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GOVERNMENT CODE - GOV

TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980] (Title 2 enacted by Stats. 1943, Ch. 134.)

DIVISION 4. FISCAL AFFAIRS [16100 - 17700] (Division 4 added by Stats. 1945, Ch. 119.)

PART 1. FUNDS FOR SUBVENTIONS [16100 - 16202] (Part 1 added by Stats. 1969, Ch. 1526.)

CHAPTER 1.5. Special Supplemental Subventions [16110 - 16113] (Chapter 1.5 repealed and added by Stats. 1984, Ch. 447, Sec. 3.)

16110. It is the purpose of this chapter to provide special supplemental subventions to certain cities, multicounty special districts, and redevelopment agencies which, without these subventions, would lose substantial revenue because of the repeal of the former personal property tax subvention programs.

(Repealed and added by Stats. 1984, Ch. 447, Sec. 3. Effective July 16, 1984.)

16111. (a) Out of the amount appropriated to the Controller from the General Fund, the Controller shall allocate to each city, multicounty special district, and redevelopment agency an amount in accordance with the terms and conditions set forth in this section.

(b) For each city the Controller shall determine the amount of personal property tax subvention payments which would have been received by the city in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(1) For the 1984–85 fiscal year, the Controller shall allocate to each city an amount which is 50 percent of the amount determined pursuant to this subdivision.

(2) For the 1985–86 fiscal year, the Controller shall allocate to each city an amount which is 40 percent of the amount determined pursuant to this subdivision.

(3) For the 1986–87 fiscal year, the Controller shall allocate to each city an amount which is 30 percent of the amount determined pursuant to this subdivision.

(4) For the 1987–88 fiscal year, the Controller shall allocate to each city an amount which is 20 percent of the amount determined pursuant to this subdivision.

(5) For the 1988–89 fiscal year, the Controller shall allocate to each city an amount which is 10 percent of the amount determined pursuant to this subdivision.

(6) For the 1989–90 fiscal year, and each fiscal year thereafter, the Controller shall not allocate any funds to a city pursuant to this subdivision.

(c) Upon, and only upon, application by a multicounty special district or redevelopment agency, the Controller shall determine the loss occasioned by the repeal of the former personal property tax subvention program, as follows:

(1) The Controller shall determine the amount of personal property tax subventions which would have been received by the district or redevelopment agency in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(2) The Controller shall determine the amount of revenue received by the district or redevelopment agency pursuant to Section 75.70 of the Revenue and Taxation Code for the current fiscal year.

(3) If the amount determined pursuant to paragraph (2) is less than the amount determined pursuant to paragraph (1), then the Controller shall allocate to the district or redevelopment agency an amount equal to the difference between the amounts

determined pursuant to paragraphs (1) and (2).

(4) The Controller shall make no allocation to a district for that fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1).

(5) The Controller shall make no allocation to a redevelopment agency for that fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1) or for any fiscal year thereafter, except as provided in this paragraph. In any fiscal year after a fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1), the Controller shall allocate to the redevelopment agency the amount determined pursuant to paragraph (3) less any amount by which the amount determined pursuant to paragraph (2) is greater than the amount determined pursuant to paragraph (1) in any previous fiscal year.

(Amended by Stats. 1984, Ch. 1325, Sec. 1. Effective September 25, 1984.)

16111.5. (a) From the amount appropriated specifically for the purposes of this section, for the 1984–85 fiscal year only, the Controller shall allocate to each nonenterprise special district an amount in accordance with the terms and conditions set forth in this section.

(b) Upon, and only upon, application by a nonenterprise special district, the Controller shall determine the loss occasioned by the repeal of the former personal property tax subvention program, as follows:

(1) The Controller shall determine the amount of personal property tax subventions which would have been received by the nonenterprise special district in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(2) The Controller shall determine the amount of revenue received by the nonenterprise special district pursuant to Section 75.70 of the Revenue and Taxation Code for the 1984–85 fiscal year.

(3) If the amount determined pursuant to paragraph (2) is less than the amount determined pursuant to paragraph (1), then the Controller shall allocate to the nonenterprise special district an amount equal to the difference between the amounts determined pursuant to paragraphs (1) and (2).

(4) The Controller shall make no allocation to a nonenterprise special district if the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1).

(c) If the amount appropriated specifically for the purpose of this section is not sufficient to pay all the claims made pursuant to this section, the Controller shall reduce the allocations on a pro rata basis.

(d) As used in this section, “nonenterprise special district” means a special district which is not engaged in an enterprise activity, as reported in the most recent Controller’s Annual Report on Financial Transactions of Special Districts. “Nonenterprise special district” may include the nonenterprise activities of a special district which is also engaged in enterprise activities. “Nonenterprise special district” does not include a multicounty special district as defined pursuant to Section 16113.

(Amended by Stats. 1984, Ch. 1325, Sec. 2. Effective September 25, 1984.)

16112. (a) Applications to the Controller pursuant to this chapter shall be made in the time, format, and manner prescribed by the Controller. Any rules or regulations adopted pursuant to this subdivision shall not be subject to review and approval by the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3.

(b) The Controller shall make payments to each nonenterprise special district, multicounty special district, or redevelopment agency in three installments each year. The Controller shall make one payment on or before October 31, the second payment on or before February 28, and the third payment on or before June 30. The Controller shall make these payments based on claims which are based on revenues actually received. The Controller shall pay to each city on or before November 15 of each year the amount determined pursuant to subdivision (b) of Section 16111.

(c) All officers and employees of any county, city, special district, or redevelopment agency and any state agency, board, or commission shall furnish the Controller with any records or information in their possession which may be necessary to assist the Controller in carrying out the purposes and requirements of this chapter.

(Amended by Stats. 1984, Ch. 1325, Sec. 3. Effective September 25, 1984.)

16112.5. Notwithstanding Section 16112, the Controller shall make payments to each redevelopment agency for the 1990–91 fiscal year and all subsequent fiscal years thereafter, pursuant to Sections 16111 and 16112.7, in two installments. The Controller shall make the first payment on or before December 31 and the second payment on July 1.

(Added by Stats. 1990, Ch. 449, Sec. 2. Effective July 31, 1990.)

16112.7. Notwithstanding Sections 16111 and 16112, redevelopment agencies shall receive state subventions for the 1990–91 fiscal year in accordance with the following procedures:

- (a) The Department of Finance shall calculate an amount equal to 25 percent of the total amount all redevelopment agencies would otherwise be entitled to receive in the 1990–91 fiscal year pursuant to paragraph (3) of subdivision (c) of Section 16111.
- (b) On or before December 31, 1990, for the 1990–91 fiscal year, the Controller shall allocate the amount calculated pursuant to subdivision (a) to each redevelopment agency in accordance with the percentage entitlement of the total amount that would otherwise be allocated to that agency pursuant to paragraph (3) of subdivision (c) of Section 16111.
- (c) The Department of Finance shall calculate an amount equal to 50 percent of the total amount all redevelopment agencies would otherwise be entitled to receive in the 1990–91 fiscal year pursuant to paragraph (3) of subdivision (c) of Section 16111.
- (d) On July 1, 1991, the Controller shall allocate the amount calculated pursuant to subdivision (c) to each redevelopment agency in accordance with the percentage entitlement of the total amount that would otherwise be allocated to that agency pursuant to paragraph (3) of subdivision (c) of Section 16111.
- (e) Subdivisions (a) to (d), inclusive, shall not apply to any redevelopment agency which has stated in bond instruments and supporting documents that the amounts received pursuant to Section 16111 are pledged as security for payment of the principal and interest of those bonds and that the bond reserve account is insufficient to cover the bond payments. Any redevelopment agency within this subdivision shall, for the 1990–91 fiscal year, instead receive two payments allocated by the Controller, with each payment equal to 50 percent of the amount that would otherwise be allocated to that agency pursuant to paragraph (3) of subdivision (c) of Section 16111. The first payment pursuant to this subdivision shall be made on or before December 31, 1990, and the second payment shall be made on July 1, 1991. No redevelopment agency shall, on or after the effective date of this section, pledge the amounts received pursuant to Section 16111 as security for payment of the principal and interest of bonds, provided, however, that the amounts received pursuant to Section 16111 may be pledged as security for the payment of principal of, and interest on, bonds issued to refund all or a portion of the bonds described in the first sentence of this subdivision if (1) the total debt service on the refunding bonds, as calculated by an accounting firm or other verification agent selected by the redevelopment agency, is not greater than the total debt service on the bonds to be refunded, (2) the term of the refunding bonds is not greater than the term of the bonds to be refunded, and (3) the maximum amount of debt service will in no year be greater than the maximum annual debt service on the bonds to be refunded.
- (f) Notwithstanding the prohibition contained in subdivision (e), relating to the pledge of amounts received pursuant to Section 16111 as security for the payment of bonds, a redevelopment agency within a city with a population of less than 20,000 which receives amounts pursuant to Section 16111 in the 1989–90 fiscal year in excess of one million five hundred thousand dollars (\$1,500,000) but less than two million five hundred thousand dollars (\$2,500,000), may pledge amounts received pursuant to Section 16111, which amounts shall not be less than the amounts allocated to the agency for the 1984–85 fiscal year, as security for the payment of the principal and interest on bonds issued prior to January 1, 1992.

(Amended by Stats. 1994, Ch. 852, Sec. 3. Effective January 1, 1995.)

16113. As used in this chapter, "multicounty special district" has the same meaning as that term is defined in subdivisions (c) and (d) of Section 16271.

(Repealed and added by Stats. 1984, Ch. 447, Sec. 3. Effective July 16, 1984.)