

AMENDED IN SENATE JUNE 11, 1996  
AMENDED IN ASSEMBLY MAY 24, 1996  
AMENDED IN ASSEMBLY APRIL 24, 1996

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

**ASSEMBLY BILL**

**No. 3229**

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**Introduced by Assembly Member Brulte**

February 23, 1996

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An act to add Chapter 6.7 (commencing with Section 30061) to Division 3 of Title 3 of the Government Code, and to add ~~and repeal~~ Article 14 (commencing with Section 18890) to Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, relating to taxation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 3229, as amended, Brulte. Income taxes: designations: Local Law Enforcement Fund.

Under the Personal Income Tax Law, taxpayers are allowed to contribute amounts in excess of their tax liability for the support of specified funds or accounts.

This bill would additionally allow taxpayers to designate on their tax returns that an amount equal to 1% of their tax liability be contributed to the Local Law Enforcement Fund, which would be created by this bill. It would require the Franchise Tax Board to determine annually the total amount designated and to notify the Controller of the amounts to be transferred by the Controller from the Personal Income Tax

Fund to the Local Law Enforcement Fund. It would continuously appropriate the money in the Local Law Enforcement Fund to the Controller for allocation to the Franchise Tax Board and the Controller to cover costs incurred in collecting and administering the funds, and to designated counties for purposes of local law enforcement, as provided. The bill would require the Franchise Tax Board to revise the form of tax returns to provide for the designation.

This bill would require all Local Law Enforcement Fund moneys allocated to a county pursuant to this bill to be deposited in a Supplemental Law Enforcement Services Fund (SLESF), as provided, for allocation in accordance with specified formulas and procedures to the county sheriff, district attorney, the county, and cities, to be expended exclusively, except as otherwise provided for certain counties with respect to misdemeanor prosecutions, for county jails, police, sheriff, and district attorney services. This bill would require a city receiving a SLESF allocation to deposit that allocation in its own SLESF, prior to expending those moneys as required by this bill. This bill would, as provided, require each county auditor and city treasurer to regularly report with respect to SLESF allocations to, among other local bodies, a Supplemental Law Enforcement Oversight Committee (SLEOC) established in each county, and would also require each SLEOC to at least annually review expenditures by local law enforcement officials of SLESF moneys. This bill would also require the Controller to independently investigate any improper use of SLESF money reported to the Controller by a county SLEOC, and would, as provided, suspend any SLESF allocations to any recipient entity that is found by the Controller to have improperly used SLESF moneys, pending that entity's reimbursement of improperly used funds, with interest at the legal rate. This bill would also require recipient entities, for purposes of these reviews and investigations, to annually audit their expenditures of SLESF moneys, and would require the Controller to develop uniform statewide review standards in consultation with local officials. By imposing additional duties upon local officials in connection with the administration of a city or county SLESF, this bill would impose a state-mandated local program.



The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 6.7 (commencing with Section  
2 30061) is added to Division 3 of Title 3 of the Government  
3 Code, to read:

4

5 CHAPTER 6.7. SUPPLEMENTAL LOCAL LAW ENFORCEMENT  
6 FUNDING

7

8 30061. (a) There shall be established in each county  
9 treasury a Supplemental Law Enforcement Services  
10 Fund (SLESF), to receive all amounts allocated to a  
11 county pursuant to Article 14 (commencing with Section  
12 18890) of Chapter 3 of Part 10.2 of Division 2 of the  
13 Revenue and Taxation Code.

14 (b) Commencing with 1997 and in each calendar year  
15 thereafter, the auditor shall allocate moneys in the  
16 county's Supplemental Law Enforcement Services Fund  
17 (SLESF), including any interest or other return earned  
18 on the investment of those moneys, within 30 days of the  
19 deposit of those moneys into the fund, and shall allocate  
20 those moneys in accordance with the following  
21 requirements:

22 (1) Twelve and one-half percent to the county sheriff  
23 for county jail construction and operation.



1 (2) Twelve and one-half percent to the district  
2 attorney for criminal prosecution.

3 (3) Seventy-five percent to the county and the cities  
4 within the county in accordance with the relative  
5 population of the cities within the county and the  
6 unincorporated area of the county, as specified in the  
7 most recent January estimate by the population research  
8 unit of the Department of Finance. Moneys allocated to  
9 the county pursuant to this subdivision shall be retained  
10 in the county SLESF, and moneys allocated to a city  
11 pursuant to this subdivision shall be deposited in a SLESF  
12 established in the city treasury.

13 (c) Subject to subdivision (d), for each fiscal year the  
14 county and each city shall appropriate the moneys it  
15 receives pursuant to paragraph (3) of subdivision (b) in  
16 accordance with the following procedures:

17 (1) In the case of the county, the county board of  
18 supervisors shall appropriate existing and anticipated  
19 moneys exclusively to provide front line law enforcement  
20 services, other than those services specified in paragraphs  
21 (1) and (2) of subdivision (b), in the unincorporated  
22 areas of the county, in response to written requests  
23 submitted to the board by the county sheriff and the  
24 district attorney. Any request submitted pursuant to this  
25 paragraph shall specify the front line law enforcement  
26 needs of the requesting entity, and those personnel,  
27 equipment, and programs that are necessary to meet  
28 those needs. The board shall, at a public hearing annually  
29 held in September, consider and determine each  
30 submitted request within 60 days of receipt, pursuant to  
31 the decision of a majority of a quorum present. The board  
32 shall consider these written requests separate and apart  
33 from the process applicable to proposed allocations of the  
34 county general fund.

35 (2) In the case of a city, the city council shall  
36 appropriate existing and anticipated moneys exclusively  
37 to fund front line municipal police services, in accordance  
38 with written requests submitted by the chief of police of  
39 that city or the chief administrator of the law  
40 enforcement agency that provides police services for that



1 city. These written requests shall be acted upon by the  
2 city council in the same manner as specified in paragraph  
3 (1) for county appropriations.

4 (d) For each fiscal year, in no event shall the  
5 governing body of the county or a city subsequently alter  
6 any previous, valid appropriation by that body, for that  
7 same fiscal year, of moneys allocated to the county or city  
8 pursuant to paragraph (3) of subdivision (b).

9 30062. (a) Except as required by paragraphs (1) and  
10 (2) of subdivision (b) of Section 30061, moneys allocated  
11 from a SLESF to a recipient entity shall be expended  
12 exclusively to provide front line law enforcement  
13 services. These moneys shall supplement existing  
14 services, and shall not be used to supplant, any existing  
15 funding for law enforcement services provided by that  
16 entity.

17 (b) In the Counties of Los Angeles, Orange, and San  
18 Diego only, the district attorney may, in consultation with  
19 city attorneys in the county, determine a prorated share  
20 of the moneys received by the district attorney pursuant  
21 to this section to be allocated to city attorneys in the  
22 county in each fiscal year to fund the prosecution by those  
23 city attorneys of misdemeanor violations of state law.

24 (c) In no event shall any moneys allocated from a  
25 SLESF be expended by a recipient agency to fund either  
26 of the following:

27 (1) Administrative overhead costs in excess of 0.5  
28 percent of a recipient entity's SLESF allocation for that  
29 year.

30 (2) The costs of any capital project or construction  
31 project that does not directly support front line law  
32 enforcement services.

33 (d) *For purposes of this chapter, "front line law*  
34 *enforcement services" and "front line municipal police*  
35 *services" each include antigang and community crime*  
36 *prevention programs.*

37 30063. (a) The Supplemental Law Enforcement  
38 Services Fund (SLESF) in each county or city is to be  
39 expended exclusively as required by this chapter. Moneys  
40 in that fund shall not be transferred to, or intermingled



1 with, the moneys in any other fund in the county or city  
2 treasury, except that moneys may be transferred from the  
3 SLESF to the county's or city's general fund to the extent  
4 necessary to facilitate the appropriation and expenditure  
5 of those transferred moneys in the manner required by  
6 this chapter.

7 (b) Moneys in a SLESF may only be invested in safe  
8 and conservative investments in accordance with those  
9 standards of prudent investment applicable to the  
10 investment of trust moneys. The treasurer of the county  
11 and each city shall provide a monthly SLESF investment  
12 report to either the police chief or the county sheriff and  
13 district attorney, as applicable.

14 (c) The county auditor and city treasurer shall  
15 monthly detail and summarize allocations from the  
16 county's or city's SLESF, as applicable, in a written,  
17 public report filed with the Supplemental Law  
18 Enforcement Oversight Committee (SLEOC), the  
19 county board of supervisors or city council, as applicable,  
20 and the county sheriff or police chief, as applicable. On or  
21 before September 1, 1998, and annually on or before  
22 September 1 thereafter, the county auditor and each city  
23 treasurer shall file with those entities or persons specified  
24 in the preceding sentence a consolidated written report,  
25 of the same nature as the monthly report required  
26 pursuant to the preceding sentence, with respect to  
27 SLESF allocations for the entirety of the immediately  
28 preceding fiscal year.

29 30064. (a) There is in each county a Supplemental  
30 Law Enforcement Oversight Committee (SLEOC),  
31 consisting of five members as follows:

- 32 (1) One municipal police chief.
- 33 (2) The county sheriff.
- 34 (3) The district attorney.
- 35 (4) The county's executive officer.
- 36 (5) One city manager.

37 (b) The SLEOC shall determine whether recipient  
38 entities have expended moneys received from the  
39 Supplemental Law Enforcement Services Fund  
40 (SLESF) in compliance with this chapter. For this



1 purpose, the SLEOC shall at least annually review the  
2 expenditure of SLESF funds by city police departments,  
3 the county sheriff, and the district attorney, and shall  
4 make its annual review report available to the public.

5 (c) In any case in which the SLEOC determines that  
6 a recipient entity has not expended SLESF moneys in  
7 compliance with this chapter, the SLEOC shall report its  
8 determination to the Controller, who shall immediately  
9 commence his or her own investigation of the  
10 expenditures determined by the SLEOC not to be in  
11 compliance. The Controller shall transmit his or her  
12 determination to the reporting SLEOC within 60 days of  
13 receiving the SLEOC report. If the Controller  
14 determines that a recipient entity has improperly  
15 expended SLESF moneys, no further SLESF moneys  
16 shall be allocated to that recipient entity until that entity  
17 repays to the allocating SLESF, from its general fund, an  
18 amount equal to the improperly expended amount, plus  
19 interest at the legal rate. During any period in which the  
20 allocation of SLESF money to an entity is suspended  
21 pursuant to the preceding sentence, the SLESF revenues  
22 that otherwise would have been allocated to that entity  
23 during that period shall instead be allocated to other  
24 recipient entities, if any, in the county or city in  
25 proportion to the SLESF amounts otherwise allocated to  
26 those entities.

27 (d) For purposes of the SLEOC review required by  
28 subdivision (b), both of the following requirements shall  
29 apply:

30 (1) The Controller shall, in consultation with the State  
31 District Attorney's Association, State Police Chief's  
32 Association, State Sheriff's Association, California Peace  
33 Officer's Association, and the State County Auditor's  
34 Association, develop a uniform statewide review  
35 procedure.

36 (2) Commencing in 1998, each entity receiving SLESF  
37 moneys shall annually, on or before July 30, provide the  
38 county's SLEOC and the Controller with its own audit  
39 report with respect to the types and amounts of its



1 expenditures of SLESF moneys during the immediately  
2 preceding fiscal year.

3 30065. In no event shall this chapter be construed to  
4 affect in any manner the public safety service allocations  
5 required by Chapter 6.5 (commencing with *Section*  
6 30051).

7 SEC. 2. Article 14 (commencing with Section 18890)  
8 is added to Chapter 3 of Part 10.2 of Division 2 of the  
9 Revenue and Taxation Code, to read:

10

11 Article 14. Designations to the Local Law  
12 Enforcement Fund

13

14 18890. (a) For any taxable year beginning on or after  
15 January 1, 1996, any individual may designate on the tax  
16 return that a contribution in an amount equal to 1 percent  
17 of tax liability be made to the Local Law Enforcement  
18 Fund, which is established by Section 18891. That  
19 designation is to be used as a voluntary checkoff on the tax  
20 return.

21 (b) A designation shall be made for any taxable year on  
22 the initial return for that taxable year, and once made  
23 shall be irrevocable.

24 (c) The Franchise Tax Board shall revise the forms of  
25 the return to include a space labeled the "Local Law  
26 Enforcement Fund" to allow for the designation  
27 permitted. The forms shall also include in the instructions  
28 information that the designation may be in an amount  
29 equal to 1 percent of the taxpayer's tax liability, that  
30 making a designation shall not increase the taxpayer's tax  
31 liability, and that the designation shall be used only for  
32 purposes of the allocations specified in Section 18892.

33 18891. There is in the State Treasury the Local Law  
34 Enforcement Fund to receive funds designated pursuant  
35 to Section 18890. The Franchise Tax Board shall notify the  
36 Controller of the amounts of tax liability which taxpayers  
37 have designated pursuant to Section 18890 to be  
38 transferred to the Local Law Enforcement Fund. The  
39 Controller shall transfer from the Personal Income Tax  
40 Fund to the Local Law Enforcement Fund an amount not



1 in excess of the sum of the amounts designated by  
2 individuals pursuant to Section 18890 for payment into  
3 that fund.

4 18892. Notwithstanding Section 13340 of the  
5 Government Code, all moneys transferred to the Local  
6 Law Enforcement Fund are hereby appropriated,  
7 without regard to fiscal year, to the Controller for  
8 allocation, as follows:

9 (a) To the Franchise Tax Board and the Controller for  
10 the reimbursement of all costs incurred by the Franchise  
11 Tax Board and the Controller in connection with their  
12 duties under this article.

13 (b) The balance to the counties in accordance with the  
14 proportion of the total designated amount that is  
15 attributable to taxpayers in each county. The money  
16 allocated pursuant to this paragraph shall be used only for  
17 purposes of local law enforcement in accordance with  
18 Chapter 6.7 (commencing with Section 30061) of  
19 Division 3 of Title 3 of the Government Code.

20 SEC. 3. Notwithstanding Section 17610 of the  
21 Government Code, if the Commission on State Mandates  
22 determines that this act contains costs mandated by the  
23 state, reimbursement to local agencies and school  
24 districts for those costs shall be made pursuant to Part 7  
25 (commencing with Section 17500) of Division 4 of Title  
26 2 of the Government Code. If the statewide cost of the  
27 claim for reimbursement does not exceed one million  
28 dollars (\$1,000,000), reimbursement shall be made from  
29 the State Mandates Claims Fund.

30 Notwithstanding Section 17580 of the Government  
31 Code, unless otherwise specified, the provisions of this act  
32 shall become operative on the same date that the act  
33 takes effect pursuant to the California Constitution.

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