

Date of Hearing: May 10, 2017

ASSEMBLY COMMITTEE ON ELECTIONS AND REDISTRICTING

Marc Berman, Chair

AB 467 (Mullin) – As Amended April 17, 2017

**SUBJECT:** Local transportation authorities: transactions and use taxes.

**SUMMARY:** Provides that the entire text of an adopted county transportation expenditure plan is not required to be printed in the voter information guide at an election where voters consider a tax for transportation purposes, as specified, if the local transportation authority (authority) posts the entire adopted county transportation plan on its Internet Web site and mails a copy of the plan to any voter that requests it. Specifically, **this bill:**

- 1) Authorizes a county elections official to refrain from printing a county transportation expenditure plan in the voter information guide at the request of an authority that posts the entire adopted county transportation expenditure plan on an Internet Web site maintained by the authority.
- 2) Provides that if the voter information guide does not contain the entire text of the adopted county transportation expenditure plan, the sample ballot and the voter information guide, in no less than 10-point bold type, shall contain text substantially as follows:

The adopted county expenditure plan may be viewed electronically at [insert applicable Internet Web site address]. If you desire a printed copy of the adopted county transportation expenditure plan, please call the county elections office at [insert applicable telephone number] and one will be mailed to you at no cost.

- 3) Requires county elections officials, if the voter information guide does not contain the text of the entire adopted transportation expenditure plan, to provide printed copies of the entire adopted county transportation expenditure plan by mail at no cost to each voter that requests a copy.

**EXISTING LAW:**

- 1) Establishes the Local Transportation Authority and Improvement Act, which provides for the formation, administration, duties, and taxing powers for an authority. Authorizes a county board of supervisors to create a transportation authority.
- 2) Authorizes a transportation authority to impose retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of a county in accordance with existing law which governs transactions and use taxes.
- 3) Requires the transportation authority to adopt the tax ordinance by a two-thirds vote, to request the county to call a special election, and to adopt an expenditure plan, as specified.
- 4) Requires an expenditure plan to be prepared for the expenditure of the transactions and use tax revenues, and federal, state, and local funds expected to be available for transportation improvements for the period during which the tax is imposed. Prohibits an expenditure plan

from being adopted until it has received the approval of the board of supervisors and of specified city councils.

- 5) Specifies that the county is required to conduct a special election for the voters to consider a retail transactions and use tax proposed by a transportation authority. Requires the sample ballot that is mailed to the voters to include the full proposition, as set forth in the ordinance calling the election, and requires the voter information guide to include the entire adopted county transportation expenditure plan. Provides that if the tax is approved, the authority shall reimburse the county for its cost in conducting the special election.
- 6) Requires county elections officials to mail a voter information guide to each voter in the jurisdiction, as specified. Requires a voter information guide to contain, among other things, a copy of the official ballot (sample ballot), a notice of the polling place, a complete copy of each local measure, and an analysis of each measure.
- 7) Authorizes elections officials to establish procedures to permit a voter to receive his or her county voter information guide, state voter information guide, notice of polling place and associated material electronically accessing them on the Secretary of State's (SOS) or county's Internet Web site, subject to specified conditions.

**FISCAL EFFECT:** None. This bill is keyed non-fiscal by the Legislative Counsel.

**COMMENTS:**

- 1) **Purpose of the Bill:** According to the author:

AB 467 is a cost-saving measure that allows transportation authorities to preserve resources that would have otherwise been spent on printing costs if they select to make expenditure plans available online. It makes more resources available for transportation programs when voters approve a local transportation tax, since they would not have to allocate funds from the tax for printing costs. This bill also prevents further losses to counties seeking transportation funding when their proposal is not approved by voters, as they must absorb these printing costs.

This alternative, optional approach provides voters with access to tax expenditures through a common practice for retrieving information without leaving behind more traditional means for distribution of election materials.

- 2) **Reducing Printing Costs for Counties:** A transportation authority is authorized under existing law to levy a countywide transactions and use tax subject to specified requirements and a two-thirds voter approval. A transportation authority must adopt a county transportation expenditure plan which describes the expenditure of the tax revenues. Before placing the transactions and use tax measure on the ballot, the transportation authority, county board of supervisors, and specified city councils must adopt the expenditure plan. Current law requires county elections officials to include the full proposition in the sample ballot which is mailed to voters, and the county voter information guide is required to include the entire adopted county transportation expenditure plan.

Printing and mailing the full proposition in the sample ballot and the entire adopted county transportation expenditure plan in the county voter information guide is expensive. When a

measure is approved by the voters, the authority is required under current law to reimburse the county for the costs incurred in the conduct of the special election. However, if the measure fails, the costs are borne by the county general fund.

Twelve counties had local transportation tax measures on the ballot in the November 2016 election. The printing requirement for the entire adopted county transportation expenditure plan, in addition to the full text of the ballot measure, added up to 30 additional pages to voter information guides and cost counties between \$18,000 and \$1.6 million.

Existing law authorizes elections officials, under certain conditions, to provide voter materials electronically either on the SOS or county Internet Web sites. This bill would authorize a transportation authority to request that the county elections official coordinate with the authority to provide the text of the entire adopted county transportation expenditure plan electronically on an Internet Web site maintained by the authority.

If the county agrees to comply with the authority's request, the county would not be required to print the entire adopted county transportation expenditure plan in the county voter information guide that is mailed to voters. Instead, the county will have printed in the sample ballot, immediately below the full proposition, and in the county voter information guide, in no less than 10-point bold type, a hyperlink where voters can view the entire text of the adopted county expenditure plan on the authority's Internet Web site; and a telephone number for voters to call and request that the text be mailed to them at no cost.

- 3) **Technical Amendments:** Committee staff recommends the following technical amendments to this bill:

On page 2, line 14, strike out "handbook" and insert "guide"

On page 2, line 23, strike out "handbook" and insert "guide"

On page 3, line 2, after the word "county" insert "transportation"

- 4) **Argument in Support:** In support of this bill the California State Association of Counties writes:

Current law requires that transportation authorities make specific materials available to voters when seeking to establish or extend the transaction and use tax designated for transportation purposes. Under Public Utilities Code Section 180203(c), this includes the full language of the ballot measure in the sample ballot and the entire adopted transportation tax expenditure plan in the voter information handbook (also known as the county voter information guide). Transportation expenditure plans are publicly available documents that are formally adopted by a transportation authority prior to the election. They are separate from the ballot measure language.

In the 2016 election, twelve counties sought voter approval for a local transportation tax. Associated printing costs for the transportation tax expenditure plan alone ranged from \$18,000 to \$1.6 million, adding as many as 30 pages to the voter information handbook. For counties where the voters approve the tax, the printing costs can be deducted from the new revenue collected from the tax.

For counties where voters reject the tax, the cost is borne by the county general fund. This creates an additional burden and further limits potential resources for critical transportation projects and other county programs and services, including elections administration.

- 5) **Double-Referral:** This bill passed out of the Assembly Local Government Committee on April 5, 2017, on a 9-0 vote.
- 6) **Similar Legislation:** AB 606 (Berman) deletes provisions of law that require the state voter information guide to contain the complete text of each state measure, and instead requires the state voter information guide to contain a conspicuous notice that includes a hyperlink to the SOS's Internet Web site where a voter can view the full text of the measure or a toll free number a voter can call to request a copy of the measure at no cost. AB 606 passed out of the Assembly Elections & Redistricting Committee on a 5-2 vote and is currently pending in the Assembly Appropriations Committee.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Association of Clerks and Election Officials  
California State Association of Counties  
Urban Counties of California

##### **Opposition**

None on file.

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