

**THE CALIFORNIA
ASSOCIATION OF COUNTY
TREASURERS AND TAX
COLLECTORS**

**2013 LEGISLATIVE
PLATFORM**

ADOPTED XX



The California Association of County Treasurers and Tax Collectors



Comprised of the Treasurer/Tax Collectors in the 58 counties throughout California, the association provides opportunities for education, networking and advocacy. The association has been in its current existence since 1981.

Previous to that year, there were two Associations: the California Association of County Tax Collectors and the California Association of County Treasurers.

The purpose of this Association shall be to promote the general interests of the active members and the respective counties they represent; to strive for high professional standards and, through the exchange of information and ideas, stimulate a friendly and cooperative spirit among the membership.



Table of Contents

<u>Subject</u>	<u>Page</u>
<i>Proposal Summaries</i>	<i>3</i>
School Finance	
Proposal 1	5
Tax Bill Preparation	
Proposal 2	10
Departmental Communications	
Proposal 3	12
Tax Administration	
Proposal 4	14
Tax Collection	
Proposal 5	18
Proposal 6	20
Proposal 7	25
Refunding	
Proposal 8	28
Proposal 9	30
Treasurer-Tax Collector Qualifications and Elections	
Proposal 10	32
Proposal 11	36
Proposal By Code Section	40



Summary of Proposals

Proposal 1 – Local Agency Bond Financing

Proposal 1 makes five key changes to current law: (1) establish a maximum maturity of 25 years for all general obligation bonds by repealing the 40-year maturity limit which was added to the Government Code effective January 1, 1994 (Stats. 1993, Chap. 841). This will limit aggregate interest costs by reducing the length of time that principal can remain outstanding. (2) Require approximately level annual debt service payments, to prevent dramatic swings and sudden spikes in property tax levies required to repay general obligation bonds. (3) Provide that Boards of Education and Boards of Trustees of school and community college districts are better informed before authorizing bonds to be issued, by requiring that the Board may only take action to grant such authority after an independent citizens' oversight committee has reviewed the structure of the proposed bond issue and issued its report and recommendation (either for or against the proposed issuance). This will enable governing boards to assess the fiscal impact of the proposed bond issue on property owners before the bonds are issued, and it will promote greater transparency in the bond issuance process. (4) Require that all general obligation bonds with maturities longer than 10 years be callable prior to maturity beginning not later than 10 years after the date of issuance. (5) Require that the County Board of Supervisors approve all issuances of bonds by school and community college districts, or expressly waive such approval rights. (Los Angeles)

Proposal 2

Proposal 2 conforms information required to appear on the tax bill to the other sections of the code. (Sacramento)

Proposal 3

Proposal 3 adds 20 additional days to the amount of time by which a Tax Collector must report to the Assessor information regarding the purchase of property sold at a tax sale. (Sacramento)

Proposal 4

Changes made to Revenue and Taxation Code Section 3725 and 3731 in AB261 effective January 1, 2012, impact when excess proceeds should be distributed if the validity of the tax sale is challenged. Proposal 4 amends the code to retain excess proceeds in a trust account pending any challenge, and modifies the code so that the Tax Collector does not need to publish a notice if the cost to publish exceeds the amount of excess proceeds. (Sacramento)



Proposal 5

The proposal adds language to the California Commercial Code Section on Bulk Sales to provide the ability to charge for a fee to cover costs in preparing a Bulk Sale payoff demand. (Sacramento)

Proposal 6

Add to the Government Code Section on Medium of Payment for Credit Cards, EFT, etc. the same language to charge a fee for a charge back that is charged for a negotiable paper. (Sacramento)

Proposal 7

These changes will extend unsecured tax collection methods to any debt owed to a county, if implemented by ordinance of the Board of Supervisors of the county. (Los Angeles)

Proposal 8

The proposal eliminates the requirement that counties pay 3% interest on refunds due, and instead ties that rate to the pool rate. (Sacramento and San Francisco)

Proposal 9

Proposal 9 clarifies that a tax collector may issue a refund without first sending a notice that a refund is due. It also clarifies that the time frame to issue a refund starts when the tax collector should reasonably know a refund is due. (Sacramento and Los Angeles)

Proposal 10

This proposal modifies the eligibility qualifications for individuals seeking the office of the Treasurer-Tax Collector (Merced and Madera Counties).

Proposal 11

This proposal would require that in the event a board of supervisors wishes to consolidate county offices, and one of those is an elected office, that the board must first submit that proposal to the voters for their approval. (Merced and Madera Counties).



PROPOSAL 1

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

To prevent abusive school bond transactions involving long-dated capital appreciation bonds, such as happened in Poway USD and other school districts. These transactions result in excessive repayment costs to taxpayers.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

- a. **SPECIFIC CHANGES TO CODE SECTION BEING RECOMMENDED** (please use ~~striketrough~~ to reflect proposed deletions and *italics/underline* to reflect additions to code):

Amend Education Code Section 15140(a) to read as follows:

15140. (a) Bonds of a school district or community college district shall be offered for sale by the board of supervisors of the county, the county superintendent of which has jurisdiction over the district, or the community college district governing board, where appropriate, as soon as possible following receipt of a resolution duly adopted by the governing board of the school district or community college district. The resolution shall prescribe the total amount of bonds to be sold. The resolution may also prescribe the maximum acceptable interest rate, not to exceed 8 percent, and the time or times when the whole or any part of the principal of the bonds shall be payable, which shall not be more than 25 years from the date of the bonds. *The resolution shall be adopted only after the governing board has received a report and recommendation from the Citizens' Oversight Committee (established pursuant to section 15272) with respect to the structure of the proposed bond issue.*

Amend Education Code Section 15144 to read as follows:

15144. The number of years the whole or any part of the bonds are to run shall not exceed 25 years, from the date of the bonds or the date of any series thereof. *The principal and interest payable with respect to the bonds in any fiscal year shall not be greater than 105% of the principal and interest payable with respect to the bonds in any other fiscal year. Each bond maturing more than 10 years after its date of issuance shall be subject to mandatory tender for purchase or redemption prior to its fixed maturity date, with or without premium, at any time or from time to time beginning on the tenth anniversary of the date such bond was issued.*



Amend Government Code Section 53507.5 to read as follows:

53507.5. (a) The legislative body may, by resolution, provide for the issuance of bonds pursuant to this article. *If the Issuer is a school district or community college district, the resolution shall be adopted only after the legislative body has received a report and recommendation from the Citizens' Oversight Committee (established pursuant to section 15272 of the Education Code) with respect to the structure of the proposed bond issue.*

(b) The resolution shall state that the bonds are being issued pursuant to this article.

Amend Government Code Section 53508 to read as follows:

53508. The resolution authorizing any bonds or any issue of bonds may provide for any of the following:

- (a) The form of the bonds to be issued as serial bonds, or sinking fund bonds, with serial or term maturities, or any combination thereof.
- (b) The number of series in which the bonds are to be issued.
- (c) The form of the bonds as coupon, registered, or book entry.
- (d) The interest on the bonds, either fixed or variable, and the interest rate or rates, payable at the times and in the manner specified therein, and whether all or part of any series of the bonds shall be issued as zero coupon or capital appreciation bonds; provided, however, that under no conditions may the annual interest rate, whether fixed or variable, exceed the maximum rate permitted by Section 53531 or 53532.
- (e) The time, medium, and place or places of payment.
- (f) The time or times of maturity of the bonds, not exceeding ~~40~~ 25 years from their respective dates.
- (g) The date or dates to be borne by the bonds of each series.
- (h) The denomination of the bonds.
- (i) The registration and conversion privileges of the bonds.
- (j) The manner in which the bonds are to be executed.
- (k) The terms of redemption, with or without premium.
- (l) Other terms and conditions of the bonds and of their execution, issuance, and sale deemed necessary and appropriate by the legislative body.

Amend Government Code Section 53508.3 to read as follows:

53508.3. (a) ~~No~~ *Each* bond *maturing more than 10 years after its date of issuance* shall be subject to mandatory tender for purchase or redemption prior to its fixed maturity date, *with or without premium*, ~~unless it contains a~~



~~recital to that effect~~ at any time or from time to time beginning on the tenth anniversary of the date such bond was issued.

(b) Any bond protected by its terms or by the terms of this section from mandatory tender for purchase or redemption prior to its fixed maturity date or for a specified period of time after issuance, may specify terms upon which the issuer may sell or transfer its right to require the bond to be tendered for purchase or redemption prior to its fixed maturity date.

Add a new Section 53508.5 to the Government Code, to read as follows:

53508.5. The principal and interest payable with respect to the bonds in any fiscal year shall not be greater than 105% of the principal and interest payable with respect to the bonds in any other fiscal year.

Amend Government Code Section 53508.7 to read as follows:

53508.7. (a) The bonds shall be sold at a public or private sale and at a price at, above, or below par, as the legislative body determines.

(b) Any bonds sold at a discount below the par value of the bonds shall be sold in compliance with the provisions of Section 53532.

(c) The private sale of bonds is limited to the sale of school districts' and community college districts' bonds pursuant to, and in full compliance with, Sections 15140 or 15146 of the Education Code, including approval of such sale by the Board of Supervisors of the County, the county superintendent of schools of which has jurisdiction over such school district or community college district, or the express waiver by the Board of Supervisors of its approval rights.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

1. Establish a maximum maturity of 25 years for all general obligation bonds by repealing the 40-year maturity limit which was added to the Government Code effective January 1, 1994 (Stats. 1993, Chap. 841). This will limit aggregate interest costs by reducing the length of time that principal can remain outstanding.



2. Require approximately level annual debt service payments, to prevent dramatic swings and sudden spikes in property tax levies required to repay general obligation bonds.

3. Provide that Boards of Education and Boards of Trustees of school and community college districts are better informed before authorizing bonds to be issued, by requiring that the Board may only take action to grant such authority after an independent citizens' oversight committee has reviewed the structure of the proposed bond issue and issued its report and recommendation (either for or against the proposed issuance). This will enable governing boards to assess the fiscal impact of the proposed bond issue on property owners before the bonds are issued, and it will promote greater transparency in the bond issuance process.

4. Require that all general obligation bonds with maturities longer than 10 years be callable prior to maturity beginning not later than 10 years after the date of issuance.

5. Require that the County Board of Supervisors approve all issuances of bonds by school and community college districts, or expressly waive such approval rights.

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

The proposed changes will prevent excessive property tax levies by establishing stricter, more fiscally prudent financing structures. For example, taxpayers in Poway USD will be required to pay nearly 10 times the amount of principal borrowed in aggregate debt service, but other recent school bond issues will be repaid with aggregate debt service of less than 3 times the amount of principal borrowed.

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

In the past CSBA has opposed efforts to impose restrictions on general obligation bond issuance. However, because of widely reported recent public outrage, it may be politically difficult to oppose reforms going forward.



5. HISTORY OF PRIOR LEGISLATIVE EFFORTS:

I am not aware of these particular reforms being proposed in the past. Other efforts to require competitive sale, limit assessed valuation projections, etc., have been unsuccessful.

Attach additional sheets, if necessary

NAME: Mark Saladino

COUNTY: Los Angeles



PROPOSAL 2

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

Changes made to Revenue and Taxation Code Section 4985.4 in AB2643 effective January 1, 2013, impact what information should appear on the tax bills. To include similar language in Section 2611.6 Information that shall be included in each county tax bill.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use ~~striketrough~~ to reflect proposed deletions and italics/underline to reflect additions to code):

2611.6. The following information shall be included in each county tax bill, whether mailed or electronically transmitted, or in a separate statement accompanying the bill:

(a) The full value of locally assessed property, including assessments made for irrigation district purposes in accordance with Section 26625.1 of the Water Code.

(b) The tax rate required by Article XIII A of the California Constitution.

(c) The rate or dollar amount of taxes levied in excess of the 1-percent limitation to pay for voter-approved indebtedness incurred before July 1, 1978, or bonded indebtedness for the acquisition or improvement of real property approved by two-thirds of the voters on or after June 4, 1986.

(d) The amount of any special taxes and special assessments levied.

(e) The amount of any tax rate reduction pursuant to Section 96.8, with the notation: "Tax reduction by (name of jurisdiction)."

(f) The amount of any exemptions. Exemptions reimbursable by the state shall be shown separately.

(g) The total taxes due and payable on the property covered by the bill.

(h) Instructions on tendering payment, including the name and mailing address of the tax collector.

(i) The billing of any special purpose parcel tax as required by paragraph (2) of subdivision (b) of Section 53087.4 of the Government Code, or any successor to that paragraph.

(j) Information specifying all of the following:

(1) That if the taxpayer disagrees with the assessed value as shown on the tax bill, the taxpayer has the right to an informal assessment review by contacting the assessor's office.

(2) That if the taxpayer and the assessor are unable to agree on a proper assessed value pursuant to an informal assessment review, the taxpayer has the right to file an application for reduction in assessment for the following year with the county board of equalization or the assessment



appeals board, as applicable, and the time period during which the application will be accepted.

(3) The address of the clerk of the county board of equalization or the assessment appeals board, as applicable, at which forms for an application for reduction in assessment may be obtained.

(4) If an informal or formal assessment review is requested, relief from penalties shall apply only to the ad valorem tax amount based on the difference between the county assessor's final determination of value and the value on the assessment roll for the fiscal year covered.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

Since the notification required to be included on all tax bills mailed by the Tax Collector, the language is more appropriate in the code section for the information that is required to appear on the tax bill. Also keeps it in Part 5, Chapter 2 of the Revenue and Taxation Code for Collection Generally.

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

No additional costs.

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

None.

5. HISTORY OF PRIOR LEGISLATIVE EFFORTS:

Attach additional sheets, if necessary

NAME: Julie Valverde

COUNTY: Sacramento



PROPOSAL 3

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

a. Include specific examples that could be used to explain the bill:

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use strikethrough to reflect proposed deletions and italics/underline to reflect additions to code):

3716. Within ~~10~~ 30 days after the sale, the tax collector shall report to the assessor the following:

- (a) The name of the purchaser.
- (b) The date the property was sold.
- (c) The amount for which the property was sold.
- (d) The description of the property conveyed.

3718. The tax collector shall deposit the money received from the sale like tax collections and shall immediately transmit a report of sale to the county treasurer and a duplicate of the report to the county auditor. The report shall show:

- (a) The cost of advertising the sale, including but not limited to the published notice required by Section 3702.
- (b) The sums received for individual parcels.
- (c) Identification of the parcels by year, page and number of the delinquent and current roll.
- (d) The cost of recording the deeds.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):



5. HISTORY OF PRIOR LEGISLATIVE EFFORTS:

Attach additional sheets, if necessary

NAME: Julie Valverde
Sacramento

COUNTY:



PROPOSAL 4

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

a. Include specific examples that could be used to explain the bill:

Revenue and Taxation Code sections 4671 to 4676 govern the Distribution of Proceeds from the Sale of Tax-defaulted Property. Excess proceeds not claimed by a party of interest in the property sold and after all cost recovery has been deducted is currently being distributed to the tax funds based on their proportion of the tax rate area. All local taxing and public agencies in the County already received their proper share of property tax revenue for the defaulted tax years. No city or special district in the County has a legal right to a portion of the excess proceeds. Parties of interest in the property sold at tax sale no longer have a legal right to claim the excess proceeds. The excess proceeds are money that is not the property of a local agency that remains in the official custody of the county.

Changes made to Revenue and Taxation Code Section 3725 and 3731 in AB261 effective January 1, 2012, impact when excess proceeds should be distributed if the validity of the tax sale is challenged. Proposal 2 amends the code to retain excess proceeds in a trust account pending any challenge, and modifies the code so that the Tax Collector does not need to publish a notice if the cost to publish exceeds the amount of excess proceeds.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use ~~striketrough~~ to reflect proposed deletions and italics/underline to reflect additions to code):

4674. Any excess in the proceeds deposited in the delinquent tax sale trust fund remaining after satisfaction of the amounts distributed under Sections 4672, 4672.1, 4672.2, 4673, and 4673.1 shall be retained in the fund on account of, and may be claimed by parties of interest in the property as provided in, Section 4675. At the expiration of the period specified in Section 4675(e)~~one year following the recordation of the tax deed to the purchaser,~~ any excess proceeds not claimed under Section 4675 ~~shall be distributed as provided in paragraph (2) of subdivision (a) of Section 4673.1,~~ the payment may be transferred to the county general fund of the county by the county auditor, except prior to the distribution, the county may deduct those costs of maintaining the redemption and tax-defaulted property files, and those costs of administering and processing the claims for excess proceeds, that have not been recovered under any other provision of law.



4675. (a) Any party of interest in the property may file with the county a claim for the excess proceeds, in proportion to his or her interest held with others of equal priority in the property at the time of sale, at any time prior to the expiration of one year following the recordation of the tax collector's deed to the purchaser.

(b) After the property has been sold, a party of interest in the property at the time of the sale may assign his or her right to claim the excess proceeds only by a dated, written instrument that explicitly states that the right to claim the excess proceeds is being assigned, and only after each party to the proposed assignment has disclosed to each other party to the proposed assignment all facts of which he or she is aware relating to the value of the right that is being assigned. Any attempted assignment that does not comply with these requirements shall have no effect. This paragraph shall apply only with respect to assignments on or after the effective date of this paragraph.

(c) Any person or entity who in any way acts on behalf of, or in place of, any party of interest with respect to filing a claim for any excess proceeds shall submit proof with the claim that the amount and source of excess proceeds have been disclosed to the party of interest and that the party of interest has been advised of his or her right to file a claim for the excess proceeds on his or her own behalf directly with the county at no cost.

(d) The claims shall contain any information and proof deemed necessary by the board of supervisors to establish the claimant's rights to all or any portion of the excess proceeds.

(e) (1) No sooner than one year following the recordation of the tax collector's deed to the purchaser, and if the excess proceeds have been claimed by any party of interest as provided herein, and only if the board of supervisors has not been petitioned to rescind the tax sale pursuant to section 3731 the excess proceeds shall be distributed on order of the board of supervisors to the parties of interest who have claimed the excess proceeds in the order of priority set forth in subdivisions (a) and (b).

(2) If the board of supervisors has been petitioned to rescind the tax sale pursuant to section 3731, any excess proceeds shall not be distributed sooner than one year following the date the board of supervisors determines the tax sale shall not be rescinded, and only if the person that petitioned the board of supervisors pursuant to 3731 has not filed a proceeding in court pursuant to 3725.

(3) If a proceeding has been filed in court pursuant to 3725, any excess proceeds shall not be distributed sooner than final order from the court.

(f) For the purposes of this article, parties of interest and their order of priority are:

(1) First, lienholders of record prior to the recordation of the tax deed to the purchaser in the order of their priority.



(2) Second, any person with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser.

~~(g)(f)~~ In the event that a person with title of record is deceased at the time of the distribution of the excess proceeds, the heirs may submit an affidavit pursuant to Chapter 3 (commencing with Section 13100) of Part 1 of Division 8 of the Probate Code, to support their claim for excess proceeds.

~~(h)(g)~~ Any action or proceeding to review the decision of the board of supervisors shall be commenced within 90 days after the date of that decision of the board of supervisors.

4676. (a) When excess proceeds from the sale of tax-defaulted property exceeds one hundred fifty dollars (\$150), the county shall provide notice of the right to claim the excess proceeds, as provided in this section.

(b) No later than 90 days after the sale of the property, the county shall mail written notice of the right to claim excess proceeds to the last known mailing address of parties of interest, as defined in Section 4675. The county shall make a reasonable effort to obtain the name and last known mailing address of parties of interest.

(c) If the last known address of a party of interest cannot be obtained, the county shall publish notice of the right to claim excess proceeds in a newspaper of general circulation in the county. Publication is not required if the cost to publish is more than the amount of the excess proceeds or eliminates any proceeds available for distribution. The notice shall be published once a week for three successive weeks and shall commence no later than 90 days after the sale of the property.

(d) The cost of obtaining the name and last known mailing address of parties of interest and of mailing or publishing the notices required under this section shall be deducted from the excess proceeds and shall be distributed to the county general fund.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

The Excess Proceeds which represent the money received in excess of an amount to redeem the property taxes and tax program recovery costs will be transferred to the county general fund.

Excess Proceeds will not be distributed until final determination of any challenge to the validity or irregularity of the tax sale.

The amount of \$150 was set in 1980. The cost of publishing the excess proceeds in a newspaper of general circulation and mailing of excess proceeds notices to the lien holders shall be deducted from the excess proceeds. These



costs have exceeded the amount of excess proceeds, resulting in zero excess proceeds to disburse although we have mailed and published notice.

3. **FISCAL IMPACT OR MANDATED COSTS** (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

No additional costs.

4. **POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES** (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

Auditor-Controller. The local taxing and public agencies will not receive any distribution of Excess Proceeds. Any amount expected to be distributed is nominal and is not included in any organizations budget.

Parties of Interest that have claimed the Excess Proceeds may not receive distributions after one year.

5. **HISTORY OF PRIOR LEGISLATIVE EFFORTS:**

Change to Section 4674 submitted in 2011 legislative platform

Attach additional sheets, if necessary

NAME: Julie Valverde
Sacramento

COUNTY:



PROPOSAL 5

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

Add to California Commercial Code Section on Bulk Sales the ability to charge for a fee to cover costs in preparing a Bulk Sale payoff demand.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use ~~striketrough~~ to reflect proposed deletions and italics/underline to reflect additions to code):

6105. In order to comply with subdivision (b) of Section 6104 each of the following shall be satisfied:

(a) The notice shall comply with each of the following:

(1) State that a bulk sale is about to be made.

(2) State the name and business address of the seller together with any other business name and address listed by the seller (subdivision (a) of Section 6104) and the name and business address of the buyer.

(3) State the location and general description of the assets.

(4) State the place and the anticipated date of the bulk sale.

(5) State whether or not the bulk sale is subject to Section 6106.2 and, if so subject, the matters required by subdivision (f) of Section 6106.2.

(b) At least 12 business days before the date of the bulk sale, the notice shall be:

(1) Recorded in the office of the county recorder in the county or counties in this state in which the tangible assets are located and, if different, in the county in which the seller is located (paragraph (2) of subdivision (a) of Section 6103).

(2) Published at least once in a newspaper of general circulation published in the judicial district in this state in which the tangible assets are located and in the judicial district, if different, in which the seller is located (paragraph (2) of subdivision (a) of Section 6103), if in either case there is one, and if there is none, then in a newspaper of general circulation in the county in which the judicial district is located.

(3) Delivered or sent by registered or certified mail to the county tax collector in the county or counties in this state in which the tangible assets are located. If delivered during the period from January 1 to May 7, inclusive, the notice shall be accompanied by a completed business property statement with respect to property involved in the bulk sale pursuant to Section 441 of the Revenue and Taxation Code.

If the tangible assets are located in more than one judicial district in this state, the publication required in paragraph (2) shall be in a newspaper of general circulation published in the judicial district in this state in which a



greater portion of the tangible assets are located, on the date the notice is published, than in any other judicial district in this state and, if different, in the judicial district in which the seller is located (paragraph (2) of subdivision (a) of Section 6103). As used in this subdivision, "business day" means any day other than a Saturday, Sunday, or day observed as a holiday by the state government. The assessor, tax collector, and auditor may charge and collect a fee to cover the actual and reasonable costs for the research and preparation of an estimate of the taxes due when a buyer in a bulk transfer provides notice of the sale. The amount of the fee shall be established by the board of supervisors of the county and shall be subject to the requirements of Chapter 12.5 (commencing with Section 54985) of Part 1 of Division 2 of Title 5 of the Government Code.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

The County expends additional labor hours to prepare demands for payoff on Bulk Sales. The County may charge for preparing a payoff demand on delinquent unsecured charges, but not future charges that must be estimated.

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

No additional costs.

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

None.

5. HISTORY OF PRIOR LEGISLATIVE EFFORTS:

Attach additional sheets, if necessary

NAME: Julie Valverde

COUNTY: Sacramento



PROPOSAL 6

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

Add to Government Code Section on Medium of Payment for Credit Cards, EFT, etc. the same language to charge a fee for a charge back that is charged for a negotiable paper.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. **SPECIFIC CHANGES TO CODE SECTION BEING**

RECOMMENDED (please use ~~striketrough~~ to reflect proposed deletions and italics/underline to reflect additions to code):

6157. (a) The state, and each city, whether general law or chartered, county, and district, each subdivision, department, board, commission, body, or agency of the foregoing, shall accept personal checks drawn in its favor or in favor of a designated official thereof, in payment for any license, permit, or fee, or in payment of any obligation owing to the public agency or trust deposit, if the person issuing the check furnishes to the person authorized to receive payment satisfactory proof of residence in this state and if the personal check is drawn on a banking institution located in this state.

(b) If any personal check, corporate check, cashier's check, money order, or other draft method offered in payment pursuant to this section is returned without payment, for any reason, a reasonable charge for the returned check, not to exceed the actual costs incurred by the public agency, may be imposed to recover the public agency's processing and collection costs. This charge may be added to, and become part of, any underlying obligation other than an obligation which constitutes a lien on real property, and a different method of payment for that payment and future payments by this person may be prescribed.

(c) The acceptance of a personal check pursuant to this section constitutes payment of the obligation owed to the payee public agency to the extent of the amount of the check as of the date of acceptance when, but not before, the check is duly paid.

(d) The provisions in subdivision (b) prohibiting a returned check charge being added to, and becoming a part of, an obligation which constitutes a lien on real property do not apply to obligations under the Veterans' Farm and Home Purchase Act of 1974 (Article 3.1 (commencing with Section 987.50) of Chapter 6 of Division 4 of the Military and Veterans Code).

6159. (a) The following definitions apply for purposes of this section:



(1) "Credit card" means any card, plate, coupon book, or other credit device existing for the purpose of being used from time to time upon presentation to obtain money, property, labor, or services on credit.

(2) "Card issuer" means any person, or his or her agent, who issues a credit card and purchases credit card drafts.

(3) "Cardholder" means any person to whom a credit card is issued or any person who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person.

(4) "Debit card" means a card or other means of access to a debit card cardholder's account that may be used to initiate electronic funds transfers from that account.

(5) "Draft purchaser" means any person who purchases credit card drafts.

(6) "Electronic funds transfer" means any method by which a person permits electronic access to, and transfer of, money held in an account by that person.

(b) Subject to subdivisions (c) and (d), a court, city, county, city and county, or other public agency may authorize the acceptance of a credit card, debit card, or electronic funds transfer for any of the following:

(1) The payment for the deposit of bail for any offense not declared to be a felony or for any court-ordered fee, fine, forfeiture, penalty, assessment, or restitution. Use of a card or electronic funds transfer pursuant to this paragraph may include a requirement that the defendant be charged any administrative fee charged by the company issuing the card or processing the account for the cost of the transaction.

(2) The payment of a filing fee or other court fee.

(3) The payment of any towage or storage costs for a vehicle that has been removed from a highway, or from public or private property, as a result of parking violations.

(4) The payment of child, family, or spousal support, including reimbursement of public assistance, related fees, costs, or penalties, with the authorization of the cardholder or accountholder.

(5) The payment for services rendered by any city, county, city and county, or other public agency.

(6) The payment of any fee, charge, or tax due a city, county, city and county, or other public agency.

(7) The payment of any moneys payable to the sheriff pursuant to a levy under a writ of attachment or writ of execution. If the use of a card or electronic funds transfer pursuant to this paragraph includes any administrative fee charged by the company issuing the card or processing the account for the cost of the transaction, that fee shall be paid by the person who pays the money to the sheriff pursuant to the levy.



(8) The payment of a donation, gift, bequest, or devise made to or in favor of a county, or to or in favor of the board of supervisors of a county, pursuant to Section 25355.

(c) A court desiring to authorize the use of a credit card, debit card, or electronic funds transfer pursuant to subdivision (b) shall obtain the approval of the Judicial Council. A city desiring to authorize the use of a credit card, debit card, or electronic funds transfer pursuant to subdivision (b) shall obtain the approval of its city council. Any other public agency desiring to authorize the use of a credit card, debit card, or electronic funds transfer pursuant to subdivision (b) shall obtain the approval of the governing body that has fiscal responsibility for that agency.

(d) After approval is obtained, a contract may be executed with one or more credit card issuers, debit card issuers, electronic funds transfer processors, or draft purchasers. The contract shall provide for the following matters:

(1) The respective rights and duties of the court, city, county, city and county, or other public agency and card issuer, funds processor, or draft purchaser regarding the presentment, acceptability, and payment of credit and debit card drafts and electronic funds transfer requests.

(2) The establishment of a reasonable means by which to facilitate payment settlements.

(3) The payment to the card issuer, funds processor, or draft purchaser of a reasonable fee or discount.

(4) Any other matters appropriately included in contracts with respect to the purchase of credit and debit card drafts and processing of electronic funds transfer requests as may be agreed upon by the parties to the contract.

(e) The honoring of a credit card, debit card, or electronic funds transfer pursuant to subdivision (b) hereof constitutes payment of the amount owing to the court, city, county, city and county, or other public agency as of the date the credit or debit card is honored or the electronic funds transfer is processed, provided the credit or debit card draft is paid following its due presentment to a card issuer or draft purchaser or the electronic funds transfer is completed with transfer to the agency requesting the transfer.

(f) If any credit or debit card draft is not paid following due presentment to a card issuer or draft purchaser or is charged back to the court, city, county, city and county, or other public agency for any reason, any record of payment made by the court, city, or other public agency honoring the credit or debit card shall be void. If any electronic funds transfer request is not completed with transfer to the agency requesting the transfer or is charged back to the agency for any reason, any record of payment made by the agency processing the electronic funds transfer shall be void. Any



receipt issued in acknowledgment of payment shall also be void. The obligation of the cardholder or accountholder shall continue as an outstanding obligation as if no payment had been attempted.

(g) If any credit card, debit card draft, electronic fund transfer or other payment method offered in payment pursuant to this section is returned without payment, for any reason, a reasonable charge for the charge back or return, not to exceed the actual costs incurred by the public agency, may be imposed to recover the public agency's processing and collection costs. This charge may be added to, and become part of, any underlying obligation other than an obligation which constitutes a lien on real property, and a different method of payment for that payment and future payments by this person may be prescribed.

—~~(g)~~ (h) Notwithstanding Title 1.3 (commencing with Section 1747) of Part 4 of Division 3 of the Civil Code, a court, city, county, city and county, or any other public agency may impose a fee for the use of a credit or debit card or electronic funds transfer, not to exceed the costs incurred by the agency in providing for payment by credit or debit card or electronic funds transfer. These costs may include, but shall not be limited to, the payment of fees or discounts as specified in paragraph (3) of subdivision (d). Any fee imposed by a court pursuant to this subdivision shall be approved by the Judicial Council. Any fee imposed by any other public agency pursuant to this subdivision for the use of a credit or debit card or electronic funds transfer shall be approved by the governing body responsible for the fiscal decisions of the public agency.

—~~(h)~~ (i) Fees or discounts provided for under paragraph (3) of subdivision (d) shall be deducted or accounted for prior to any statutory or other distribution of funds received from the card issuer, funds processor, or draft purchaser to the extent not recovered from the cardholder or accountholder pursuant to subdivision (g).

—~~(i)~~ (j) The Judicial Council may enter into a master agreement with one or more credit or debit card issuers, funds processors, or draft purchasers for the acceptance and payment of credit or debit card drafts and electronic funds transfer requests received by the courts. Any court may join in any of these master agreements or may enter into a separate agreement with a credit or debit card issuer, funds processor, or draft purchaser.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

Clarifies that a fee can be charged for any returned payment, regardless of the method of the payment.



3. **FISCAL IMPACT OR MANDATED COSTS** (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

No additional costs.

4. **POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES** (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

None.

5. **HISTORY OF PRIOR LEGISLATIVE EFFORTS:**

Attach additional sheets, if necessary

NAME: Julie Valverde

COUNTY: Sacramento



PROPOSAL 7

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

a. Include specific examples that could be used to explain the bill:

The County of Los Angeles has a large amount of uncollected non-tax accounts receivable, such as for health care and welfare overpayments. Collection methods vary based on the type of debt; for example, income tax refund intercept is available for some debts and not others. The Tax Collector has broad enforcement powers with respect to unsecured taxes (such as summary judgments and property seizure) which should be available to collect any debt owed to the County.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use strikethrough to reflect proposed deletions and italics/underline to reflect additions to code):

Section 26220.1 of the Government Code is added to read:

Notwithstanding Section 26220, the board of supervisors may adopt an ordinance providing that any or all debts, delinquent bills, claims, and accounts, 30 days after the date upon which they are due and payable to the county, and any or all money judgments payable to the county or collected by the county on behalf of other public agencies, may be collected in any manner allowed for the collection of unsecured taxes except as otherwise prohibited by law.

OR, IN THE ALTERNATIVE

Section 26220 of the Government Code is amended to read:

(a) The board of supervisors may, by a four-fifths vote of its members, assign for purposes of collection, under any terms and conditions that the board may prescribe, any or all delinquent bills, claims, and accounts, 30 days after the date upon which they are due and payable to the county, and any or all money judgments taken in the name of the county.

(b) The board of supervisors may, by a four-fifths vote of its members, and with the approval of the tax collector, assign for purposes of collection under such terms and conditions as the board may prescribe, any or all delinquent unsecured taxes 90 days after the date upon which they are due and



delinquent when, in the judgment of the tax collector, the remedy set forth in Section 2951 of the Revenue and Taxation Code will not be used by the tax collector.

(c) The board of supervisors may assign, for purposes of securing any financing of the same, any obligations arising out of any delinquent assessments or taxes levied on the secured roll by the county or any other political subdivision of the state. No assignment to a collection agency shall be made of obligations arising out of any delinquent assessments or taxes levied on the secured roll by the county or any other political subdivision of the state.

(d) Notwithstanding subsection (a) above, the board of supervisors may adopt an ordinance providing that any or all debts, delinquent bills, claims, and accounts, 30 days after the date upon which they are due and payable to the county, and any or all money judgments taken in the name of the county, may be collected in any manner allowed for the collection of unsecured taxes.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

These changes will extend unsecured tax collection methods to any debt owed to a county, if implemented by ordinance of the Board of Supervisors of the county.

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

The proposed law should increase the liquidation (i.e. collection) rate of county accounts receivable, resulting in increased revenue.

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

The Franchise Tax Board could be impacted minimally because additional accounts would be referred to FTB for income tax refund intercept.



5. **HISTORY OF PRIOR LEGISLATIVE EFFORTS:** None known.

Attach additional sheets, if necessary

NAME: MARK SALADINO

COUNTY: LOS ANGELES



PROPOSAL 8

1. CALIFORNIA STATUTES(S) NEEDING CHANGE, AMENDMENT, OR BEING AFFECTED BY PROPOSAL:

Revenue and Taxation Code section 5151(a).

2. BRIEF DESCRIPTION OF PROBLEM IN CURRENT LAW:

Revenue and Taxation Code section 5151(a) specifies the rate of interest to be paid for refunds as “interest at the greater of 3 percent per annum or the county pool apportioned rate...” With the current economic situation, a county’s pool apportioned rate may be or will drop to less than 3 percent.

3. RECOMMENDED AMENDMENT OR CHANGE:

a. SPECIFIC CHANGES TO CODE SECTION BEING

RECOMMENDED (please use strikethrough to reflect proposed deletions and italics/underline to reflect additions to code):

5151. (a) Interest at ~~the greater of 3 percent per annum or~~ the county pool apportioned rate shall be paid, when that interest is ten dollars (\$10) or more, on any amount refunded under Section 5096.7, or refunded to a taxpayer for any reason whatsoever. However, no interest shall be paid under the provisions of this section if the taxpayer has been given the notice required by Section 2635 and has failed to apply for the refund within 30 days after the mailing of that notice. For purposes of this section, "county pool apportioned rate" means the annualized rate of interest earned on the total amount of pooled idle funds from all accounts held by the county treasurer, in excess of the county treasurer's administrative costs with respect to that amount, as of June 30 of the preceding fiscal year for which the refund is calculated. For each fiscal year, the county treasurer shall advise the Controller of the county pool apportioned rate, and of computations made in deriving that rate, no later than 60 days after the end of that fiscal year.

b. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (how will this improve existing law?):

If the county pool apportioned rate drops below 3 percent, taxing entities should not have to pay more than that rate for refunds.

4. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs which this proposal will mandate through implementation):

Cost savings to the County by paying out more interest than the County can earn.



5. **POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES** (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):

6. **HAS THIS PROPOSAL BEEN TRIED BEFORE? IF SO, WHEN AND BY WHOM?:**

2002

NAME: Julie Valverde

COUNTY: Sacramento



PROPOSAL 9

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

Clean up Refund code sections:

- Clarified language in 2635 regarding claims and amount at the time of payment.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

- a. **SPECIFIC CHANGES TO CODE SECTION BEING RECOMMENDED** (please use strikethrough to reflect proposed deletions and italics/underline to reflect additions to code):

2635. *(a)* When the amount of taxes paid exceeds the amount due more than ten dollars (\$10), the tax collector shall send notice of the overpayment to the taxpayer within a reasonable period of time after the overpayment has been reflected on the tax roll. The notice shall be mailed to the taxpayer's last known address and shall state the amount of overpayment and that a refund claim may be filed pursuant to Chapter 5 (commencing with Section 5096) of Part 9.

b) If the tax collector establishes that the refund is due the taxpayer, then the tax collector may choose to issue any refund to the taxpayer without sending a notice requesting the taxpayer file a refund claim.

- b. **GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:**

Cleans up the code.

3. FISCAL IMPACT OR MANDATED COSTS (Please list any estimated cost savings or additional costs to county or state agencies which this proposal will mandate through implementation):

None

4. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMNETS OR AGENCIES (if Yes, please list those departments/agencies AND the concerns which those parties may raise against this proposal):



None

5. HISTORY OF PRIOR LEGISLATIVE EFFORTS:

Yes in 2012. AB2643 – with different language.

NAME: Julie Valverde

COUNTY: Sacramento



Proposal 10

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

a. Include specific examples that could be used to explain the bill:

Before 1995 – 1996 the only requirement to seek the elected office of Treasurer-Tax Collector was to be registered to vote, pay your fee and be the top vote getter with a 50% +1 result.

In 1995 – 1996, as a result of the Orange County bankruptcy and in an effort to statutorily pledge our commitment to the electorate, to the legislature and our dedication to our offices, the County Association of County Treasurer and Tax Collectors, took it upon themselves to propose legislation outlining ‘eligibility requirements’ and ‘continuing education requirements’ for the current Treasurer-Tax Collector’s and future elected or appointed Treasurer-Tax Collectors.

The code is not consistent as it is with other elected county officials that have a mandated eligibility requirement. Instead it left the qualification requirements for Treasurer-Tax Collector “optional” by a board of supervisor ordinance. We feel, this omission has provided no credibility to the treasurer’s office and should be amended to mandate a qualifications requirement.

Over the past 14 years, certain organizations have either collapsed or evolved into different Associations. Also as levels of sophistication and information have increased, it has become necessary to re-visit the eligibility requirements and update them to keep up with the times and reflect current California State Law.

The Certified Cash Manager is not an official California designation and does not exist anymore.

2. RECOMMENDED STATUTORY CHANGE (please note code section):

a. SPECIFIC CHANGES TO CODE SECTION BEING RECOMMENDED:

Government Code 27000.7. (a) No person shall be eligible for election or appointment to the office of county treasurer, county tax collector, or county treasurer-tax collector of any county unless that person meets at



least one of the following criteria and meets the provisions of Elections Code §13.5:

(1) The person has served in a senior financial management position in a county, city, or other public agency within the State of California dealing with similar financial responsibilities for a continuous period of not less than three years, including, but not limited to, treasurer, tax collector, auditor, auditor-controller, or the chief deputy or an assistant in those offices. Or ;

(2) The person possesses a valid baccalaureate, masters, or doctoral degree from an accredited college or university in any of the following major fields of study: business administration, public administration, economics, finance, or accounting, ~~or a related field~~, with a minimum of 16 college semester units, or their equivalent, in accounting, auditing, or finance. Or;

(3) The person possesses a valid certificate issued by the California Board of Accountancy pursuant to Chapter 1 (commencing with Section 5000) of Division 3 of the Business and Professions **Code**, showing that person to be, and a permit authorizing that person to practice as, a certified public accountant. Or;

(4) The person possesses a valid charter issued by the Institute of Chartered Financial Analysts showing the person to be designated a Chartered Financial Analyst, with a minimum of 16 college semester units, or their equivalent, in accounting, auditing, or finance. Or;

(5) The person possesses a valid certificate, issued by the Association for Financial Professionals showing the person to be designated a Certified Treasury Professional ~~Cash Manager~~, with a minimum of 16 college semester units, or their equivalent, in accounting, auditing, or finance.

(b) This section shall only apply to any person duly elected or appointed as a county treasurer, county tax collector, county treasurer-tax collector, consolidated director of finance or director of finance on or after January 1, ~~1998~~ 2013.

Elections Code 13.5. (a) (1) Notwithstanding subdivision (a) of Section 13, no person shall be considered a legally qualified candidate for any of the offices set forth in subdivision (b) unless that person has filed a declaration of candidacy, nomination papers, or statement of write-in candidacy, accompanied by documentation, including, but not necessarily limited to, certificates, declarations under penalty of



perjury, diplomas, or official correspondence, sufficient to establish, in the determination of the official with whom the declaration or statement is filed, that the person meets each qualification established for service in that office by the provision referenced in subdivision (b).

(2) The provision of "documentation," for purposes of compliance with the requirements of paragraph (1), may include the submission of either an original, as defined in Section 255 of the Evidence **Code**, or a duplicate, as defined in Section 260 of the Evidence **Code**.

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

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

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

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

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

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

(6) For the office of county treasurer, county tax collector, county treasurer-tax collector, or consolidated director of finance or director of finance, the qualifications set forth in Section 27000.7 of the Government **Code**, ~~provided that the board of supervisors has adopted the provisions of that section pursuant to Section 27000.6 of the Government **Code**.~~

3. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

With the elimination of the Elections Code 13.5(a)(6) language "provided that the board of supervisors has adopted the provisions of that section pursuant to Section 27000.6 of the Government Code", and concluding



with what is set forth in the provision aligns the Treasurer-Tax Collector eligibility requirements with the Assessor, Auditor, District Attorney, and Sheriff. CACTTC will uphold that the expertise required in cash management is of equal merit as other elected department heads expertise when the voter is considering a viable candidate seeking office.

Removing Municipal Treasurer Association reference associated with the required 16 college semester units and explicitly requiring accounting, auditing or finance requirements is more in line with the cash management function of the treasurer office and is a well understood and easily documented requirement.

Also, there is no explanation as to what is “equivalent” to 16 college semester units.... This removes the arbitrary designation, “equivalent” and replaces it with something more substantial.

CDIAC’s education programs are accepted by many certification entities as “certifiable.”

4. FISCAL IMPACT OR MANDATED COSTS: None

5. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES:

This relates to County Treasurer-Tax Collector positions, both appointed and elected, as well as clarifying the requirements for Election Officials.

6. HISTORY OF PRIOR LEGISLATIVE EFFORTS: To my knowledge no such clarification of code section has been suggested.

NAME: Tracy Kennedy & Karen Adams **COUNTY:** Madera & Merced

PROPOSAL11

1. BRIEF DESCRIPTION OF WHY A BILL IS NEEDED:

- a. Include specific examples that could be used to explain the bill:

Current law allows the board of supervisors to consolidate, via ordinance, the duties of auditor-controller and treasurer-tax collector, or auditor and treasurer, or controller and treasurer, or auditor and tax collector or auditor and director of finance. Of the 58 counties, 52 are elected treasurer-tax collectors or finance directors and 10 are consolidated with auditor-controller of which 6 were consolidated within the past 5 years.

Only six counties have appointed officials and the remaining 52 counties are elected county officials elected by a county wide vote. Allowing the Board of Supervisors the ability to consolidate via ordinance does not allow the voting public to decide whether or not they want to:

- (i) reduce the number of their elected officials,
- (ii) or give the Board additional power in selecting those representatives

Code Section 26980 allows the Board to consolidate these offices into a 'Consolidated Office of Director of Finance' which must be submitted to voters. Additionally at the same time, the question must be asked, "will this office be established as an elected office or appointed by the Board."

2. RECOMMENDED STATUTORY CHANGE (please note code section):

Current consolidation code for your reference only (actual changes follow)

California Government Code, Title 3, Division 2, Part 1, Chapter 7§

24300. By ordinance the board of supervisors may consolidate the duties of certain of the county offices in one or more of these combinations:

- (a) Sheriff and tax collector.
- (b) Auditor and recorder.
- (c) County clerk, auditor, and recorder.



- (d) County clerk and public administrator.
- (e) County clerk and recorder.
- (f) County clerk and auditor.
- (g) Treasurer and tax collector.
- (h) Treasurer and recorder.
- (i) Treasurer and assessor.
- (j) Treasurer and public administrator.
- (k) Public administrator and coroner.
- (l) District attorney and public administrator.
- (m) District attorney and coroner.
- (n) Sheriff and coroner.
- (o) Sheriff and public administrator.
- (p) County agricultural commissioner and county sealer of weights and measures.
- (q) Road commissioner and surveyor. A county may create an office entitled public works director, combining the duties of road commissioner and surveyor and any other compatible duties not legally required to be performed by another county officer.
- (r) County surveyor and director of transportation.

By the ordinance that consolidates the duties of the appointive county offices described in subdivision (p), notwithstanding Section 2122 and Sections 2181 to 2187, inclusive, of the Food and Agricultural Code, and Sections 12200 and 12214 of the Business and Professions Code, the board of supervisors may provide that the first term only of the newly consolidated office expires when the first of the remaining unexpired terms of the two unconsolidated offices would have expired. Where a vacancy in either of the unconsolidated offices exists the term of office of the newly consolidated office shall be the longer of the remaining unexpired terms

a. SPECIFIC CHANGES TO CODE SECTION BEING RECOMMENDED:

California Government Code, Title 3, Division 2, Part 1, Chapter 7§

24300.5 In addition to the duties of the county offices which may be consolidated under the provisions of Section 24300, the board of supervisors shall place a measure on the ballot for voter approval to ~~by ordinance~~ consolidate the offices of auditor, controller, treasurer, tax collector, and director of finance.



24301. If the duties of officers are consolidated pursuant to this chapter, the board of supervisors, ~~by ordinance~~, may elect to separate the duties so consolidated, and reconsolidate ~~them~~ in any other manner permitted by this chapter or separate the duties without reconsolidation, and provide that the duties of each office shall be performed by a separate person, if it deems the change to be in the public interest and obtained voter approval.

24301.5. QUALIFICATIONS FOR COMBINED OFFICE:

Any person may be appointed by the board of supervisors, or be a candidate for election to the office of consolidated Director of Finance or combined Auditor-Controller Treasurer-Tax Collector, if he or she meets the qualifications set forth in Section 26945 or Section 27000.7.

24304.2. Notwithstanding Section 24300, in Mendocino County, Sonoma County, Trinity County, and Tulare County, the board of supervisors, by ordinance, may consolidate the duties of the offices of Auditor-Controller, ~~and Treasurer-Tax Collector, and Director of Finance~~ into the elected office of Auditor-Controller-Treasurer-Tax Collector. Effective January 2013, any additional inclusion to the consolidated list shall be approved by the local electorate of said county requesting inclusion.

3. GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO:

Clarifying this GC by stating that consolidations must only be allowed by the vote of the people does many things. It allows the voting public a say on how their government is structured. It protects their vote by allowing them to make the ultimate decision. It further provides the Board with the necessary voting 'clout' to support their position for combinations and how to restructure the departments for efficiencies in budgets, reclassifications, and internal control functions.

Additionally, in many counties, making this decision is cumbersome and confusing. This change will provide consistency and prevent certain 'classes' of counties from continuing to be granted specific authority to consolidate.



Currently, GC 24009 identifies the treasurer as an officer elected by the people and in order to change an office from elective to appointive, a proposal shall be presented to the voters of the county and approved by a majority of the votes cast. This proposed legislative change will further clarify and protect the rights of the people to select their government.

4. FISCAL IMPACT OR MANDATED COSTS:

Additional outside audit and oversight costs may erode any efficiency savings along with costly support management positions necessary to direct authority over transactions if such departments were to be consolidated.

5. POTENTIAL IMPACTS ON OTHER COUNTY OR STATE DEPARTMENTS OR AGENCIES:

Depending on size of county and abilities of existing department heads, consolidating these offices could increase potential risks by creating a super agency and dilutes managing abilities. Keeping these positions separate offers a clearer line of responsibility and accountability to the people they serve.

6. HISTORY OF PRIOR LEGISLATIVE EFFORTS: To my knowledge no such clarification of code section has been suggested.

NAME: Tracy Kennedy & Karen Adams
Merced

COUNTY: Madera &



Proposals By Code Section

Education Code

Code Section	Proposal	Submitter
15140	1	Los Angeles
15144	1	Los Angeles

Government Code

Code Section	Proposal	Submitter
53507.5	1	Los Angeles
53508	1	Los Angeles
53508.5 (new)	1	Los Angeles
53508.7	1	Los Angeles
6157	1	Sacramento
26220.1	7	Los Angeles
27000.7	10	Merced and Madera
24300	11	Merced and Madera

Revenue and Taxation Code

Code Section	Proposal	Submitter
3716	2	Sacramento
2611.6	3	Sacramento
4674	4	Sacramento
5151	8	Sacramento and San Francisco
2635	9	Sacramento

California Commercial Code

Code Section	Proposal	Submitter
6105	5	Sacramento

