CACTTC 2022 Legislative Platform

The 2022 CACTTC *PROPOSED* Legislative Platform

To Be Considered on October 7, 2021

CACTTC 2022 Legislative Platform

The proposed 2022 Platform includes six proposals:

1. Government Code Section 53646 provides that a treasurer may render a quarterly report to the board of supervisors, and if remitted, it shall be submitted within 30 days following the end of a quarter. Monterey County continues to have challenges meeting the 30-day deadline. Accounting and investment systems can take up to 10 business days to post quarter-end entries, and the board may not have a meeting at the end of the month. Given the 2 week lead time required to get a report on the board calendar, staff must often request exemptions from county procedures to meet code mandates. Adding 15 days to this deadline will help avoid the rushed preparation of important quarterly reports.

2. The Riverside County Tax Collector's office has noticed an increase in bidders failing to consummate their purchase, which voids the sale. The office has also noted that the same properties have been offered at multiple sales; however, different bidders have neglected to consummate the purchase. A solution would be to offer the property to the second-highest bidder at the same auction.

3. Currently, Revenue and Taxation Code 2621 and 2706 quote the cost as $10.00 for preparing delinquent tax records and giving notice for delinquency. However, the cost of this process has fluctuated over the years and also varies by county. The varying cost per county versus the amount stated in codes 2621 and 2706 often causes taxpayer confusion and frustration. Amending these codes and using government code 54985 as justification for cost recovery will eliminate conflicting information and provide clarity for the taxpayer.

4. This proposal will align Revenue & Taxation Code section(s) 4675 & 4675.1 and bring some clarification to Revenue & Taxation Code 4675 by adding language to the statute to establish the date at which the 90-day commencement period begins to dispute an approved or denied claim under Revenue & Taxation Code 4675.

5. Per Revenue & Taxation Code 3700, prior to publication of intended tax sale, the tax collector is required to "mail" or "deliver" a copy of the notice of intended sale to each taxing agency (other than the county) and certain nonprofit organizations. This notice provides an opportunity for taxing agencies and nonprofit organizations to acquire properties via the Chapter 8 Sales Agreement. Printing and mailing notices is an additional, unreimbursed expense and is not the most efficient or effective means for reaching all intended recipients (e.g., public works, housing, economic development, parks, or planning departments). Adding "sent electronically" to R&TC Section 3700 as another option for delivery will reduce costs and make the process far more efficient, especially in the era of telework.

6. Government Code sections 53601 limits the term remaining to maturity in excess of five years from the time of purchase. This precludes an entity from purchasing a new issue 5-year security that requires a settlement process."… at the time of the investment has a term remaining to maturity in excess of five years, …" This proposal would change the code to read at the time of settlement rather than at the time of investment. This proposal would also further restrict the time for a forward settlement to 60 days.

CACTTC 2022 Legislative Platform

Proposal #1 – Monterey County

1. 1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION: Government Code Section 53646 provides that a treasurer may render a quarterly report to the board of supervisors, and if remitted, it shall be submitted within 30 days following the end of a quarter. Monterey County continues to have challenges meeting the 30-day deadline. Accounting and investment systems can take up to 10 business days to post quarter-end entries, and the board is sometimes dark at the end of the month. Given the 2 week lead time required to get a report on the board calendar, staff must often request exemptions from county procedures to meet code mandates. Adding 15 days to this deadline will help avoid the rushed preparation of important quarterly reports.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?
Government Code 53646.

(a) (1) In the case of county government, the treasurer may annually render to the board of supervisors and any oversight committee a statement of investment policy, which the board shall review and approve at a public meeting. Any change in the policy shall also be reviewed and approved by the board at a public meeting.

(2) In the case of any other local agency, the treasurer or chief fiscal officer of the local agency may annually render to the legislative body of that local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.

(b) (1) The treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency. The quarterly report shall be so submitted within ~~30~~ <u>45</u> days following the end of the quarter covered by the report. Except as provided in subdivisions (e) and (f), this report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the local agency, and shall additionally include a description of any of the local agency's funds, investments, or programs, that are under the management of contracted parties, including lending programs. With respect to all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund, the report shall also include a current market value as of the date of the report and shall include the source of this same valuation.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)
Increase the time allowed to file a quarterly report from *within 30* to *within 45* days following the end of the quarter.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Any county that chooses to file quarterly reports may, from time to time, have challenges complying with the short timeline.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.
No.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?
None

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?
Doubtful

8. HAS THIS BILL BEEN TRIED BEFORE? Yes in 2017-18, was approved by the association but later removed from the platform due to technical issues that have been subsequently resolved.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

In order to promote transparency, it is helpful to have permissive laws that make it easier for local governments to comply. Extending the days from 30 to 45 will help treasurers comply with the statute and may convince treasurers who do not currently participate to opt-in.

Proposal #2 –Riverside County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

The Riverside County Tax Collector's office has noticed an increase in bidders failing to consummate their purchase, which voids the sale. Our office has also noted that the same properties have been offered at multiple sales; however, different bidders have neglected to consummate the purchase. A solution would be to offer the property to the second-highest bidder.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Rev.& Tax. Code Secs. 3693(a)…all sales pursuant to this chapter shall be at public auction to the highest bidder…

Revision:

Rev.& Tax. Code Secs. 3693(a)…all sales pursuant to this chapter shall be at public auction to the highest bidder; *if the highest bidder does not consummate the sale within the noticed time frame, the next highest bidder may be offered the property at their bid price.*

3692(d)…and the property shall be sold to the highest eligible bidder

Revision:

3692(d)…and the property shall be sold to the highest eligible bidder; *if the highest bidder does not consummate the sale within the noticed time frame, the next highest bidder may be offered the property at their bid price.*

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

This change would prevent any party of interest from defrauding the outcome of the sale, ensure the property is sold at auction and return the property to revenue-generating status.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

A study has not been conducted on the number of counties that have experienced this problem; however, our office has been made aware from multiple counties in the Southern region, that they do have bidders who fail to consummate their purchase on every tax sale.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

The County had been harmed financially due to the last assessee Lawrence Moore, who registered at our April 2019 Tax Sale, under the user name of Prince Charming. Mr. Moore, was the highest bidder and failed to consummate the purchase. This has caused the County financially, in staff time by having to place this property on another tax sale. Additionally, another property was on our Tax Sale 215; 215-2 and 217 until it was eventually sold. The highest bidder failed to consummate their purchase on the first two tax sales; however, they were unique bidders. 17 of 22 parcels went uncollected at a most recent auction.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

Our office does not believe any agency would be impacted. The special districts rely on our office to collect current and delinquent taxes, which include those agencies' special assessments.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

If an engender opposition would arise, it would most likely be brought on by a party of interest, which is defined by R&T Code 4675. The party of interest would oppose since they would want to protect their interest.

8. HAS THIS BILL BEEN TRIED BEFORE?

Our office does not have any knowledge of this bill being tried before.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

Three reasons the Legislator should carry this bill are:

1. It would assist by allowing counties to award the property to the second-highest bidder if the highest bidder neglected to consummate the purchase and prevents any party of interest from defrauding the county.
2. The sale to the second-highest bidder would place the property back into a revenue-generating status.
3. It would reduce cost and staff time by not having to place the property on a subsequent tax sale.

Proposal #3 –Riverside County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Currently, revenue and taxation code 2621 and 2706 quote the cost as $10.00 for preparing delinquent tax records and giving notice for delinquency. However, the cost of this process has fluctuated over the years and also varies by county. The varying cost per county versus the amount stated in codes 2621 and 2706 often causes taxpayers confusion and frustration. Amending these codes and using government code 54985 as justification for cost recovery will eliminate conflicting information and provide clarity for the taxpayer.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

The recommended statutory change being proposed is to remove the specific dollar amount from each code and for each to read as follows:

2621.

After the second installment of taxes on the secured roll is delinquent, the tax collector shall collect its costs ~~of ten dollars ($10)~~ for preparing the delinquent tax records and giving notice of delinquency on each separate valuation on the secured roll of:
(a) Real property, except possessory interests.
(b) Possessory interests.
(c) Personal property cross-secured to real property.

The cost shall be collected even though the property appears on the roll due to a special assessment and no valuation of the property is given.

2706.

After the second installment of taxes on the secured roll is delinquent, the tax collector shall collect its costs ~~of ten dollars ($10)~~ for preparing the delinquent tax records and giving notice of delinquency on each separate valuation on the secured roll of:
(a) Real property, except possessory interests.
(b) Possessory interests.
(c) Personal property cross-secured to real property.
The cost shall be collected even though the property appears on the roll due to a special assessment and no valuation of the property is given.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

This change will continue to allow the tax collector's office to recover its full cost for the preparation of delinquent tax records by eliminating the specific dollar amount since this cost can differ for each county.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Riverside County has been impacted by this problem directly. Taxpayers have in the past asked for justification of how the cost on their bill can surpass the amount stated in R&T codes 2621 and 2706. This conflicting information leads taxpayers to assume they are being overcharged unjustly. Implementing the proposed change would allow the collection of the cost amount without providing conflicting amounts between the tax bill and revenue and taxation codes.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES. No

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE? None.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY? No. The change in code will align with true cost recovery as found in government code 54985.

8. HAS THIS BILL BEEN TRIED BEFORE? Not to my knowledge.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE
EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1. The information on the tax bill and taxation code will match.
2. This will demonstrate to the public that both the state and county agencies are working together to update codes as needed.
3. Taxpayers will avoid any aggravation caused by the current discrepancy in the cost amount being collected.

Proposal #4 –Madera County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Revenue & Taxation Code 4675 describes how excess proceeds claims from sales of tax-defaulted properties by the Tax Collector must be distributed. However, the code is vague as it pertains to the administrative rules and procedures concerning the process to review the decision of the Board of Supervisors. The code, as it currently reads, is unclear as to the inception of the 90-day commencement period. In particular, the code is silent as it relates to the establishment of the 90-day commencement period for dispute proceedings of claimants who wish to dispute the approval or denial of a claim.

Revenue & Taxation Code 4675.1 allows the Board of Supervisors of any county to delegate their authority under Revenue & Taxation Code 4675 to the Tax Collector to perform on its behalf any act required or authorized to be performed by the Board of Supervisors, this authorization is provided with the approval of a resolution which requires that the Tax Collector establish rules and procedures concerning any act performed under the resolution.

This proposal is an effort to align Revenue & Taxation Code section(s) 4675 & 4675.1 and bring some clarification to Revenue & Taxation Code 4675. This proposal seeks to add language to the statute to establish the date at which the 90-day commencement period begins to dispute an **approved or denied claim** under Revenue & Taxation Code 4675. This may not be as clear for those Counties in which the authority to distribute excess proceeds and its proceedings/processes is not delegated to the Tax Collector under Revenue & Taxation Code 4675.1. Furthermore, a consistent inception of the 90-day commencement period needs to be clear for all Counties whether the authority is delegated or not.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

4675. (g) Any action or proceeding to review the decision of the board of supervisors or County Officer if the authority is delegated pursuant to 4675.1 shall be commenced within 90 days after the date of that decision of the board of supervisors or County Officer to approve or deny a claim. *(Amended by Stats. 2019, Ch. 258, Sec. 4 (SB 789) Effective January 1,2020)*

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

This proposal seeks to define language to the statute regarding dispute proceedings and the commencement of the timeline for dispute proceedings as it relates to excess proceeds. The language that is being added is to clarify that both the approval and denial of claims under Revenue & Taxation Code 4675 requires authorization and/or action by the Board of supervisors or its County Officer to establish the 90-day commencement period.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Unknown.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

No, not to date.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

There would not be any state agencies affected.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

This proposal is specific to tax sale excess proceeds claims, and therefore, should not engender any opposition from others.

8. HAS THIS BILL BEEN TRIED BEFORE?

No.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1) This proposal will align code section(s) Revenue & Taxation Code 4675 & 4675.1 and bring some clarification to the Revenue & Taxation Code 4675 as it relates to the commencement of the 90-day time period to dispute a Board's decision or County Officer's decision on excess proceeds claim.

2) This proposal would clarify language in the statute to proceedings for a claimant to dispute an approved or denied claim under Revenue & Taxation Code 4675 and 4675.1 as well as provide a clear date for the commencement of the 90-day timeframe for all Counties whether the authority is delegated or not.

3) The proposal would provide clarity as it specifies that an approval or denial of an excess proceeds claim requires either Board action or action by their delegated County Officer for the 90-day commencement period to begin.

Proposal #5 – Los Angeles County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Per R&TC Section 3700, prior to publication of intended tax sale, the tax collector is required to "mail" or "deliver" a copy of the notice of intended sale to each taxing agency (other than the county) and certain nonprofit organizations. This notice provides an opportunity for taxing agencies and nonprofit organizations to acquire properties via the Chapter 8 Sales Agreement.

Problem: Printing and mailing notices is an additional, unreimbursed expense, and is not the most efficient or effective means for reaching all intended recipients (e.g., public works, housing, economic development, parks, or planning departments).

Solution: Add "sent electronically" to R&TC Section 3700 as another option for delivery. Email delivery of information is less costly and much more efficient, especially in the era of telework.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

The specific recommended statutory change proposed is to Amend the R&TC Section 3700 to read as follows:

Upon providing notice to the board of supervisors as required by Section 3698, the tax collector shall forward one copy to the clerk or secretary of the governing board of each taxing agency, other than the county, having the right to levy taxes or assessments on the property and may forward one copy to each nonprofit organization that has submitted, within one year prior to the next scheduled tax sale or prior to July 31 of the current calendar year, a written request to the tax collector for notification. The copy or copies shall be mailed, sent electronically, or delivered at least 30 days before the first publication or posting of the notice of intended sale. However, where the tax collector has on file a consent from each taxing agency, the tax collector may proceed to publish or post the notice of sale.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

This revision will add "electronically" (e.g., email) as an additional option for tax collectors to deliver select notices to taxing agencies (e.g., State, county departments, cities, etc.) and nonprofit organizations.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

All 58 counties are impacted by the need to mail the notice of intended sale to all local taxing agencies and certain nonprofit organizations that requested notice. Every county in the state could benefit from adding electronic delivery as an additional option to mailing notices.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

Printed mail handling and delivery is an expensive and unnecessary drain on already limited resources. With two auctions and one sealed bid sale annually, Los Angeles County incurs a combined $4,000 to comply with this noticing requirement.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

None.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

No. The proposed revision adds an option for electronic delivery of select notices and does not impact any required newspaper publications.

8. HAS THIS BILL BEEN TRIED BEFORE?

No.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

Legislators should carry this bill for the following three reasons:

1. The proposed legislative change will assist in ensuring timely delivery of intended tax sale notices to decision-makers within taxing agencies and nonprofit organizations;
2. Further facilitates Chapter 8 Sale Agreements which can be utilized by local government and nonprofit organizations to address homelessness, offer alternative

properties suitable for affordable housing, create additional parks and open space, or meet the needs for other desirable and creative public uses; and

3. Allow for an alternate, more effective, and less costly means to satisfy the statute's noticing requirement.

Proposal #6 – Solano County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Government Code sections 53601 limits the term remaining to maturity in excess of five years from the time of purchase. This precludes an entity from purchasing a new issue 5-year security that requires a settlement process."… at the time of **the investment** has a term remaining to maturity in excess of five years, …"
This proposal would change the code to read at the time **of settlement** rather than at the time of investment. This proposal would also further restrict the time for a forward settlement to 60 days.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

53601. This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.
For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of ~~**the investment**~~ <u>settlement</u>, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the ~~**investment**~~ <u>settlement</u> has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment: <u>Where this section does specify a limitation on the term or remaining maturity at</u>

the maximum of five years or less, the maximum shall be measured from the settlement date to maturity. No security purchased in accordance with this section shall have a forward settlement exceeding sixty days from the time of investment.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

In keeping with the spirit of the law, the intended impact of the change will permit the purchase of a new issue 5 year bonds and allow for the settlement process which cannot exceed 60 days from the investment date.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

All counties that purchase securities allowed by Government Code section 53601 (K), (O), and (Q) may have been impacted by this restriction and possibly benefit from the proposed change should they choose to invest in 5-year new-issue bonds.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

Solano County has not been harmed financially by the current law.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

All the agencies in the state subject to Government Code Section 53601 could be impacted by this change should they choose to purchase new issue 5-year bonds.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

The proposal is intended to be a minor clarification to the code and intended to maintain the spirit and intention of the restriction.

8. HAS THIS BILL BEEN TRIED BEFORE?

I have no knowledge of this bill being tried before.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

a. This change will provide for a more precise section of code in keeping with the spirit of the law.

b. This change will allow an entity that chooses to purchase 5-year bonds to participate in new issue 5-year bond offerings.

c. This change will benefit entities choosing to participate in the 5-year bond offering and earn a potential concession in the form of additional basis points of return.