AB-2920 Transactions and use taxes: North Lake Tahoe Transportation Authority and City of Berkeley.

(2017-2018)

Date Published: 09/27/2018 09:00 PM

Assembly Bill No. 2920

CHAPTER 771

An act to amend Sections 67962, 67964, 67970, 67972, 67976, and 67978 of, to repeal Section 67969 of, and to repeal and add Section 67968 of, the Government Code, and to add Chapter 3.92 (commencing with Section 7299) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor September 26, 2018. Filed with Secretary of State September 26, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2920, Thurmond. Transactions and use taxes: North Lake Tahoe Transportation Authority and City of Berkeley.

(1) Existing law authorizes cities, counties, and districts, subject to certain limitations and approval requirements, to levy a transactions and use tax for general or specific purposes, in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law, including a requirement that the combined rate of all taxes that may be imposed in accordance with that law in the county not exceed 2%.

This bill would authorize the City of Berkeley to impose a transactions and use tax for general or specific purposes at a rate of no more than 0.5% that, in combination with other transactions and use taxes, would exceed the above-described combined rate limit of 2%, if the city adopts an ordinance proposing the tax and the ordinance proposing the tax is approved by the voters, subject to applicable voter approval requirements, as specified.

(2) The North Lake Tahoe Transportation Authority Act authorizes the establishment of the North Lake Tahoe Transportation Authority within the County of Placer and authorizes that authority to levy a retail transactions and use tax following an election on the question, for a period of no more than 20 years and at a rate not to exceed a maximum tax rate of .50%. The authority is required to adopt a transportation expenditure plan prior to the election and to annually review and amend that plan, as specified. That act requires the authority to have a board of directors consisting of 5 members elected by the voters from within the district. The act additionally requires the North Tahoe Resort Association, prior to the authority levying a retail transactions and use tax, to function as an advisor to the authority, as specified.

This bill would increase the number of years that the retail transaction and use tax may be levied by the North Lake Tahoe Transportation Authority to 30 years, and increase the maximum tax rate to 1%. The bill would revise the provisions related to the transportation expenditure plan and instead require the authority to adopt a transportation plan, as specified. The bill would expand the board of directors to 7 members, and instead provide that those members be appointed from various bodies within the boundaries of the district, as specified. This bill would repeal the requirement that the North Tahoe Resort Association function as an advisor to the authority.

(3) This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Berkeley and the County of Placer.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 67962 of the Government Code is amended to read:

67962. Unless the context otherwise requires, the following terms have the following meanings:

(a) “Authority” means the North Lake Tahoe Transportation Authority created under this title.

(b) “Board” means the board of directors of the authority.

(c) “Transportation” means mobility infrastructure including trails and transit.

SEC. 2. Section 67964 of the Government Code is amended to read:

67964. The North Lake Tahoe Transportation Authority may be created upon approval of a resolution calling for the creation of the authority by a majority vote of the membership of the board of supervisors of the County of Placer.

SEC. 3. Section 67968 of the Government Code is repealed.

SEC. 4. Section 67968 is added to the Government Code, to read:

67968. (a) The authority shall be governed by a board of directors consisting of seven members appointed as follows:

(1) Two members of the board of supervisors of the County of Placer.

(2) One member of the governing body of the North Tahoe Public Utility District.

(3) One member of the governing body of the Squaw Valley Public Services District.

(4) One member of the governing body of the Tahoe City Public Utility District.

(5) One member of the governing body of the Truckee Tahoe Airport District.

(6) One member of the governing body of the Northstar Community Services District.

(b) If any of the districts cease providing services within the boundaries of the authority, the district shall lose its membership on the board of directors and the number of members of the board of directors shall be adjusted accordingly.

(c) The initial terms of office of each member of the board of directors shall be established by the appointing authority of the member.

SEC. 5. Section 67969 of the Government Code is repealed.

SEC. 6. Section 67970 of the Government Code is amended to read:

67970. (a) A retail transactions and use tax ordinance applicable within the boundaries of the authority may be imposed by the authority in accordance with this chapter and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, if all of the following occur:

(1) The tax ordinance is adopted by a majority vote of the board.

(2) Imposition of the tax is approved by a two-thirds vote of the voters voting on the measure at a special election called for that purpose by the board.

(3) A transportation plan is adopted by the authority pursuant to Section 67978.

(b) The retail transactions and use tax shall remain in effect for not longer than 30 years, or any lesser period of time specified in the tax ordinance. The tax may be continued in effect, or reimposed, by a tax ordinance adopted by a majority vote of the authority, if the reimposition of the tax is approved by a two-thirds vote of the voters.

SEC. 7. Section 67972 of the Government Code is amended to read:

67972. (a) In the ordinance, the authority shall do all of the following:

(1) State the nature of the tax to be imposed.

(2) Provide the tax rate or the maximum tax rate.

(3) Specify the period during which the tax will be imposed.

(4) Specify the purposes for which the revenue derived from the tax will be used.

(b) The tax rate may be in .25 percent increments and may not exceed a maximum tax rate of 1 percent.

SEC. 8. Section 67976 of the Government Code is amended to read:

67976. (a) Any retail transactions and use tax ordinance adopted pursuant to this chapter shall be operative on the first day of the first calendar quarter commencing more than 120 days after adoption of the ordinance.

(b) Prior to the operative date of the ordinance, the authority shall contract with the State Board of Equalization to perform all functions incidental to the administration and operation of the ordinance.

SEC. 9. Section 67978 of the Government Code is amended to read:

67978. (a) Prior to calling the election required under Section 67970, the authority shall adopt a transportation plan. The transportation plan shall give due consideration to the needs of both local residents of, and visitors to, the North Lake Tahoe region, and shall provide for the coordination, operation, and expansion of transportation services that are beneficial to the local economy, attractive to visitors, and convenient to residents.

(b) The authority shall annually review and may propose amendments to the transportation plan to provide for the use of available federal, state, and local transportation funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances.

SEC. 10. Chapter 3.92 (commencing with Section 7299) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 3.92. Local Government Finance in the City of Berkeley

7299. Notwithstanding any other law, the City of Berkeley may impose a transactions and use tax for general or specific purposes at a rate of no more than 0.5 percent that would, in combination with all taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), exceed the limit established in Section 7251.1, if all of the following requirements are met:

(a) The city adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.

(b) The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.

(c) The transactions and use tax conforms to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), other than Section 7251.1.

SEC. 11. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances the City of Berkeley faces in addressing homelessness within its borders, and the unique transportation needs facing the County of Placer with regard to the area served by the North Lake Tahoe Transportation Authority.