of stories, and
18 size of buildings and structures.

19 (2) The size and use of lots, yards, courts, and other
20 open spaces.

21 (3) The percentage of a lot which may be occupied by
22 a building or structure.

23 (4) The intensity of land use.

24 (d) Establish requirements for offstreet parking and
25 loading.

26 (e) Establish and maintain building setback lines.

27 (f) Create civic districts around civic centers, public
28 parks, public buildings, or public grounds, and establish
29 regulations for those civic districts.

30 SEC. 18. Section 65850.4 of the Government Code is
31 amended to read:

32 65850.4. (a) The legislative body of any county or city
33 may regulate, pursuant to a content neutral ordinance,
34 the time, place, and manner of operation of sexually
35 oriented businesses, when the ordinance is designed to
36 serve a substantial governmental interest, does not
37 unreasonably limit alternative avenues of
38 communication, and is based on narrow, objective, and
39 definite standards. The legislative body is entitled to rely
40 on the experiences of other counties and cities and on the



1 findings of court cases in establishing the reasonableness
2 of the ordinance and its relevance to the specific
3 problems it addresses, including the harmful secondary
4 effects that the business may have on the community and
5 its proximity to churches, schools, residences,
6 establishments dispensing alcohol, and other sexually
7 oriented businesses.

8 (b) For purposes of this section, a sexually oriented
9 business is one whose primary purpose is the sale or
10 display of matter that, because of its sexually explicit
11 nature, may, pursuant to state law or local regulatory
12 authority, be offered only to persons over the age of 18
13 years.

14 (c) This section shall not be construed to preempt the
15 legislative body of any city or county from regulating a
16 sexually oriented business or similar establishment in the
17 manner and to the extent permitted by the United States
18 Constitution and the California Constitution.

19 (d) It is the intent of the Legislature to authorize the
20 legislative body of any city or county to enter into a legally
21 sanctioned and appropriate cooperative agreement,
22 consortium, or joint powers authority with other adjacent
23 cities or counties regarding regulation of established
24 negative secondary effects of adult or sexually oriented
25 businesses if the actions taken by the legislative body are
26 consistent with this section.

27 (e) The Legislature finds and declares that in order to
28 encourage the legislative body of a city or county in
29 regulating adult or sexually oriented businesses or similar
30 businesses under this section, the legislative body may
31 consider any harmful secondary effects such a business
32 may have on adjacent cities and counties and its
33 proximity to churches, schools, residents, and other
34 businesses located in adjacent cities or counties.

35 SEC. 19. Section 65956 of the Government Code is
36 amended to read:

37 65956. (a) If any provision of law requires the lead
38 agency or responsible agency to provide public notice of
39 the development project or to hold a public hearing, or
40 both, on the development project and the agency has not



1 provided the public notice or held the hearing, or both,
2 at least 60 days prior to the expiration of the time limits
3 established by Sections 65950 and 65952, the applicant or
4 his or her representative may file an action pursuant to
5 Section 1085 of the Code of Civil Procedure to compel the
6 agency to provide the public notice or hold the hearing,
7 or both, and the court shall give the proceedings
8 preference over all other civil actions or proceedings,
9 except older matters of the same character.

10 (b) In the event that a lead agency or a responsible
11 agency fails to act to approve or to disapprove a
12 development project within the time limits required by
13 this article, the failure to act shall be deemed approval of
14 the permit application for the development project.
15 However, the permit shall be deemed approved only if
16 the public notice required by law has occurred. If the
17 applicant has provided seven days advance notice to the
18 permitting agency of the intent to provide public notice,
19 then no earlier than 60 days from the expiration of the
20 time limits established by Sections 65950 and 65952, an
21 applicant may provide the required public notice using
22 the distribution information provided pursuant to
23 Section 65941.5. If the applicant chooses to provide public
24 notice, that notice shall include a description of the
25 proposed development substantially similar to the
26 descriptions which are commonly used in public notices
27 by the permitting agency, the location of the proposed
28 development, the permit application number, the name
29 and address of the permitting agency, and a statement
30 that the project shall be deemed approved if the
31 permitting agency has not acted within 60 days. If the
32 applicant has provided the public notice required by this
33 section, the time limit for action by the permitting agency
34 shall be extended to 60 days after the public notice is
35 provided. If the applicant provides notice pursuant to this
36 section, the permitting agency shall refund to the
37 applicant any fees which were collected for providing
38 notice and which were not used for that purpose.

39 (c) Failure of an applicant to submit complete or
40 adequate information pursuant to Sections 65943 to 65944,



1 inclusive, may constitute grounds for disapproving a
2 development project.

3 (d) Nothing in this section shall diminish the
4 permitting agency's legal responsibility to provide,
5 where applicable, public notice and hearing before
6 acting on a permit application.

7 SEC. 20. Section 66451.2 of the Government Code is
8 amended to read:

9 66451.2. The local agency may establish reasonable
10 fees for the processing of tentative, final and parcel maps
11 and for other procedures required or authorized by this
12 division or local ordinance, but the fees shall not exceed
13 the amount reasonably required by such agency to
14 administer the provisions of this division. The fees shall be
15 imposed pursuant to the Mitigation Fee Act, consisting of
16 Chapter 5 (commencing with Section 66000), Chapter 6
17 (commencing with Section 66010), Chapter 7
18 (commencing with Section 66012), Chapter 8
19 (commencing with Section 66016), and Chapter 9
20 (commencing with Section 66020) of Division 1.

21 SEC. 21. Section 66458 of the Government Code is
22 amended to read:

23 66458. (a) The legislative body shall, at the meeting
24 at which it receives the map or, at its next regular meeting
25 after the meeting at which it receives the map, approve
26 the map if it conforms to all the requirements of this
27 chapter and any local subdivision ordinance applicable at
28 the time of approval or conditional approval of the
29 tentative map and any rulings made thereunder. If the
30 map does not conform, the legislative body shall
31 disapprove the map.

32 (b) If the legislative body does not approve or
33 disapprove the map within the prescribed time, or any
34 authorized extension thereof, and the map conforms to all
35 requirements and rulings, it shall be deemed approved,
36 and the clerk of the legislative body shall certify or state
37 its approval thereon.

38 (c) The meeting at which the legislative body receives
39 the map shall be the date on which the clerk of the
40 legislative body receives the map.



1 (d) The legislative body may provide, by ordinance,
2 for the approval or disapproval of final maps by the city
3 or county engineer, surveyor, or other designated official.
4 The legislative body may also provide, by ordinance, that
5 the official may accept, accept subject to improvement,
6 or reject dedications and offers of dedications that are
7 made by a statement on the map. Any ordinance adopted
8 pursuant to this subdivision shall provide that (1) the
9 designated official shall notify the legislative body at its
10 next regular meeting after the official receives the map
11 that the official is reviewing the map for final approval,
12 (2) the designated official shall approve or disapprove the
13 final map within 10 days following the meeting of the
14 legislative body that was preceded by the notice in (4)
15 below, (3) the designated official's action may be
16 appealed to the legislative body, (4) the clerk of the
17 legislative body shall provide notice of any pending
18 approval or disapproval by a designated official, which
19 notice shall be attached and posted with the legislative
20 body's regular agenda and shall be mailed to interested
21 parties who request notice, and (5) the legislative body
22 shall periodically review the delegation of authority to
23 the designated official. Except as specifically authorized
24 by this subdivision, the processing of final maps shall
25 conform to all procedural requirements of this division.

26 SEC. 22. Section 66498.1 of the Government Code is
27 amended to read:

28 66498.1. (a) Whenever a provision of this division
29 requires that a tentative map be filed, a vesting tentative
30 map may instead be filed.

31 (b) When a local agency approves or conditionally
32 approves a vesting tentative map, that approval shall
33 confer a vested right to proceed with development in
34 substantial compliance with the ordinances, policies, and
35 standards described in Section 66474.2. However, if
36 Section 66474.2 is repealed, that approval shall confer a
37 vested right to proceed with development in substantial
38 compliance with the ordinances, policies, and standards
39 in effect at the time the vesting tentative map is approved
40 or conditionally approved.



1 (c) Notwithstanding subdivision (b), the local agency
2 may condition or deny a permit, approval, extension, or
3 entitlement if it determines any of the following:

4 (1) A failure to do so would place the residents of the
5 subdivision or the immediate community, or both, in a
6 condition dangerous to their health or safety, or both.

7 (2) The condition or denial is required in order to
8 comply with state or federal law.

9 (d) The rights conferred by this section shall expire if
10 a final map is not approved prior to the expiration of the
11 vesting tentative map. If the final map is approved, the
12 rights conferred by this section shall be subject to the
13 periods of time set forth in subdivisions (b), (c), and (d)
14 of Section 66498.5.

15 (e) Consistent with subdivision (b), an approved or
16 conditionally approved vesting tentative map shall not
17 limit a local agency from imposing reasonable conditions
18 on subsequent required approvals or permits necessary
19 for the development and authorized by the ordinances,
20 policies, and standards described in subdivision (b).

21 SEC. 23. Section 66498.2 of the Government Code is
22 amended to read:

23 66498.2. If the ordinances, policies, or standards
24 described in subdivision (b) of Section 66498.1 are
25 changed subsequent to the approval or conditional
26 approval of a vesting tentative map, the subdivider, or his
27 or her assignee, at any time prior to the expiration of the
28 vesting tentative map pursuant to subdivisions (b), (c),
29 and (d) of Section 66498.5, may apply for an amendment
30 to the vesting tentative map to secure a vested right to
31 proceed with the changed ordinances, policies, or
32 standards. An application shall clearly specify the
33 changed ordinances, policies, or standards for which the
34 amendment is sought.

35 SEC. 24. Section 66498.3 of the Government Code is
36 amended to read:

37 66498.3. (a) Whenever a subdivider files a vesting
38 tentative map for a subdivision whose intended
39 development is inconsistent with the zoning ordinance in
40 existence at that time, that inconsistency shall be noted



1 on the map. The local agency may deny a vesting
2 tentative map or approve it conditioned on the
3 subdivider, or his or her designee, obtaining the necessary
4 change in the zoning ordinance to eliminate the
5 inconsistency. If the change in the zoning ordinance is
6 obtained, the approved or conditionally approved vesting
7 tentative map shall, notwithstanding subdivision (b) of
8 Section 66498.1, confer the vested right to proceed with
9 the development in substantial compliance with the
10 change in the zoning ordinance and the map, as
11 approved.

12 (b) The rights conferred by this section shall be for the
13 time periods set forth in subdivisions (b), (c), and (d) of
14 Section 66498.5.

15 SEC. 25. Section 77202.5 of the Government Code is
16 repealed.

17 SEC. 26. Section 4730.6 of the Health and Safety Code
18 is amended to read:

19 4730.6. (a) Notwithstanding Sections 4730, 4730.1,
20 and 4730.2 or any other provision of law, the governing
21 board of the Ventura Regional Sanitation District shall be
22 a board of directors appointed in accordance with this
23 section. Unless the context otherwise indicates, as used in
24 this section, “district” means the Ventura Regional
25 Sanitation District.

26 (b) The legislative body of each city located wholly or
27 partially within the district’s boundaries shall designate
28 one of its members to be a member of the district’s board
29 of directors. Each legislative body may designate one of
30 its members as an alternate to act in the place of its
31 regular member in the case of the absence or
32 disqualification of the regular member. An alternate
33 member shall have the full voting rights of the regular
34 member.

35 (c) The special district committee, which shall consist
36 of the presiding officers of all special districts that have a
37 governing board separately elected, in whole or in part,
38 from any board of supervisors or city council, and would
39 be entitled to representation on the Ventura Regional
40 Sanitation District Board of Directors under Section



1 4730.1, if that section were applicable to the Ventura
2 Regional Sanitation District, shall designate one
3 separately elected member of a board of directors of a
4 special district represented on the committee to be a
5 member of the district's board of directors. The special
6 district committee may designate one separately elected
7 member as an alternate to act in the place of the regular
8 member in the case of the absence or disqualification of
9 the regular member. An alternate member shall have the
10 full voting rights of the regular member.

11 (d) Each member of the district's board of directors
12 shall have one vote.

13 (e) No action shall be taken at any meeting of the
14 district's board of directors unless a majority of all
15 authorized members of the board of directors is in
16 attendance.

17 (f) A majority of the members of the board of directors
18 present shall be required to approve or otherwise act on
19 any matter except as otherwise required by law.

20 SEC. 27. Section 13890 of the Health and Safety Code
21 is amended to read:

22 13890. On or before June 30 of each year, a district
23 board shall adopt a preliminary budget which shall
24 conform to the accounting and budgeting procedures for
25 special districts contained in Subchapter 3 (commencing
26 with Section 1031.1) of, and Article 1 (commencing with
27 Section 1121) of Subchapter 4 of, Chapter 2 of Division 2
28 of Title 2 of the California Code of Regulations.

29 SEC. 28. Section 98.02 of the Revenue and Taxation
30 Code is amended to read:

31 98.02. (a) In the County of Ventura, the
32 computations made pursuant to Section 96.1 or its
33 predecessor section, for the 1989-90 fiscal year and each
34 year thereafter, shall be modified as follows:

35 With respect to tax rate areas, except excluded tax rate
36 areas, within the boundaries of a qualifying city, there
37 shall be excluded from the aggregate amount of
38 "property tax revenue allocated pursuant to this chapter
39 to local agencies, other than for a qualifying city, in the



1 prior fiscal year,” an amount equal to the sum of the
2 amounts calculated pursuant to the TEA formula.

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

7 (2) For each qualifying city, the auditor shall, for the
8 1989–90 fiscal year and each year thereafter, distribute
9 the amount determined pursuant to the TEA formula to
10 all tax rate areas, except excluded tax rate areas, within
11 that city in proportion to each tax rate area’s share of the
12 total assessed value in the city for the applicable fiscal
13 year, and the amount so determined shall be subtracted
14 from the county’s proportionate share of the property tax
15 revenue for that fiscal year within those tax rate areas.

16 (3) After making the allocations pursuant to
17 paragraphs (1) and (2), but before making the
18 calculations pursuant to Section 96.5 or its predecessor
19 section, the auditor shall, for all tax rate areas, except
20 excluded tax rate areas, in the qualifying city, calculate
21 the proportionate share of property tax revenue allocated
22 pursuant to this section and Section 96.1, or their
23 predecessor sections, in the 1989–90 fiscal year and each
24 fiscal year thereafter to each jurisdiction in the tax rate
25 area.

26 (4) In lieu of making the allocations of annual tax
27 increment pursuant to subdivision (e) of Section 96.5 or
28 its predecessor section, the auditor shall for the 1989–90
29 fiscal year and each fiscal year thereafter, allocate the
30 amount of property tax revenue determined pursuant to
31 subdivision (d) of Section 98 to jurisdictions in the tax rate
32 area, except an excluded tax rate area, using the
33 proportionate shares derived pursuant to paragraph (3).

34 (5) For purposes of the calculations made pursuant to
35 Section 96.1 or its predecessor section, in the 1990–91
36 fiscal year and each fiscal year thereafter, the amounts
37 that would have been allocated to all tax rate areas, except
38 excluded tax rate areas, of qualifying cities pursuant to
39 this subdivision shall be deemed to be the “amount of



1 property tax revenue allocated to those tax rate areas in
2 the prior fiscal year.”

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

6 (1) For the 1988–89 fiscal year and each fiscal year
7 thereafter, the auditor shall determine the total amount
8 of property tax revenue to be allocated to all jurisdictions
9 in all tax rate areas, except excluded tax rate areas, within
10 the qualifying city, before the allocation and payment of
11 funds in that fiscal year to a community redevelopment
12 agency within the qualifying city, as provided in
13 subdivision (b) of Section 33670 of the Health and Safety
14 Code.

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

20 (3) (A) The auditor shall determine the total amount
21 of funds paid in each fiscal year by a community
22 redevelopment agency within the city to jurisdictions
23 other than the city pursuant to subdivision (b) of Section
24 33401 and Section 33676 of the Health and Safety Code,
25 and the cost to the redevelopment agency of any land or
26 facilities transferred and any amounts paid to
27 jurisdictions other than the city to assist in the
28 construction or reconstruction of facilities pursuant to an
29 agreement entered into under Section 33401 or 33445.5 of
30 the Health and Safety Code.

31 (B) Of the total amount determined in subparagraph
32 (A), the auditor shall compute a proportionate amount to
33 be attributed to all tax rate areas, except excluded tax rate
34 areas, within the community redevelopment agency.
35 That proportionate amount shall be equal to that
36 proportion which the amount determined in paragraph
37 (2) in each fiscal year bears to the total amount of funds
38 allocated in each fiscal year to a community
39 redevelopment agency in accordance with subdivision
40 (b) of Section 33670 of the Health and Safety Code.



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

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

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

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

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

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

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

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

26 (1) Any tax rate area included in territory annexed by
27 the qualifying city and allocated a prescribed percentage
28 of property tax revenue pursuant to an existing
29 agreement between the qualifying city and the county.

30 (2) Any tax rate area described in paragraph (1) that
31 was detached from the county library district and that is
32 also allocated an additional prescribed percentage of
33 property tax revenue pursuant to an existing agreement
34 between the qualifying city and the county.

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

39 (2) All existing agreements between the qualifying
40 city and the county covering the allocation of property



1 tax revenues to tax rate areas that were detached from
2 the county library district but are not included in
3 territory that was annexed by the qualifying city shall
4 remain in force.

5 (3) All allocations to those tax rate areas described in
6 subdivision (d), including allocations of annual tax
7 increments, made pursuant to the existing agreements
8 between the qualifying city and the county shall be
9 governed by subdivision (a) of Section 96.1 and Section
10 96.5.

11 (4) All allocations to those tax rate areas described in
12 paragraph (2), including allocations of annual tax
13 increments, made pursuant to the existing agreements
14 between the qualifying city and the county shall be
15 governed by subdivision (a) of Section 96.1 and Section
16 96.5. However, the tax rate areas referred to in this
17 paragraph shall also be distributed an amount of property
18 tax revenue determined pursuant to the TEA formula
19 that is over and above the amount allocated as provided
20 in the preceding sentence.

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

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

31 (2) The auditor shall subtract the amount in the
32 1988–89 fiscal year determined in paragraph (3) of
33 subdivision (c) from the amount determined in
34 paragraph (2) of subdivision (c).

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

38 (4) The auditor shall divide the amount of property tax
39 revenue determined in paragraph (1) of this subdivision



1 by the amount of property tax revenue determined in
2 paragraph (3) of this subdivision.

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

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

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

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

37 (i) If the auditor determines that the amount to be
38 distributed to a qualifying city pursuant to subdivision
39 (b), as modified by subdivisions (g) and (h), would result
40 in a qualifying city having proceeds of taxes in excess of



1 its appropriation limit, the auditor shall reduce the
2 amount, on a dollar-for-dollar basis, by the amount that
3 exceeds the city's appropriations limit.

4 (j) Commencing with the 1999-2000 fiscal year and
5 each fiscal year thereafter, the auditor shall compute an
6 amount that is equal to 60 percent of the total amount
7 transferred to all qualifying cities pursuant to this section.
8 The auditor shall certify that amount to the Controller for
9 allocation of funds to the county pursuant to subdivision
10 (a) of Section 11005.

11 (k) Notwithstanding any other provision of this
12 section, no qualifying city shall be distributed an amount
13 pursuant to this section that is less than the amount the
14 city would have been allocated without the application of
15 the TEA formula.

16 (l) Notwithstanding any other provision of this
17 section, commencing with the 1994-95 fiscal year, the
18 auditor shall not reduce the amount distributed to a
19 qualifying city under this section by reason of that city
20 becoming the successor agency to a special district that is
21 dissolved, merged with that city, or becomes a subsidiary
22 district of that city, on or after July 1, 1994.

23 (m) The amount not distributed as a result of this
24 section to the tax rate areas, except excluded tax rate
25 areas, in each qualifying city shall be allocated by the
26 auditor to the county.

27 SEC. 29. Section 99 of the Revenue and Taxation
28 Code is amended to read:

29 99. (a) For the purposes of the computations
30 required by this chapter:

31 (1) In the case of a jurisdictional change, other than a
32 city incorporation or a formation of a district as defined
33 in Section 2215, the auditor shall adjust the allocation of
34 property tax revenue determined pursuant to Section 96
35 or 96.1, or the annual tax increment determined pursuant
36 to Section 96.5, for local agencies whose service area or
37 service responsibility would be altered by the
38 jurisdictional change, as determined pursuant to
39 subdivision (b) or (c).



1 (2) In the case of a city incorporation, the auditor shall
2 assign the allocation of property tax revenues determined
3 pursuant to Section 56842 of the Government Code and
4 the adjustments in tax revenues that may occur pursuant
5 to Section 56845 of the Government Code to the newly
6 formed city or district and shall make the adjustment as
7 determined by Section 56842 in the allocation of property
8 tax revenue determined pursuant to Section 96 or 96.1 for
9 each local agency whose service area or service
10 responsibilities would be altered by the incorporation.

11 (3) In the case of a formation of a district as defined in
12 Section 2215, the auditor shall assign the allocation of
13 property tax revenues determined pursuant to Section
14 56842 of the Government Code to the district and shall
15 make the adjustment as determined by Section 56842 in
16 the allocation of property tax revenue determined
17 pursuant to Section 96 or 96.1 for each local agency whose
18 service area or service responsibilities would be altered
19 by the formation.

20 (b) Upon the filing of an application or a resolution
21 pursuant to the Cortese-Knox Local Government
22 Reorganization Act of 1985 (Division 3 (commencing
23 with Section 56000) of Title 5 of the Government Code),
24 but prior to the issuance of a certificate of filing, the
25 executive officer shall give notice of the filing to the
26 assessor and auditor of each county within which the
27 territory subject to the jurisdictional change is located.
28 This notice shall specify each local agency whose service
29 area or responsibility will be altered by the jurisdictional
30 change.

31 (1) (A) The county assessor shall provide to the
32 county auditor, within 30 days of the notice of filing, a
33 report which identifies the assessed valuations for the
34 territory subject to the jurisdictional change and the tax
35 rate area or areas in which the territory exists.

36 (B) The auditor shall estimate the amount of property
37 tax revenue generated within the territory that is the
38 subject of the jurisdictional change during the current
39 fiscal year.



1 (2) The auditor shall estimate what proportion of the
2 property tax revenue determined pursuant to paragraph
3 (1) is attributable to each local agency pursuant to
4 Section 96.1 and Section 96.5.

5 (3) Within 45 days of notice of the filing of an
6 application or resolution, the auditor shall notify the
7 governing body of each local agency whose service area
8 or service responsibility will be altered by the amount of,
9 and allocation factors with respect to, property tax
10 revenue estimated pursuant to paragraph (2) that is
11 subject to a negotiated exchange.

12 (4) Upon receipt of the estimates pursuant to
13 paragraph (3) the local agencies shall commence
14 negotiations to determine the amount of property tax
15 revenues to be exchanged between and among the local
16 agencies. This negotiation period shall not exceed 60 days.

17 The exchange may be limited to an exchange of
18 property tax revenues from the annual tax increment
19 generated in the area subject to the jurisdictional change
20 and attributable to the local agencies whose service area
21 or service responsibilities will be altered by the proposed
22 jurisdictional change. The final exchange resolution shall
23 specify how the annual tax increment shall be allocated
24 in future years.

25 (5) In the event that a jurisdictional change would
26 affect the service area or service responsibility of one or
27 more special districts, the board of supervisors of the
28 county or counties in which the districts are located shall,
29 on behalf of the district or districts, negotiate any
30 exchange of property tax revenues.

31 (6) Notwithstanding any other provision of law, the
32 executive officer shall not issue a certificate of filing
33 pursuant to Section 56828 of the Government Code until
34 the local agencies included in the property tax revenue
35 exchange negotiation, within the 60-day negotiation
36 period, present resolutions adopted by each such county
37 and city whereby each county and city agrees to accept
38 the exchange of property tax revenues.

39 (7) In the event that the commission modifies the
40 proposal or its resolution of determination, any local



1 agency whose service area or service responsibility would
2 be altered by the proposed jurisdictional change may
3 request, and the executive officer shall grant, 15 days for
4 the affected agencies, pursuant to paragraph (4) to
5 renegotiate an exchange of property tax revenues.
6 Notwithstanding the time period specified in paragraph
7 (4), if the resolutions required pursuant to paragraph (6)
8 are not presented to the executive officer within the
9 15-day period, all proceedings of the jurisdictional change
10 shall automatically be terminated.

11 (8) In the case of a jurisdictional change that consists
12 of a city's qualified annexation of unincorporated
13 territory, an exchange of property tax revenues between
14 the city and the county shall be determined in
15 accordance with subdivision (e) if that exchange of
16 revenues is not otherwise determined pursuant to either
17 of the following:

18 (A) Negotiations completed within the applicable
19 period or periods as prescribed by this subdivision.

20 (B) A master property tax exchange agreement
21 among those local agencies, as described in subdivision
22 (d).

23 For purposes of this paragraph, a qualified annexation
24 of unincorporated territory means an annexation, as so
25 described, for which proceedings before the relevant
26 local agency formation commission are initiated, as
27 provided in Section 56651 of the Government Code, on or
28 after January 1, 1998, and on or before January 1, 2005.

29 (9) No later than the date on which the certificate of
30 completion of the jurisdictional change is recorded with
31 the county recorder, the executive officer shall notify the
32 auditor or auditors of the exchange of property tax
33 revenues and the auditor or auditors shall make the
34 appropriate adjustments as provided in subdivision (a).

35 (c) Whenever a jurisdictional change is not required
36 to be reviewed and approved by a local agency formation
37 commission, the local agencies whose service area or
38 service responsibilities would be altered by the proposed
39 change, shall give notice to the State Board of
40 Equalization and the assessor and auditor of each county



1 within which the territory subject to the jurisdictional
2 change is located. This notice shall specify each local
3 agency whose service area or responsibility will be
4 altered by the jurisdictional change and request the
5 auditor and assessor to make the determinations required
6 pursuant to paragraphs (1) and (2) of subdivision (b).
7 Upon notification by the auditor of the amount of, and
8 allocation factors with respect to, property tax subject to
9 exchange, the local agencies, pursuant to the provisions
10 of paragraphs (4), (5), and (6) of subdivision (b), shall
11 determine the amount of property tax revenues to be
12 exchanged between and among the local agencies.
13 Notwithstanding any other provision of law, no such
14 jurisdictional change shall become effective until each
15 county and city included in these negotiations agrees, by
16 resolution, to accept the negotiated exchange of property
17 tax revenues. The exchange may be limited to an
18 exchange of property tax revenue from the annual tax
19 increment generated in the area subject to the
20 jurisdictional change and attributable to the local
21 agencies whose service area or service responsibilities
22 will be altered by the proposed jurisdictional change. The
23 final exchange resolution shall specify how the annual tax
24 increment shall be allocated in future years. Upon the
25 adoption of the resolutions required pursuant to this
26 section, the adopting agencies shall notify the auditor
27 who shall make the appropriate adjustments as provided
28 in subdivision (a). Adjustments in property tax
29 allocations made as the result of a city or library district
30 withdrawing from a county free library system pursuant
31 to Section 19116 of the Education Code shall be made
32 pursuant to Section 19116 of the Education Code, and this
33 subdivision shall not apply.

34 (d) With respect to adjustments in the allocation of
35 property taxes pursuant to this section, a county and any
36 local agency or agencies within the county may develop
37 and adopt a master property tax transfer agreement. The
38 agreement may be revised from time to time by the
39 parties subject to the agreement.



1 (e) (1) An exchange of property tax revenues that is
2 required by paragraph (8) of subdivision (b) to be
3 determined pursuant to this subdivision shall be
4 determined in accordance with all of the following:

5 (A) The city and the county shall mutually select a
6 third-party consultant to perform a comprehensive,
7 independent fiscal analysis, funded in equal portions by
8 the city and the county, that specifies estimates of all tax
9 revenues that will be derived from the annexed territory
10 and the costs of city and county services with respect to
11 the annexed territory. The analysis shall be completed
12 within a period not to exceed 30 days, and shall be based
13 upon the general plan or adopted plans and policies of the
14 annexing city and the intended uses for the annexed
15 territory. If, upon the completion of the analysis period,
16 no exchange of property tax revenues is agreed upon by
17 the city and the county, subparagraph (B) shall apply.

18 (B) The city and the county shall mutually select a
19 mediator, funded in equal portions by those agencies, to
20 perform mediation for a period of not to exceed 30 days.
21 If, upon the completion of the mediation period, no
22 exchange of property tax revenues is agreed upon by the
23 city and the county, subparagraph (C) shall apply.

24 (C) The city and the county shall mutually select an
25 arbitrator, funded in equal portions by those agencies, to
26 conduct an advisory arbitration with the city and the
27 county for a period of not to exceed 30 days. At the
28 conclusion of this arbitration period, the city and the
29 county shall each present to the arbitrator its last and best
30 offer with respect to the exchange of property tax
31 revenues. The arbitrator shall select one of the offers and
32 recommend that offer to the governing bodies of the city
33 and the county. If the governing body of the city or the
34 county rejects the recommended offer, it shall do so
35 during a public hearing, and shall, at the conclusion of
36 that hearing, make written findings of fact as to why the
37 recommended offer was not accepted.

38 (2) Proceedings under this subdivision shall be
39 concluded no more than 150 days after the auditor
40 provides the notification pursuant to paragraph (3) of



1 subdivision (b), unless one of the periods specified in this
2 subdivision is extended by the mutual agreement of the
3 city and the county. Notwithstanding any other provision
4 of law, except for those conditions that are necessary to
5 implement an exchange of property tax revenues
6 determined pursuant to this subdivision, the local agency
7 formation commission shall not impose any fiscal
8 conditions upon a city's qualified annexation of
9 unincorporated territory that is subject to this
10 subdivision.

11 (f) Except as otherwise provided in subdivision (g),
12 for the purpose of determining the amount of property
13 tax to be allocated in the 1979–80 fiscal year and each fiscal
14 year thereafter for those local agencies that were affected
15 by a jurisdictional change which was filed with the State
16 Board of Equalization after January 1, 1978, but on or
17 before January 1, 1979. The local agencies shall determine
18 by resolution the amount of property tax revenues to be
19 exchanged between and among the affected agencies
20 and notify the auditor of the determination.

21 (g) For the purpose of determining the amount of
22 property tax to be allocated in the 1979–80 fiscal year and
23 each fiscal year thereafter, for a city incorporation that
24 was filed pursuant to Sections 54900 to 54904 after January
25 1, 1978, but on or before January 1, 1979, the amount of
26 property tax revenue considered to have been received
27 by the jurisdiction for the 1978–79 fiscal year shall be
28 equal to two-thirds of the amount of property tax revenue
29 projected in the final local agency formation commission
30 staff report pertaining to the incorporation multiplied by
31 the proportion that the total amount of property tax
32 revenue received by all jurisdictions within the county
33 for the 1978–79 fiscal year bears to the total amount of
34 property tax revenue received by all jurisdictions within
35 the county for the 1977–78 fiscal year. Except, however,
36 in the event that the final commission report did not
37 specify the amount of property tax revenue projected for
38 that incorporation, the commission shall by October 10,
39 determine pursuant to Section 54790.3 of the



1 Government Code the amount of property tax to be
2 transferred to the city.

3 The provisions of this subdivision shall also apply to the
4 allocation of property taxes for the 1980–81 fiscal year and
5 each fiscal year thereafter for incorporations approved by
6 the voters in June 1979.

7 (h) For the purpose of the computations made
8 pursuant to this section, in the case of a district formation
9 that was filed pursuant to Sections 54900 to 54904,
10 inclusive, of the Government Code after January 1, 1978,
11 but before January 1, 1979, the amount of property tax to
12 be allocated to the district for the 1979–80 fiscal year and
13 each fiscal year thereafter shall be determined pursuant
14 to Section 54790.3 of the Government Code.

15 (i) For the purposes of the computations required by
16 this chapter, in the case of a jurisdictional change, other
17 than a change requiring an adjustment by the auditor
18 pursuant to subdivision (a), the auditor shall adjust the
19 allocation of property tax revenue determined pursuant
20 to Section 96 or 96.1 or its predecessor section, or the
21 annual tax increment determined pursuant to Section
22 96.5 or its predecessor section, for each local school
23 district, community college district, or county
24 superintendent of schools whose service area or service
25 responsibility would be altered by the jurisdictional
26 change, as determined as follows:

27 (1) The governing body of each district, county
28 superintendent of schools, or county whose service areas
29 or service responsibilities would be altered by the change
30 shall determine the amount of property tax revenues to
31 be exchanged between and among the affected
32 jurisdictions. This determination shall be adopted by each
33 affected jurisdiction by resolution. For the purpose of
34 negotiation, the county auditor shall furnish the parties
35 and the county board of education with an estimate of the
36 property tax revenue subject to negotiation.

37 (2) In the event that the affected jurisdictions are
38 unable to agree, within 60 days after the effective date of
39 the jurisdictional change, and if all the jurisdictions are
40 wholly within one county, the county board of education



1 shall, by resolution, determine the amount of property tax
2 revenue to be exchanged. If the jurisdictions are in more
3 than one county, the State Board of Education shall, by
4 resolution, within 60 days after the effective date of the
5 jurisdictional change, determine the amount of property
6 tax to be exchanged.

7 (3) Upon adoption of any resolution pursuant to this
8 subdivision, the adopting jurisdictions or State Board of
9 Education shall notify the county auditor who shall make
10 the appropriate adjustments as provided in subdivision
11 (a).

12 (j) For purposes of subdivision (i), the annexation by
13 a community college district of territory within a county
14 not previously served by a community college district is
15 an alteration of service area. The community college
16 district and the county shall negotiate the amount, if any,
17 of property tax revenues to be exchanged. In these
18 negotiations, there shall be taken into consideration the
19 amount of revenue received from the timber yield tax
20 and forest reserve receipts by the community college
21 district in the area not previously served. In no event shall
22 the property tax revenue to be exchanged exceed the
23 amount of property tax revenue collected prior to the
24 annexation for the purposes of paying tuition expenses of
25 residents enrolled in the community college district,
26 adjusted each year by the percentage change in
27 population and the percentage change in the cost of
28 living, or per capita personal income, whichever is lower,
29 less the amount of revenue received by the community
30 college district in the annexed area from the timber yield
31 tax and forest reserve receipts.

32 (k) At any time after a jurisdictional change is
33 effective, any of the local agencies party to the agreement
34 to exchange property tax revenue may renegotiate the
35 agreement with respect to the current fiscal year or
36 subsequent fiscal years, subject to approval by all local
37 agencies affected by the renegotiation.

38 SEC. 30. Section 4986.3 of the Revenue and Taxation
39 Code is amended to read:



1 4986.3. All or any portion of any uncollected tax,
2 penalty, or costs, heretofore or hereafter levied, and not
3 heretofore validly canceled, may, on satisfactory proof, be
4 canceled by the auditor on order of the board of
5 supervisors with the written consent of the district
6 attorney if it was levied or charged on property subject
7 to assessment or special taxes for the payment of bonds
8 issued under the Improvement Bond Act of 1915
9 (Division 10 (commencing with Section 8500) of the
10 Streets and Highways Code) or the Mello-Roos
11 Community Facilities Act of 1982 (Chapter 2.5
12 (commencing with Section 53311) of Division 2 of Part 1
13 of Title 5 of the ~~Government~~ *Government* Code) where
14 that property was acquired after the lien date by a city on
15 foreclosure proceedings under the Improvement Bond
16 Act of 1915 or the Mello-Roos Community Facilities Act
17 of 1982. If a city is entitled to bring foreclosure
18 proceedings under the Improvement Bond Act of 1915 or
19 the Mello-Roos Community Facilities Act of 1982 against
20 any property and the city acquires the property in any
21 other manner than by foreclosure and the governing
22 body of the city by resolution, covering any number of
23 parcels acquired, declares that the acquisition was in lieu
24 of acquisition under foreclosure proceedings, that
25 acquisition is, for the purposes of this section, an
26 acquisition by foreclosure proceedings under the
27 Improvement Bond Act of 1915 or the Mello-Roos
28 Community Facilities Act of 1982. This section applies
29 regardless of whether the property acquired by the city
30 is impressed with a public trust or is acquired for the
31 purpose of resale. As used in this section, "city" means any
32 city, county, city and county, special district, school
33 district, joint powers authority, or any other municipal
34 corporation, district, or political subdivision of the state.

35 SEC. 31. Section 11005 of the Revenue and Taxation
36 Code is amended to read:

37 11005. (a) After payment of refunds therefrom and
38 after making the deductions authorized by Section 11003
39 and reserving the amount determined necessary by the
40 Pooled Money Investment Board to meet the transfers



1 ordered or proposed to be ordered pursuant to Section
2 16310 of the Government Code, commencing with the
3 1989–90 fiscal year, the Controller shall deduct that
4 amount which is necessary to make the allocation
5 provided for in subdivision (j) of Section 98.02.
6 Eighty-one and one-quarter percent of the balance of all
7 motor vehicle license fees and any other money
8 appropriated by law for expenditure pursuant to this
9 section and deposited to the credit of the Motor Vehicle
10 License Fee Account in the Transportation Tax Fund and
11 remaining unexpended therein at the close of business on
12 the last day of the calendar month shall be allocated by
13 the Controller by the 10th day of the following month in
14 the manner provided by subdivisions (c) and (d).

15 (b) Eighteen and three-quarters percent of the
16 balance shall be allocated, as follows:

17 (1) (A) Commencing with the 1988–89 fiscal year, the
18 Controller shall allocate to each city that existed but did
19 not levy a property tax in the 1977–78 fiscal year, other
20 than for voter-approved indebtedness, an amount equal
21 to the total amount which each of those cities would have
22 received in that fiscal year pursuant to Section 25761 of
23 the Business and Professions Code, Section 4306 of the
24 Public Utilities Code, and Section 26483 of this code, as if
25 those sections were operative in that fiscal year in the
26 form in which they existed on June 1, 1981. For each fiscal
27 year thereafter, the Controller shall increase the amount
28 for each city computed pursuant to this paragraph by the
29 percent by which the revenue to the Motor Vehicle
30 License Fee Account increased over the revenue for the
31 previous fiscal year.

32 (B) (i) For each fiscal year following the 1988–89
33 fiscal year in which a city subject to subparagraph (A)
34 receives a distribution of property tax revenue pursuant
35 to Section 97.35, 97.37, or 97.38, the amount to be allocated
36 to the city pursuant to subparagraph (A) shall be reduced
37 by the amount of the distribution made pursuant to those
38 sections.

39 (ii) No allocation shall be made to a city pursuant to
40 subparagraph (A) in the first fiscal year in which the



1 amount distributed to a city pursuant to Section 97.35,
2 97.37, or 97.38 equals or exceeds the amount that would
3 have been allocated to that city pursuant to subparagraph
4 (A) or in any fiscal year thereafter.

5 (iii) Any amount not allocated to a city pursuant to
6 subparagraph (A) as a result of the operation of this
7 subparagraph shall be allocated to eligible cities in
8 accordance with clause (iv).

9 (iv) Commencing with the 1989–90 fiscal year, the
10 Controller shall allocate the amount determined in clause
11 (iii) for each fiscal year to each eligible city in the
12 proportion that the population of each eligible city bears
13 to total population of all eligible cities.

14 For purposes of this clause, “eligible city” means any
15 city which incorporated prior to June 5, 1987, and had an
16 amount of property tax revenue allocated to it pursuant
17 to subdivision (a) of Section 97 in the 1987–88 fiscal year
18 which is less than 10 percent of the amount of property
19 tax revenue computed for the 1987–88 fiscal year in
20 accordance with the method described in subdivision (c)
21 of Section 97.35.

22 The auditor shall notify the Controller of his or her
23 determination of those cities within the county which are
24 eligible cities.

25 (2) Each month the Controller shall allocate the
26 remainder of the amount determined pursuant to this
27 subdivision to counties and cities and counties in an
28 amount for each county and city and county equal to the
29 revenue received in the 1982–83 fiscal year pursuant to
30 former Section 16111, subdivision (c) of former Section
31 16113, and former Section 16113.7 of the Government
32 Code. These amounts shall be determined by the
33 Controller with the concurrence of the Director of
34 Finance. The Controller shall allocate any remaining
35 amount determined pursuant to this subdivision to
36 counties and cities and counties in the proportion that the
37 population of each county or city and county bears to the
38 total population of all the counties and cities and counties
39 of the state, as determined pursuant to subdivision (d).



1 (c) Fifty percent of the payments required by
2 subdivision (a) shall be paid to the cities and cities and
3 counties of this state in the proportion that the population
4 of each city or city and county bears to the total
5 population of all cities and cities and counties in this state,
6 as determined by the population research unit of the
7 Department of Finance. For the purpose of this
8 subdivision, the population of each city or city and county
9 is that determined by the last federal decennial or special
10 census, or a subsequent census validated by the
11 population research unit or subsequent estimate
12 prepared pursuant to Section 2107.2 of the Streets and
13 Highways Code. In the case of a city incorporated
14 subsequent to the last federal census, or a subsequent
15 census validated by the population research unit, the
16 population research unit shall determine the population
17 of the city. In the case of unincorporated territory being
18 annexed to a city subsequent to the last federal census, or
19 a subsequent census validated by the population research
20 unit, the population research unit shall determine the
21 population of the annexed territory by the use of any
22 federal decennial or special census, or estimate prepared
23 pursuant to Section 2107.2 of the Streets and Highways
24 Code. In the case of the consolidation of one city with
25 another subsequent to the last federal census, or a
26 subsequent census validated by the population research
27 unit, the population of the consolidated city, for the
28 purpose of this subdivision, is the aggregate population of
29 the respective cities as determined by the last federal
30 census, or a subsequent census or estimate validated by
31 the population research unit.

32 (d) Fifty percent of the payments required by
33 subdivision (a) shall be paid to the counties and cities and
34 counties of the state in the proportion that the population
35 of each county or city and county bears to the total
36 population of all the counties and cities and counties of
37 the state, as determined by the population research unit.
38 For the purpose of this subdivision, the population of each
39 county or city and county is that determined by the last
40 federal census, or subsequent census validated by the



1 population research unit, or as determined by Section
2 11005.6.

3 (e) Money disbursed by the Controller to cities and
4 counties pursuant to this section may be used for county
5 or city purposes and may, but need not necessarily, be
6 used for purposes of general interest and benefit to the
7 state.

8 (f) Population changes based on a federal special
9 census or a subsequent census validated by the
10 Department of Finance shall be accepted by the
11 Controller only if certified to him at the request of the
12 city, city and county, or county for which the census was
13 made and shall become effective on the first day of the
14 month following receipt of the certification.

15 SEC. 32. This act is an urgency statute necessary for
16 the immediate preservation of the public peace, health,
17 or safety within the meaning of Article IV of the
18 Constitution and shall go into immediate effect. The facts
19 constituting the necessity are:

20 Existing defaults on bonds issued by local agencies
21 pursuant to the Marks-Roos Community Facilities Act of
22 1982 have resulted in severe economic and fiscal
23 hardships on property owners, local agencies, and private
24 investors. To speed the resolution of those impaired
25 investments, it is critical to amend Section 4986.3 of the
26 Revenue and Taxation Code by Section 30 of this act at
27 the earliest possible time.

28 SEC. 33. Except for Sections 30 and 32 and this
29 section, the provisions of this act shall become operative
30 on January 1, 2000.

O

