



# Legislative Bulletin

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*A Publication of the County Executive Office/Legislative Affairs*

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## **County of Orange Positions on Proposed Legislation**

The Legislative Bulletin provides the Board of Supervisors with analyses of measures pending in Sacramento and Washington that are of interest to the County. Staff provides recommended positions that fall within the range of policies established by the Board. According to the County of Orange Legislative Affairs Procedures adopted by the Board of Supervisors on June 3, 2003, staff recommendations for formal County positions on legislation will be agendaized and presented in this document for Board action at regular Board of Supervisors meetings. When the Board takes formal action on a piece of legislation, the CEO will direct the County's legislative advocates to promote the individual bills as approved by the Board. The Legislative Bulletin also provides the Board of Supervisors with informative updates on State and Federal issues.

The 2007 Legislative Platform was adopted by Board of Supervisors' Minute Orders dated November 14, 2006. On March 6, 2007, the Board of Supervisors approved the following actions:

### **RECOMMENDED ACTIONS**

1. Support/Sponsor – AB 745 (Silva) Local Agency Formation Commissions
2. Support/Sponsor – AB 1042 (Spitzer) Property Taxation: Application for Changed Assessment: Electronic Filing
3. Support/Sponsor – SB 497 (Ackerman) Political Reform Act of 1974: Conflict of Interest: Electronic Filing of Statements of Economic Interest
4. Support/Sponsor – 547 (Correa) Property Tax Revenue Allocations
5. Support/Sponsor – SB 644 (Correa) Court Records: Social Security Numbers
6. Oppose – Department of Boating Waterways (DBAW) Boat Gas Tax Diversion
7. Receive and File Legislative Bulletin

## SACRAMENTO LEGISLATIVE REPORT

### ACTION ITEMS

#### **AB 745 (Silva) Local Agency Formation Commissions – As Introduced: February 22, 2007 – Support/Sponsor**

Author: Assembly Member Jim Silva  
Status: Assembly Pending Committee Assignment  
Reviewed: CEO Legislative Affairs

Current law authorizes Local Agency Formation Commissions to adopt written policies and procedures, including adoption of rules to require lobbying disclosure and reporting requirements for persons who attempt to influence pending decisions by commission members, staff or consultants. AB 745 would extend that authority to also permit a commission to require lobbying disclosure and reporting requirements for persons who attempt to influence those who sign petitions or vote in elections called under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 or who otherwise attempt to influence proceedings held under the Act.

#### CEO/Legislative Affairs Comments

On January 23, the Board of Supervisors approved an additional County-sponsored proposal for the 2007 Legislative platform. The sought-after change in LAFCo law grows out of issues that surfaced around the proposed annexation of Colonia Independencia and the Anaheim islands to the City of Anaheim. Despite LAFCo approval of the annexation and City and County assent, certain special interest groups funded petition drives and a subsequent election to get the annexation overturned by local voters. The proposed law would require disclosure of those who financially support such efforts so the public is aware of the special interest behind petition drives and campaigns. Such laws already cover proceedings of the commission and should be extended to petition drives and campaigns designed to influence LAFCo decisions.

Therefore, CEO/Legislative Affairs recommends that the Board of Supervisors support/sponsor AB 745.

#### **AB 1042 (Spitzer) Property Taxation: Application for Changed Assessment: Electronic Filing – As Introduced: February 22, 2007 – Support/Sponsor**

Author: Assembly Member Todd Spitzer  
Status: Assembly Pending Committee Assignment  
Reviewed: Clerk of the Board and CEO Legislative Affairs

Existing law authorizes a property tax assessee to request a changed assessment from a county board of equalization if the assessee files a written application for a changed assessment.

Assembly Bill 1042 would authorize the clerk of a county board of equalization to accept electronically filed applications for a changed assessment containing an authenticated electronic signature, as provided, if that application meets certain criteria.

Orange County has been successfully accepting electronic appeals for five years. Our online e-file process provides individuals with step by step help and allows them to submit their appeals electronically if they are registered with the Clerk of the Board or they can complete a paper application at their leisure, print, sign and send it to the Clerk of the Board. In either case the data is stored and captured by the Clerk of the Board to gain error free data entry for the County. Electronic submission also reduces paper, provides for quick retrieval of documents for public review, and allows greater tracking and faster scheduling of appeals for hearing.

#### CEO/Legislative Affairs Comments

AB 1042 is the bill version of a legislative proposal approved by the Board of Supervisors in the 2007 Legislative Platform. Therefore, staff recommends the Board take a support/sponsor position.

#### **SB 497 (Ackerman) Political Reform Act of 1974: Conflict of Interest: Electronic Filing of Statements of Economic Interest – As Introduced: February 22, 2007 – Support/Sponsor**

Author: Senator Dick Ackerman  
Status: Senate Pending Committee Assignment  
Reviewed: Clerk of the Board and CEO Legislative Affairs

Existing provisions of the Political Reform Act of 1974 require that certain public officers, candidates for office, and employees file statements disclosing their investments, interests in real property, and other sources of economic interests. These provisions further specify with whom the statements must be filed depending on the agency or office of the officer, candidate, or employee.

Senate Bill 497 would allow a local filing officer to permit or to require those statements to be filed electronically in accordance with regulations to be adopted by the Fair Political Practices Commission, which administers the act and requirements established by the local filing officer. It would significantly reduce the data entry requirements and paper storage of forms for filing officers/officials and would assist filers in completing their annual statements. This would enable filers who are required to file with multiple authorities to do so at one time using one form.

#### CEO/Legislative Affairs Comments

SB 497 implements a legislative proposal approved by the Board of Supervisors in the 2007 Legislative Platform. The bill would allow electronic filing of the Form 700 Economic Disclosure Statement, which would facilitate multiple filings for each agency elected Board Members serve on. Therefore, staff recommends the Board take a support/sponsor position on SB 497.

#### **SB 547 (Correa) Property Tax Revenue Allocations – As Introduced: February 22, 2007 – Support/Sponsor**

Author: Senator Lou Correa  
Status: Senate Pending Committee Assignment  
Reviewed: CEO Legislative Affairs

Property tax equity continues to be a top priority of the County of Orange, the lowest property tax urban county in the State of California. Due to its extremely low proportion of revenue gleaned from

the property tax dollar, the County of Orange is impacted adversely in its ability to provide criminal justice and other types of facilities to meet the demands of a growing population and for the operation and maintenance of new facilities that come on line.

Senate Bill 547 proposes harnessing a portion of growth in state revenues and diverting it to low property tax counties to equalize property tax funding over time. This bill would, for the 2008-09 fiscal year and for each fiscal year thereafter, require the auditor of a qualified county, as defined, to increase the total amount of ad valorem property tax revenue otherwise required to be allocated to that county by the county equity amount, as defined, and to commensurately reduce the total amount of ad valorem property tax revenue otherwise required to be allocated to school entities in the county, as specified. This bill would establish a \$20,000,000 limit on the total sum of county equity amounts statewide. This bill would require that the qualified counties that were allocated the lowest percentage of the total amount of ad valorem property tax revenue collected in those counties for the 2002-03 fiscal year first receive as much of their county equity amount as can be satisfied without exceeding the total statewide limit on these amounts, as specified.

SB 547 also would state the intent of the Legislature that a qualified county dedicate the revenues the county receives under the bill to the construction, operations, and maintenance of new or existing adult criminal justice facilities, juvenile criminal justice facilities, or adult and juvenile criminal justice facilities.

#### CEO/Legislative Affairs Comments

SB 547 was a centerpiece of the Board-adopted 2007 Legislative Platform. It would bring Orange County closer to property tax equity with other counties in the State over time as state revenues increased and were diverted to low property tax counties. Therefore, staff recommends that the Board of Supervisors take a support/sponsor position on SB 547.

#### **SB 644 (Correa) Court Records: Social Security Numbers – As Introduced: February 22, 2007 – Support/Sponsor**

Author: Senator Lou Correa  
Status: Senate Pending Committee Assignment  
Reviewed: Clerk Recorder and CEO Legislative Affairs

Existing law prohibits a person, entity, a state and/or local agency from publicly posting or displaying in any manner an individual's Social Security number (SSN). "Public posting" and "public displaying" means to intentionally communicate or otherwise make available to the general public. However, there is an exemption under the law for recorded documents required to be open to the public. Whereby, in California current law requires an abstract of a judgment or decree requiring the payment of money to contain, among other things, the social security number and driver's license number of the judgment debtor if they are known to the judgment creditor, as specified. Upon the filing of an abstract or certified copy of a judgment for relief, existing law requires the clerk of the court to issue a notice of support arrearage, which contains, among other things, the judgment debtor's social security number.

In addition, property tax law authorizes a county tax collector to file specified liens on unsecured property for delinquent taxes, which filing for record without fee may contain the assessee's social security number, if known.

Senate Bill 644 would delete the requirement that the above-described abstracts, notices, and filings contain the social security number of the judgment debtor, party ordered to pay support, or assessee, and instead require only the last 4 digits of that person's social security number. The bill would require the Judicial Council to revise the abstract of judgment form to conform to the above requirements by April 1, 2008, and would also require every local child support agency to implement and comply with those requirements, as specified.

SB 644 offers a reasonable solution for the public's concern about identity theft and protecting Personal Identifying Information. There are times when access to SSNs is necessary for identification purposes. However, for documents recorded or otherwise made publicly available, reflecting only the last four digits of an SSN is adequate to identify that individual while at the same time providing security from identity theft.

#### CEO Legislative Affairs Comments

On January 23 the Board of Supervisors added this issue to the Legislative Platform for 2007 on the recommendations of the County Clerk-Recorder. Therefore, staff recommends that the Board of Supervisors adopt a sponsor/support position.

#### **Department of Boating Waterways (DBAW) Boat Gas Tax Diversion – OPPOSE**

Under section 8352.4 of the Revenue and Taxation Code, the boaters' share of the gasoline tax is required to be transferred annually from the Motor Vehicle Fuel Account to the Harbors and Watercraft Revolving Fund.

For five consecutive years (2002-03, 03-04, 04-05, 05-06, 06-07) more than \$27.2 million annually has been transferred to the California Department of Parks and Recreation from boater-related funds, monies that would normally be available, by law, to the Department of Boating and Waterways (DBAW).

This transfer is accomplished through the annual budget act. For 2006-07, the amount is \$27,361,000. (A total of \$26,649,000 from the Motor Vehicle Fuel Account and \$712,000 from the Harbors and Watercraft Revolving Fund.)

#### The Dana Point Harbor Department (DPHD) and CEO Legislative Affairs Comments

The decision to take funds from the boat gas tax to backfill reductions made in General Fund expenditures to State Parks is generally justified for funding operation of boating-related activities at State Parks. Although State Parks prepares an annual eight-page report to the Legislature on the use of boater funds, the report provides little detail on how the funds are used.

The revenue represents boaters' share of the gasoline tax and was originally proposed in the Governor's January budget to go to the Department of Parks and Recreation. The Fund in question is used by the Department of Boating and Waterways to support harbor and boating related projects

around the state such as the County of Orange's Dana Point Harbor Revitalization Project. If this trend continues, a DBAW fiscal crisis is inevitable. Recent one-time reversions of DBAW funds from deferred projects have averted a budgetary crisis. DBAW ultimately needs its allocated recurring funding stream to be able to effectively plan, program and execute its mission.

Staff recommends the Board direct the Chairman to send a letter opposing this raid on the DBAW budget as well as directing our Sacramento advocates to work to preserve DBAW's funding stream.

A copy of the 2007 County of Orange Legislative Platform is available at: <http://www.oc.ca.gov/> under OC Links.

If you or your staff have any questions or require additional information on any of the items in this bulletin, please contact Bill Hodge at 714.834.7010.