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**Introduced by Senators Leno, Hill, and Pavley**  
**(Principal coauthors: Senators Corbett and Wolk)**  
**(Coauthors: Senators De León, DeSaulnier, Evans, Price, and Yee)**  
(Coauthors: Assembly Members Ammiano, Buchanan, and Gordon)

December 3, 2012

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Senate Constitutional Amendment No. 3—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 4 of, and by adding Section 4.5 to, Article XIII A thereof, by amending Section 2 of Article XIII C thereof, and by amending Section 3 of Article XIII D thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 3, as introduced, Leno. Taxation: educational entities: parcel tax.

The California Constitution generally conditions the imposition of a special tax by a city, county, or special district, including a school district, upon the approval of  $\frac{2}{3}$  of the voters of the city, county, or special district voting on that tax.

This measure would alternatively condition the imposition, extension, or increase of a parcel tax, as defined, by a school district, community college district, or county office of education upon the approval of 55% of its voters voting on the proposition, if the proposition meets specified requirements. This measure would also make conforming changes to related provisions.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

- 1 *Resolved by the Senate, the Assembly concurring,* That the
- 2 Legislature of the State of California at its 2013–14 Regular

1 Session commencing on the third day of December 2012,  
2 two-thirds of the membership of each house concurring, hereby  
3 proposes to the people of the State of California, that the  
4 Constitution of the State be amended as follows:

5 First—That Section 4 of Article XIII A thereof is amended to  
6 read:

7 ~~SEC. 4. Cities, Counties and special districts, Except as~~  
8 ~~provided by Section 4.5, a city, county, or special district, by a~~  
9 ~~two-thirds vote of the qualified electors of such district its voters~~  
10 ~~voting on the proposition, may impose special taxes on such district~~  
11 ~~a special tax within that city, county, or special district, except an~~  
12 ~~ad valorem taxes tax on real property or a transaction transactions~~  
13 ~~tax or sales tax on the sale of real property within such City, County~~  
14 ~~that city, county, or special district.~~

15 Second—That Section 4.5 is added to Article XIII A thereof,  
16 to read:

17 SEC. 4.5. (a) The imposition, extension, or increase of a parcel  
18 tax on real property by a school district, community college district,  
19 or county office of education, as may otherwise be authorized by  
20 law, is subject to approval by 55 percent of the voters of that district  
21 or county voting on the proposition, if all of the following  
22 conditions are met:

23 (1) The proposition is approved by a majority vote of the  
24 membership of the governing board of the school district,  
25 community college district, or county office of education.

26 (2) The proposition contains all of the following accountability  
27 requirements:

28 (A) A list of the specific purposes and programs that are to be  
29 funded.

30 (B) A requirement that the proceeds be used only for the  
31 purposes and programs specified in the proposition, and not for  
32 any other purpose.

33 (C) To ensure compliance with subparagraph (B), a requirement  
34 that the governing board of the school district, community college  
35 district, or county office of education conduct an annual  
36 independent financial audit of the amount of parcel tax proceeds  
37 collected and expended, and the specified purposes and programs  
38 funded.

39 (D) To ensure compliance with subparagraph (B), a requirement  
40 that the governing board of the school district, community college

1 district, or county office of education establish a citizens’ oversight  
2 committee to review all expenditures of proceeds and financial  
3 audits, and report its findings to the governing board and to the  
4 public.

5 (3) The proposition allows for an exemption from tax, to be  
6 claimed under procedures established by the county, for any parcel  
7 that, as of January 1 of each year, is owned by and upon which is  
8 located the principal residence of, either a person or persons 65  
9 years of age or older, or, without regard to age, a person or persons  
10 receiving Supplemental Security Income for a disability.

11 (b) For purposes of this section, “parcel tax” means a special  
12 tax imposed upon a parcel of real property at a rate that is  
13 determined without regard to that property’s value.

14 (c) The total amount of parcel tax impositions, increases, or  
15 extensions submitted to the voters for approval in accordance with  
16 this section at any election by a school district, community college  
17 district, or county office of education shall be established by the  
18 governing board of the school district, community college district,  
19 or county office of education and shall not exceed that amount.  
20 This maximum amount shall be annually adjusted to account for  
21 inflation, measured as the annual change, from June to June of  
22 each year, in the United States city average of the Consumer Price  
23 Index for All Urban Consumers, as published by the United States  
24 Bureau of Labor Statistics, or any successor to that index.

25 (d) Proceeds of any tax approved pursuant to this section shall  
26 not be used to pay salaries of any administrator of any school  
27 district, community college district, or county office of education.

28 (e) This section does not limit any other authority of a school  
29 district, community college district, or county office of education  
30 to impose a special tax approved in accordance with Section 4 of  
31 this article or Section 2 of Article XIII C.

32 Third—That Section 2 of Article XIII C thereof is amended to  
33 read:

34 ~~SEC. 2. Local Government Tax Limitation.~~ Notwithstanding  
35 any other provision of this Constitution:

36 (a) ~~All taxes~~ Any tax imposed by any local government shall be  
37 ~~deemed to be~~ is either a general taxes tax or a special taxes tax.  
38 ~~Special purpose districts~~ A special district or agencies agency,  
39 including a school districts, shall have district, has no power  
40 authority to levy a general taxes tax.

1 (b) ~~No~~A local government may *not* impose, extend, or increase  
 2 any general tax unless and until that tax is submitted to the  
 3 electorate and approved by a majority vote. A general tax ~~shall is~~  
 4 ~~not be~~ deemed to have been increased if it is imposed at a rate not  
 5 higher than the maximum rate so approved. The election required  
 6 by this subdivision shall be consolidated with a regularly scheduled  
 7 general election for members of the governing body of the local  
 8 government, except in cases of emergency declared by a unanimous  
 9 vote of the governing body.

10 (c) Any general tax imposed, extended, or increased, without  
 11 voter approval, by any local government on or after January 1,  
 12 1995, and prior to ~~the effective date of this article~~ *November 6,*  
 13 *1996,* ~~shall~~ *may* continue to be imposed only if *that general tax is*  
 14 approved by a majority vote of the voters voting in an election on  
 15 the issue of the imposition, which election shall be held ~~within~~  
 16 ~~two years of the effective date of this article~~ *no later than*  
 17 *November 6, 1998,* and in compliance with subdivision (b).

18 (d) ~~No~~ *Except as provided by Section 4.5 of Article XIII A,* a  
 19 local government may *not* impose, extend, or increase any special  
 20 tax unless and until that tax is submitted to the electorate and  
 21 approved by a two-thirds vote. A special tax ~~shall is not be~~ deemed  
 22 to have been increased if it is imposed at a rate not higher than the  
 23 maximum rate so approved.

24 Fourth—That Section 3 of Article XIII D thereof is amended  
 25 to read:

26 SEC. 3. ~~Property Taxes, Assessments, Fees and Charges~~  
 27 ~~Limited.~~ (a) ~~No~~ *(a) An agency shall not assess a tax, assessment,*  
 28 *fee, or charge shall be assessed by any agency* upon any parcel of  
 29 property or upon any person as an incident of property ownership  
 30 except:

31 (1) The ad valorem property tax imposed pursuant to Article  
 32 XIII and Article XIII A.

33 (2) Any special tax receiving a two-thirds vote pursuant to  
 34 Section 4 of Article XIII A, *or, as applicable, a 55-percent vote*  
 35 *pursuant to Section 4.5 of Article XIII A.*

36 (3) Assessments as provided by this article.

37 (4) Fees or charges for ~~property related~~ *property-related* services  
 38 as provided by this article.

1 (b) For purposes of this article, fees for the provision of electrical  
2 or gas service ~~shall are not be deemed~~ charges or fees imposed as  
3 an incident of property ownership.

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