

2-23-1994

## Taxes. Local Debt. Assessments.

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Office of the Secretary of State  
Tony Miller  
Acting Secretary of State

1230 J Street  
Sacramento, California 95814

#634

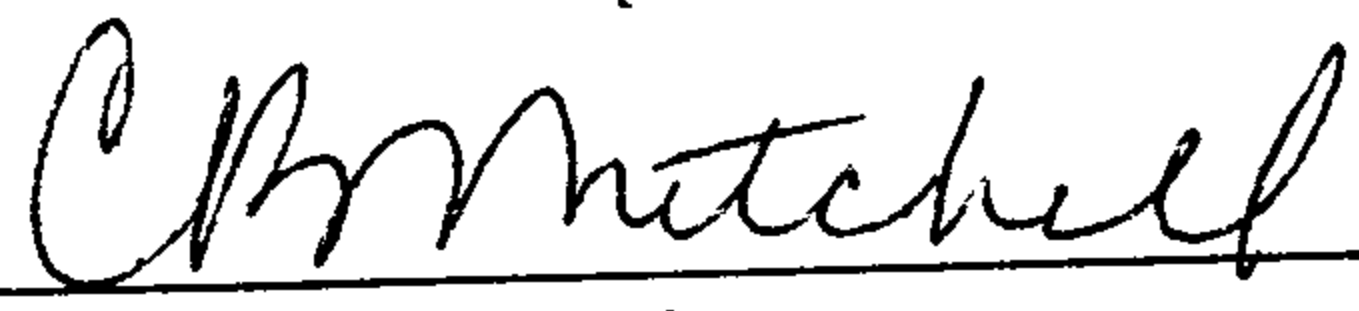
ELECTIONS DIVISION  
(916) 445-0820

For Hearing and Speech Impaired  
Only:  
(800) 833-8683

August 3, 1994

TO: ALL COUNTY CLERKS/REGISTRARS OF VOTERS AND  
PROPONENTS (94187)

FROM:

  
CATHY MITCHELL  
INITIATIVE COORDINATOR

Pursuant to Elections Code section 3520(b), you are hereby notified that the total number of signatures to the hereinafter named proposed INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE filed with all county elections officials is less than 100 percent of the number of qualified voters required to find the petition sufficient; therefore, the petition has failed.

TITLE:

TAXES. LOCAL DEBT. ASSESSMENTS.  
INITIATIVE CONSTITUTIONAL AMENDMENT AND  
STATUTE.

SUMMARY DATE:

February 23, 1994

PROPONENTS:

Richard L. Gann  
Lewis K. Uhler  
Lee A. Phelps  
Ernani Bernardi

county\status.ltr\94187



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Sacramento, California 95814

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February 23, 1994

TO ALL REGISTRARS OF VOTERS, OR COUNTY CLERKS, AND PROPONENTS (94048)

Pursuant to Section 3513 of the Elections Code, we transmit herewith a copy of the Title and Summary prepared by the Attorney General on a proposed Initiative Measure entitled:

TAXES. LOCAL DEBT. ASSESSMENTS.  
INITIATIVE CONSTITUTIONAL AMENDMENT.

Circulating and Filing Schedule

1. Minimum number of signatures required ..... 615,958  
Cal. Const., Art. II, Sec. 8(b).
2. Official Summary Date ..... Wednesday, 02/23/94  
Elec. C., Sec. 3513.
3. Petition Sections:
  - a. First day Proponent can circulate Sections for  
signatures ..... Wednesday, 02/23/94  
Elec. C., Sec. 3513.
  - b. Last day Proponent can circulate and file with  
the county. All sections are to be filed at  
the same time within each county ..... Friday, 07/22/94  
Elec. C., Secs. 3513, 3520(a)
  - c. Last day for county to determine total number of  
signatures affixed to petition and to transmit total  
to the Secretary of State ..... Wednesday, 08/03/94

(If the Proponents file the petition with the county on a date prior to 07/22/94, the county has eight working days from the filing of the petition to determine the total number of signatures affixed to the petition and to transmit the total to the Secretary of State.) Elec. C., Sec. 3520(b).



d. Secretary of State determines whether the total number of signatures filed with all county clerks meets the minimum number of required signatures, and notifies the counties . . . . . Friday, 08/12/94\*

e. Last day for county to determine total number of qualified voters who signed the petition, and to transmit certificate with a blank copy of the petition to the Secretary of State . . . . . Tuesday, 09/27/94

(If the Secretary of State notifies the county to determine the number of qualified voters who signed the petition on a date other than 08/12/94, the last day is no later than the thirtieth day after the county's receipt of notification.)  
Elec. C., Sec. 3520(d), (e).

f. If the signature count is more than 677,554 or less than 585,161 then the Secretary of State certifies the petition has qualified or failed, and notifies the counties. If the signature count is between 585,161 and 677,554 inclusive, then the Secretary of State notifies the counties using the random sampling technique to determine the validity of all signatures . . . . . Friday, 10/07/94\*

g. Last day for county to determine actual number of all qualified voters who signed the petition, and to transmit certificate with a blank copy of the petition to the Secretary of State . . . . . Tuesday, 11/22/94

(If the Secretary of State notifies the county to determine the number of qualified voters who have signed the petition on a date other than 10/07/94, the last day is no later than the thirtieth working day after county's receipt of notification.)  
Elec. C., Sec. 3521(b), (c).

h. Secretary of State certifies whether the petition has been signed by the number of qualified voters required to declare the petition sufficient . . . . . Saturday, 11/26/94\*

\* Date varies based on receipt of county certification.

4. The Proponents of the above-named measure are:

Richard L. Gann  
Paul Gann's Citizens Committee  
9745-D Business Park Drive  
Sacramento, CA 95827  
(916) 366-3500

Lee A. Phelps  
P.O. Drawer 330  
Aptos, CA 95001-0330  
(408) 688-8986

Lewis K. Uhler  
151 N. Sunrise Avenue, #901  
Roseville, CA 95661  
(916) 786-9400

Ernani Bernardi  
7735 Katherine Avenue  
Van Nuys, CA 91405  
(818) 785-4453

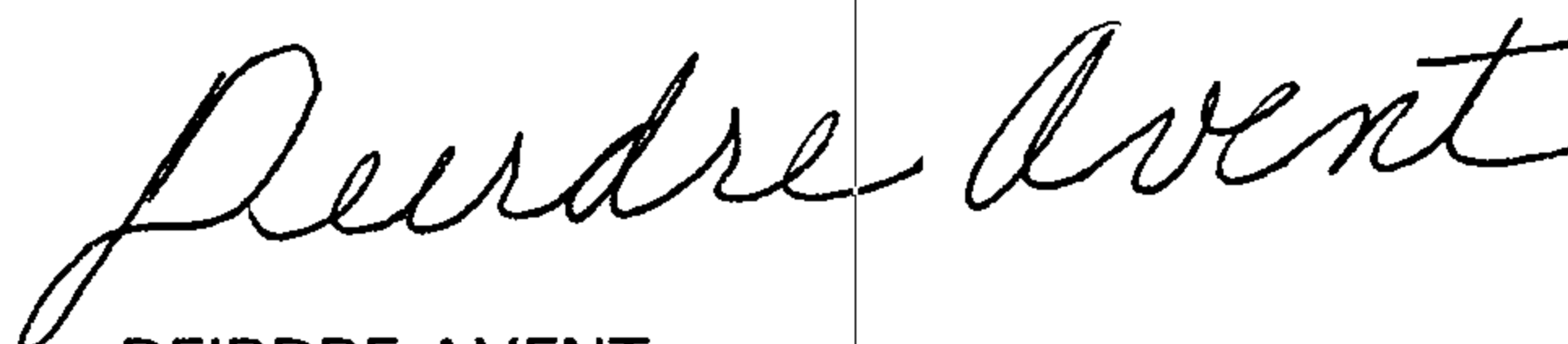
5. Important Points:

- (a) California law prohibits the use of signatures, names and addresses gathered on initiative petitions for any purpose other than to qualify the initiative measure for the ballot. This means that the petitions cannot be used to create or add to mailing lists or similar lists for any purpose, including fund raising or requests for support. Any such misuse constitutes a crime under California law. Elections Code section 29770; Bilofsky v. Deukmejian (1981) 123 Cal.App. 3d 825, 177 Cal.Rptr. 621; 63 Ops. Cal.Atty.Gen. 37 (1980).
- (b) Please refer to Elections Code sections 41, 41.5, 44, 3501, 3507, 3508, 3517, and 3519 for appropriate format and type consideration in printing, typing, and otherwise preparing your initiative petition for circulation and signatures. Please send a copy of the petition after you have it printed. This copy is not for our review or approval, but to supplement our file.
- (c) Your attention is directed to the campaign disclosure requirements of the Political Reform Act of 1974, Government Code section 81000 et seq.
- (d) When writing or calling state or county elections officials, provide the official title of the initiative which was prepared by the Attorney General. Use of this title will assist elections officials in referencing the proper file.
- (e) When a petition is presented to the county elections official for filing by someone other than the proponent, the required authorization shall include the name or names of the persons filing the petition.
- (f) When filing the petition with the county elections official, please provide a blank petition for elections official use.

**NOTE TO PROPONENTS WHO WISH TO QUALIFY FOR THE NOVEMBER 8, 1994**

**GENERAL ELECTION:** This initiative must be certified for the ballot 131 days before the election (June 30, 1994). Please remember to time your submissions accordingly. For example, in order to allow the maximum time permitted by law for the random sample verification process, it is suggested that proponents file their petitions to county elections officials by April 22, 1994. If a 100% check of signatures is necessary, it is advised that the petitions be filed by March 2, 1994.

Sincerely,



DEIRDRE AVENT  
Elections Analyst

DANIEL E. LUNGREN  
Attorney General

State of California  
DEPARTMENT OF JUSTICE



1515 K STREET, SUITE 511  
P.O. Box 944255  
SACRAMENTO, CA 94244-2550  
(916) 445-9555  
(916) 324-5490

February 23, 1994

Tony Miller  
Acting Secretary of State  
1230 J Street  
Sacramento, CA 95814

**FILED**  
in the office of the Secretary of State  
of the State of California

**FEB 23 1994**

TONY MILLER  
Acting Secretary of State

Deputy

Re: Initiative Title and Summary  
Subject: TAXES. LOCAL DEBT. ASSESSMENTS.  
INITIATIVE CONSTITUTIONAL AMENDMENT.  
File No: SA 93 RF 0046

Dear Mr. Miller:

Pursuant to the provisions of sections 3503 and 3513 of the Elections Code, you are hereby notified that on this day we mailed to the proponents of the above-identified proposed initiative our title and summary.

Enclosed is a copy of our transmittal letter to the proponents, a copy of our title and summary, a declaration of mailing thereof, and a copy of the proposed measure.

According to information available in our records, the names and addresses of the proponents are as stated on the declaration of mailing.

Sincerely,

DANIEL E. LUNGREN  
Attorney General

KATHLEEN F. DaROSA  
Initiative Coordinator

KFD:ms  
Enclosures

Date: February 23, 1994  
File No: SA93RF0046

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

**TAXES. LOCAL DEBT. ASSESSMENTS. INITIATIVE CONSTITUTIONAL**

**AMENDMENT.** Requires approval of State general or special tax increases by two-thirds of Legislature, or majority of voters for general taxes and two-thirds of voters for special taxes. Requires majority of voters to approve local general taxes and two-thirds of voters to approve local special taxes. Requires two-thirds of voters to approve local debt, including bonds, notes and certificates. Establishes procedures for, and limits, assessments, fees and charges. Requires two-thirds of voters to approve new, or increases in existing, assessments for costs of public improvements other than sidewalks, streets, sewers, water, or flood control. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments:  
  
Potentially major annual reductions in state and local government revenues due to restrictions on raising taxes and other revenues. Potentially significant annual costs to local governments due to procedural, election, and debt issuance requirements.



BELL, MCANDREWS & HILTACHK

ATTORNEYS AND COUNSELORS AT LAW

555 CAPITOL MALL, SUITE 530

SACRAMENTO, CALIFORNIA 95814

(916) 442-7757

FAX (916) 442-7759

CHARLES H. BELL, JR.  
COLLEEN C. MCANDREWS  
THOMAS W. HILTACHK

1441 FOURTH STREET  
SANTA MONICA, CA 90401  
(310) 458-1405

January 13, 1994

RECEIVED  
JAN 13 1994

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Kathleen DaRosa  
Initiative Coordinator  
Attorney General of California  
1515 K Street, Suite 511  
Sacramento, CA 95814

Re: "The Taxpayers Consent Act" SA93RF0046

Dear Kathy:

Please find enclosed amendment number two to the above-referenced initiative. We do not believe that these amendments are substantive and we hope that the amendments do not add to the time for preparation of the title and summary. I have enclosed a copy of the previous version showing the deletions in strike-out type and the additions in bolded and underlined type.

To summarize the amendments: The first amendment is to delete Section Two subdivision (f) which is surplusage to the limitations of Proposition 13 as it currently exists. The second amendment is the same in its deletion of Section Three subdivision (c).

The third amendment deletes subdivision (d) of Section Three in that it could be read to limit personal property taxes on a non-ad valorem basis. That was not Mr. Gann's intent.

The fourth amendment (Section Six (Sec. 1(a)) makes clear Mr. Gann's intent that assessments levied by Charter cities pursuant to their charter power be limited.

The fifth amendment (Section Six, Sec. 1 (b)(4)) makes clear that all indirect assessments that relate to property must comply with the Act.

Letter to Kathleen DaRosa  
January 13, 1994  
Page Two

The final amendment deletes the words "ad valorem" from Section Six (Sec. 2, subdivision (a)(1)) in order to make clear that voter approved parcel taxes are not impacted by the initiative.

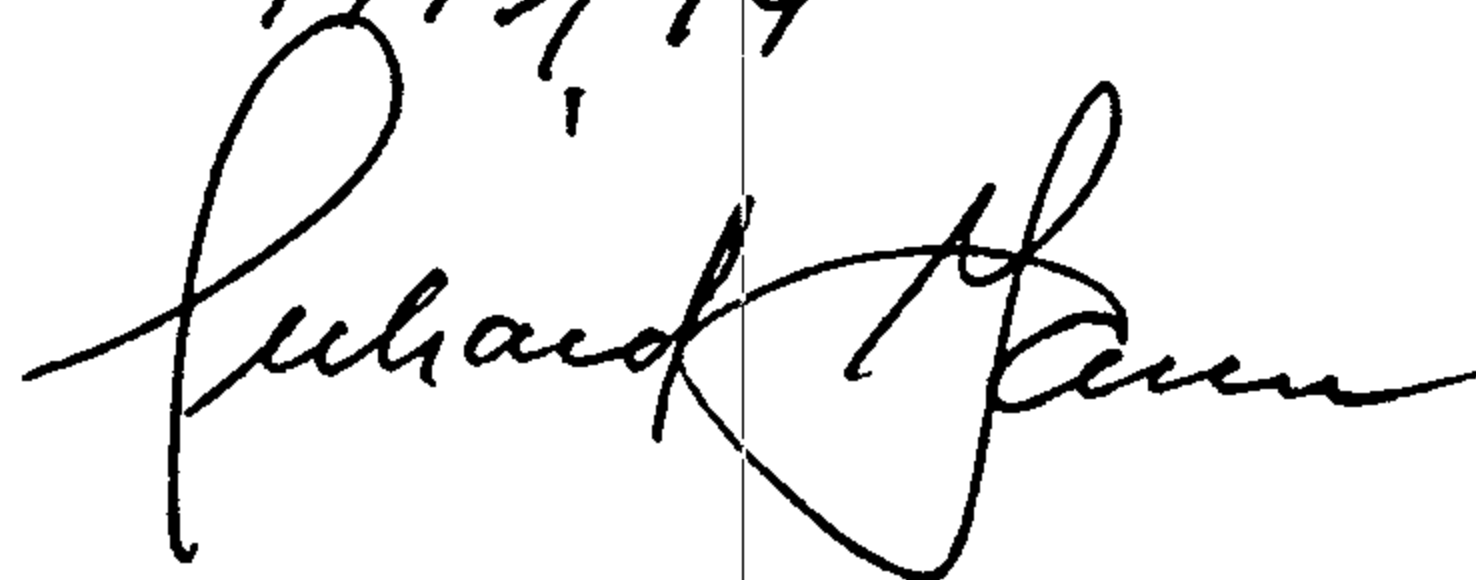
Thank you for your courtesy and cooperation.

Very truly yours,

  
Thomas W. Hiltachk

TWH/man  
1020.01

Enclosures/attachments

1/13/94  


**PAUL GANN'S**  
**Citizens Committee, Inc.**

A NON-PROFIT CORPORATION

PAUL GANN, Founder  
RICHARD GANN, President

SA93 RF 0046  
**Spirit**  
**of 13**

February 10, 1994

Kathleen F. DaRosa,  
Initiative Coordinator  
Department of Justice  
1515 K Street, Suite 511  
Sacramento, Ca 95814

**RECEIVED**  
FEB 17 1994

INITIATIVE COORDINATOR  
AT ATTORNEY GENERAL'S OFFICE

RE: THE TAXPAYERS CONSENT ACT INITIATIVE  
YOUR FILE NO. SA 93 RF 0046, Amendment #2

Dear Kathleen,

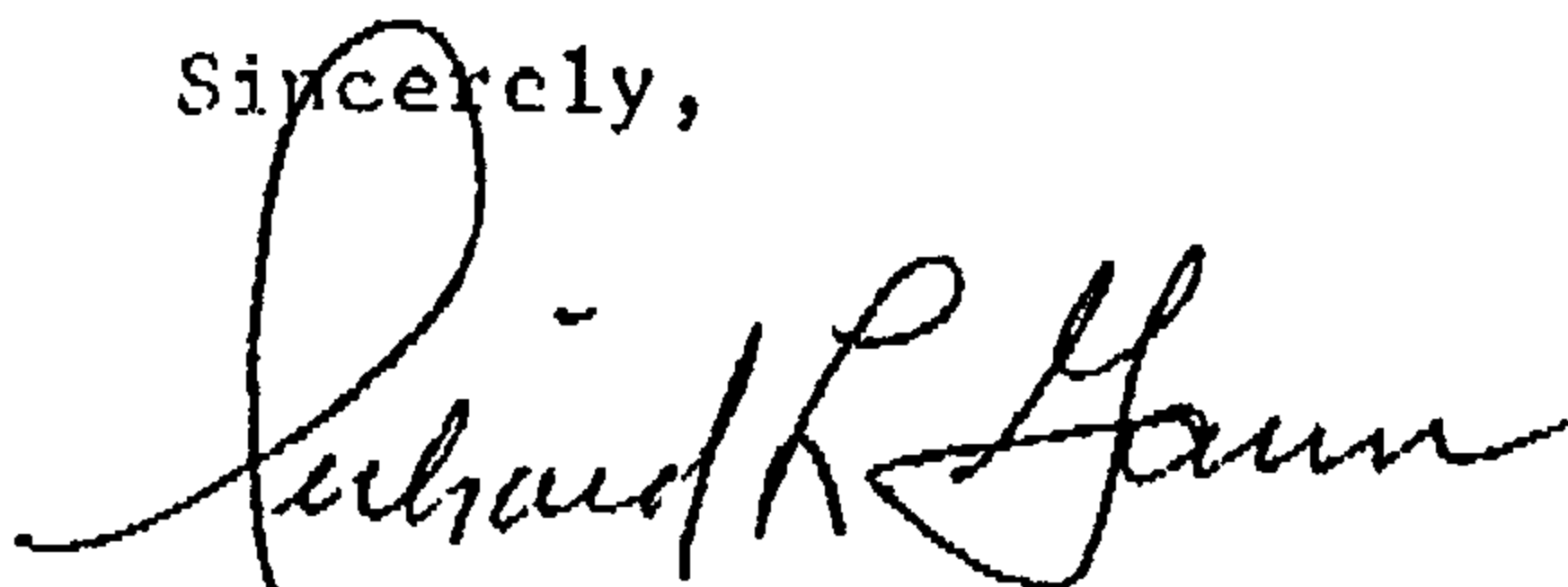
In regards to the above referenced Taxpayers Consent Act Initiative,  
I wish to add to the names of the proponents, the following individuals;

Mr. Lee A. Phelps  
Mr. Lewis K. Uhler  
Mr. Ernani Bernardi

For this purpose, the new proponents have approved and acknowledged this  
action by signing this letter in it's original or counter part and have  
caused their original acknowledgements together with their originally  
executed disclosure statements, to be delivered to your office.

Thank you for your time and consideration regarding this matter.

Sincerely,



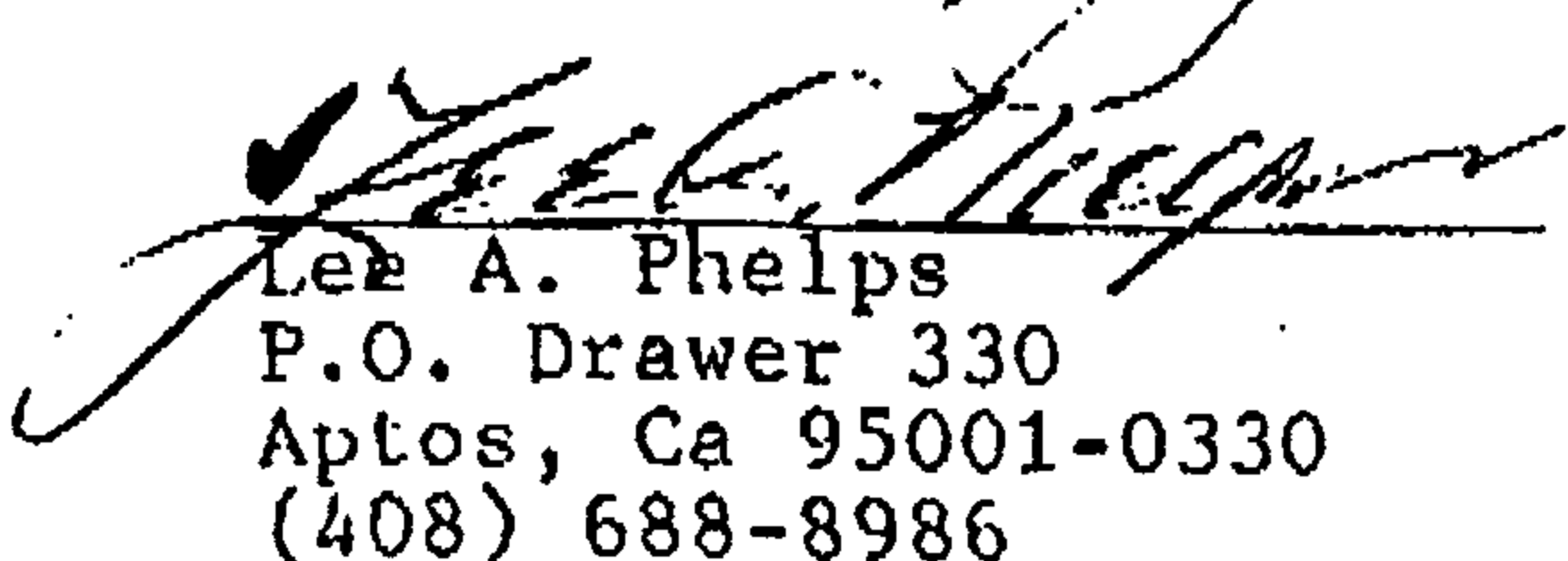
Richard L. Gann,  
Proponent

Read and Approved:

DATED FEB 14 1994

DATED \_\_\_\_\_ 1994

DATED \_\_\_\_\_ 1994



Lee A. Phelps  
P.O. Drawer 330  
Aptos, Ca 95001-0330  
(408) 688-8986

Lewis K. Uhler  
151 N. Sunrise Ave., #901  
Roseville, Ca 95661  
(916) 786-9400

Ernani Bernardi  
7735 Katherine Ave.  
Van Nuys, Ca 91405  
(818) 785-4453

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SA93RF0046  
**Spirit**  
**of 13**

February 10, 1994

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 Initiative Coordinator  
 Department of Justice  
 1515 K Street, Suite 511  
 Sacramento, Ca 95814

RECEIVED  
 FEB 15 1994

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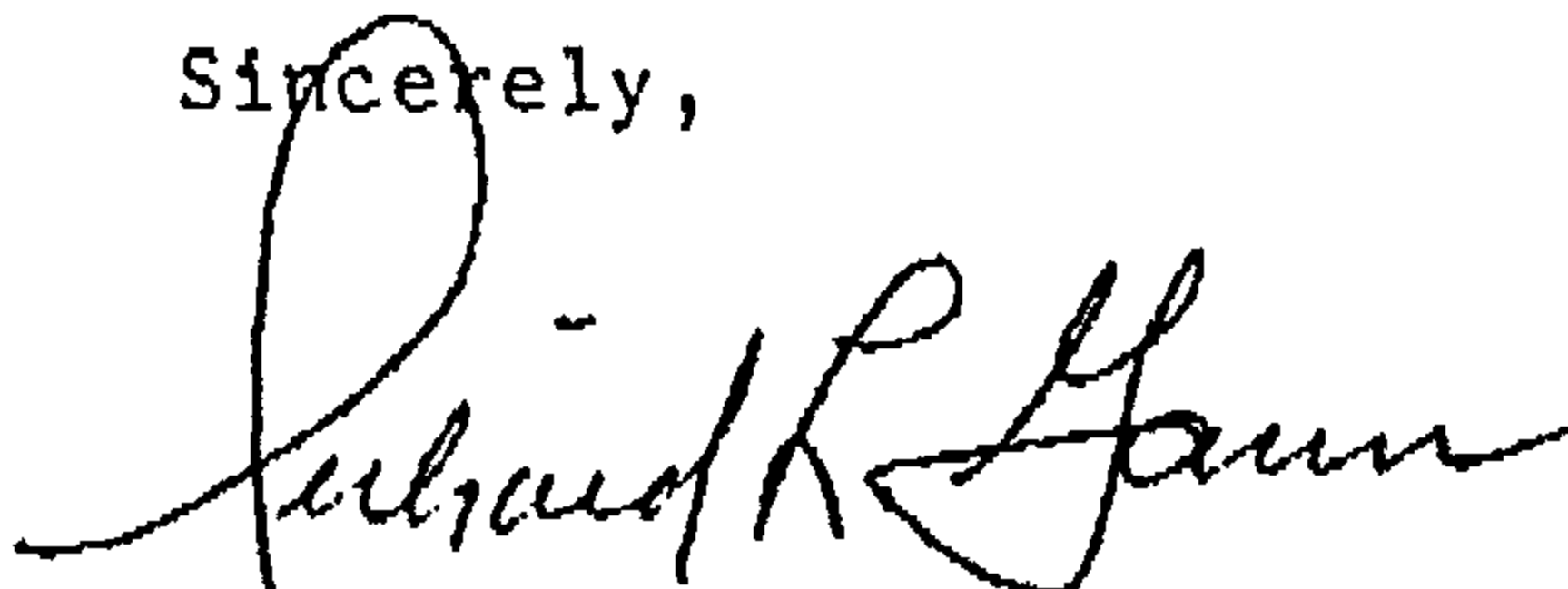
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DATED Feb 14 1994

DATED \_\_\_\_\_ 19

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PAUL GANN, Founder  
 RICHARD GANN, President

*Spirit*  
*of 13*

February 10, 1994

Kathleen F. DaRosa,  
 Initiative Coordinator  
 Department of Justice  
 1515 K Street, Suite 511  
 Sacramento, Ca 95814

RECEIVED  
 FEB 22 1994

INITIATIVE COORDINATOR  
 ATTORNEY GENERAL'S OFFICE

RE: THE TAXPAYERS CONSENT ACT INITIATIVE  
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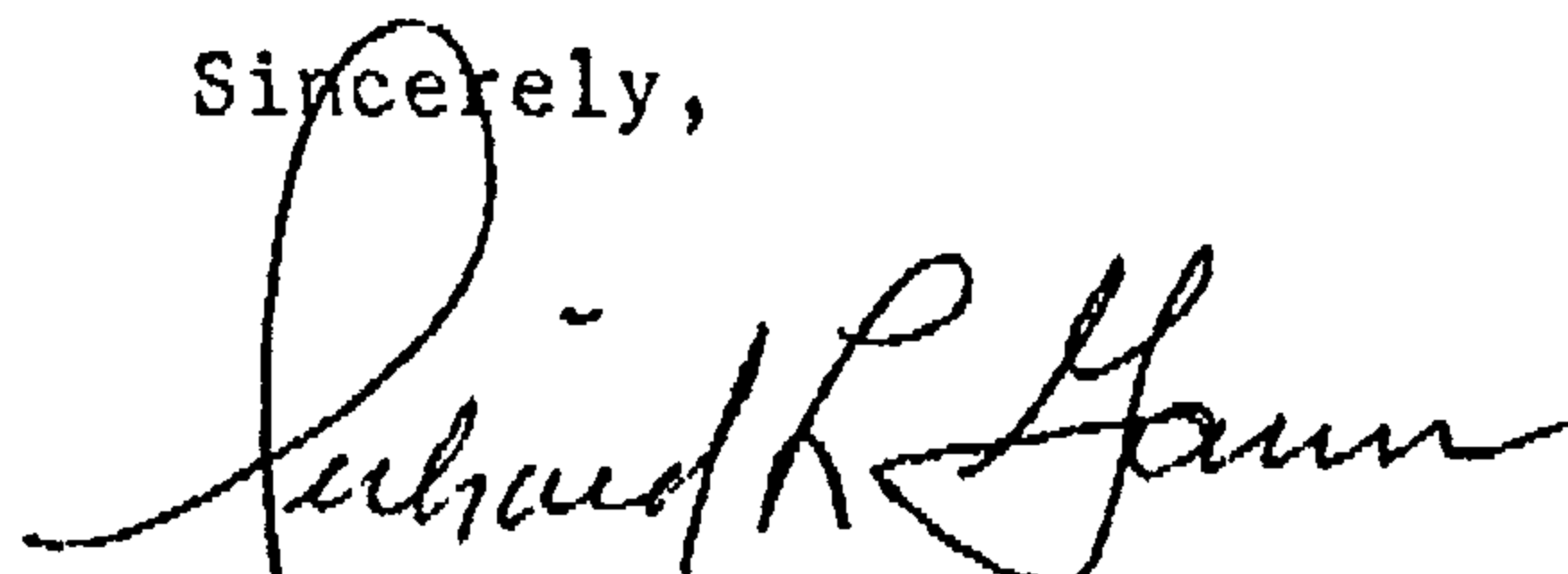
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Richard L. Gann,  
 Proponent

Read and Approved:

DATED \_\_\_\_\_ 1994

DATED \_\_\_\_\_ 1994

DATED ✓ 2-19 1994

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✓ Ernani Bernardi  
 Ernani Bernardi  
 7335 Katherine Ave.  
 Van Nuys, Ca 91405  
 (818) 785-4453

January 13, 1994

**THE TAXPAYERS CONSENT ACT**

**SECTION 1. *Title.*** This Act shall be known and may be cited as The Taxpayers Consent Act.

**SECTION 2. *Findings and Declarations.*** The People of the State of California hereby find and declare as follows:

- (a) Taxes and long-term debt should not be imposed on the People of California without their consent.
- (b) In order to protect all Californians from unreasonable tax increases and the burden of long-term debt which threaten their economic security as well as the economic health of California itself, limitations should be placed on methods by which the state and local governments exact revenue and incur debt.
- (c) No increase or extension in special taxes imposed by local governments and special districts, and no new special tax imposed by these entities, should take effect without a two-thirds vote of the People.
- (d) No increase in general taxes imposed by local governments and no new general tax imposed by local governments should take effect without a majority vote of the People. Their purposes being limited, special districts have no power to levy general taxes.
- (e) No local government and special districts shall incur long-term debt without a vote of the People.

**SECTION 3. *State Government General and Special Tax Limitation.***

Section 3 of Article XIII A of the California Constitution is hereby amended to read as follows:

- SEC.3(a) Any increases in State general or special taxes whether by increased rates, changes in methods of computation, any other increase in an existing tax, or an extension of an existing tax, or any new tax must be imposed by an Act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, or as provided in subsection (b).
- (b) Any increases in State taxes whether by increased rates, changes in methods of computation, any other increase in an existing tax, or an extension of an existing tax, or any new tax also may be enacted by an initiative passed, in the case of a general tax, by not less than a majority vote of the voters voting in an election on the issue or,

in the case of a special tax, and notwithstanding Article II. § 10(a) of the California Constitution, by not less than a two-thirds vote of the voters voting in an election on the issue, or as provided in subsection (a).

- (c) As used in this section, "general taxes" are taxes, including, but not limited to, income taxes, sales taxes, excise taxes, surtaxes, and tax increases levied for the general fund to be utilized for general governmental purposes; "special taxes" are taxes, including, but not limited to, income taxes, sales taxes, excise taxes, surtaxes, tax increases or extensions levied for a specific purpose or purposes or deposited into a fund or funds other than the general fund. Taxes on motor vehicle fuel shall be considered general taxes for purposes of this section.

#### **SECTION 4 *Local Government and Special District Tax Limitation.***

Article XIIIIC of the California Constitution is hereby added:

##### **SEC. 1. Definitions.**

As used in this article:

- (a) "General tax" means any tax imposed for general governmental purposes.
- (b) "Local government" means any county, city, city and county, including a chartered city or county, or any public or municipal corporation.
- (c) "Special District" means an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions with limited boundaries including, but not limited to, redevelopment agencies and school districts.
- (d) "Special tax" means any tax imposed for specific purposes including taxes imposed for a specific purpose which are deposited into a general fund.

##### **SEC. 2. *Local Government and Special District Tax Limitation.***

Notwithstanding any other provision of this Constitution, including Section 4 of Article XIIIIA:

- (a) All taxes imposed by any entity of government shall be deemed to be either general taxes or special taxes.
- (b) No local government may impose any new general tax or increase any existing general tax on such locality unless and until such proposed general tax or increase is

submitted to the electorate of the local government and enacted by a majority vote of the voters voting in an election on the issue. Their purposes being limited, special districts have no power to levy general taxes.

- (c) No local government or special district may impose any new special tax, extend or increase any existing special tax, on such locality or district unless and until such proposed special tax, extension or increase is submitted to the electorate of the local government or of the district and enacted by a two-thirds vote of the voters voting in an election on the issue.
- (d) A special tax may not be presented to the voters for approval unless the purpose for which the tax is requested is specifically stated in the ordinance or resolution. The revenues from any special tax, including any interest or investment earnings thereon, shall be used only for the purpose or service for which it was imposed, and for no other purpose whatsoever.
- (e) A special tax may not be presented to the voters for approval unless the ordinance or resolution limits the imposition of the tax to a specific length of time. No special tax may be approved for a period exceeding thirty (30) years.
- (f) Except as provided in Article XIII A, § 1 and 2 of the California Constitution, no local government or district may impose any new ad valorem taxes on real property or a transaction tax or sales tax on the sale or transfer of real property within that local government or district.
- (g) A tax subject to the vote requirements of subdivisions (b) or (c) of this section shall be proposed by an ordinance or resolution of the legislative body of the local government or of the district. The ordinance or resolution shall include the type of tax and maximum rate, if any, of tax to be levied, the method of collection, the date upon which an election shall be held on the issue, and, if a special tax, the requirements of subdivisions (d) and (e).

#### **SECTION 5. *Local Government and Special District Debt Limitation.***

Section 18 of Article XVI of the California Constitution is amended to read as follows:

- SEC. 18 (a) No local government or special district, as defined in Article XIII C, shall, in any manner create or incur debt or debts, liability or liabilities including, but not limited to, general obligation bonds, revenue bonds, tax allocation bonds, tax anticipation notes or certificates



of participation, which shall, singly or aggregated with all other existing debt of the entity exceed the annual income and revenue of the entity during the year such debt is proposed, without the assent of two-thirds of the qualified electors thereof, voting at an election to be held for that purpose, except that with respect to any such public entity which is authorized to incur indebtedness for public school purposes, any proposition for the incurrence of indebtedness in the form of general obligation bonds for the purpose of repairing, reconstructing or replacing public school buildings determined, in the manner prescribed by law, to be structurally unsafe for school use, shall be adopted upon the approval of a majority of the qualified electors of the public entity voting on the proposition at such election; nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof, on or before maturity, which shall not exceed forty years from the time of contracting the same; provided, however, anything to the contrary herein notwithstanding, when two or more propositions for incurring any indebtedness or liability are submitted at the same election, the votes cast for and against each proposition shall be counted separately, and when two-thirds or a majority of the qualified electors, as the case may be, voting on any one of such propositions, vote in favor thereof, such proposition shall be deemed adopted.

- (b) The revenues from any debt or liability as described in SEC. 18 (a), including any interest or investment earnings thereon, shall be used only for the purpose for which the debt or liability was incurred, and for no other purpose whatsoever.

#### **SECTION 6. *Benefit Assessment Reform.***

Article XIIID of the California Constitution is hereby added.

##### **SEC. 1. *Application and Definitions.***

- (a) Notwithstanding any other provision of law, the provisions of this amendment relating to assessments shall apply to all new assessments and annual reassessments pursuant to all existing assessment statutes including, but not limited to, the Improvement Act of 1911, the Municipal Improvement Act of 1913 and the Landscaping and Lighting Act of 1972 and any assessment levied pursuant to the Charter authority of a city, county or city and county. Nothing in this Amendment shall be construed to provide any new taxing or

assessment authority to any local government or special district or to affect existing laws relating to the imposition of fees or other charges as a condition for property development.

- (b) (1) "Agency" means any county, city and county, or city, including any charter county or charter city.
- (2) "Assessment" means any levy or charge upon real property by an agency for a benefit conferred upon the real property. "Assessment" includes "special assessment," "benefit assessment," and "special assessment tax." "Assessment" does not include an ad valorem tax.
- (3) "Assessment for direct benefit" means only those assessments imposed to finance capital costs for sidewalks, streets, sewers, water, or flood control or drainage system.
- (4) "Assessments for indirect benefit" means all assessments, other than assessments for direct benefit, imposed to finance capital costs or operating and maintenance expenses for public improvements or property related services.
- (5) "Capital cost" means the cost of the initial acquisition, installation, or construction of a public improvement by an agency.
- (6) "Fee" or "charge" means any levy other than an ad valorem tax or an assessment imposed by an agency upon a person as an incident of property ownership for a public service.
- (7) "Flood control or drainage system" means a system of bypasses, levees, canals, check dams, sumps, channels, drains, basins, culverts, reservoirs, and other works necessary for the control of storm and other waste water which, if uncontrolled, would threaten to flood a parcel.
- (8) "Operation and maintenance expense" means the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care, and supervision necessary to properly operate and maintain a public improvement.
- (9) "Parcel" means an identifiable, contiguous piece of real property which is subject to the imposition of an assessment, fee, or a proposed assessment or fee.

- (10) "Person" includes any person, firm, association, organization, partnership, business trust, corporation, or company.
- (11) "Public improvement" means any tangible asset used for a public service, a public purpose, or a public purpose incidental to a public service.
- (12) "Public service" means the provision of any service to members of the public by an agency.
- (13) "Sewer" includes the lateral and collecting sewers for the handling, gathering, and disposal of sewage or industrial waste discharge from a parcel.
- (14) "Sidewalk" means that portion of a street, immediately adjacent to a parcel, other than the roadway, set apart by curbs, barriers, markings, or other delineations for pedestrian travel.
- (15) "Water" includes water works, conduits, reservoirs, storage sites, water sheds, machinery, wells, pumps, dams, storage tanks, hydrants, meters, other appliances, and their appurtenances.

**SEC. 2. *Property Taxes, Assessments and Fees Limited.***

- (a) No tax, assessment, fee, or any other charge by any agency shall be assessed on any parcel of property or upon any person as an incident of property ownership except:
  - (1) The property tax authorized pursuant to Article XIII and Article XIII A of this Constitution.
  - (2) Assessments for direct benefit as provided by this article.
  - (3) Assessments for indirect benefit as provided by this article.
  - (4) Fees or charges for sewer, water, and refuse collection services as provided by this article. For purposes of this article, fees for the provision of electrical service shall not be deemed charges or fees imposed as an incident of property ownership.
- (b) This section shall apply to all new assessments and any increase in a previously enacted assessment for direct benefit. The revenues from any assessment, including any interest or investment earnings thereon, shall be used

only for the purpose for which the assessment was imposed, and for no other purpose whatsoever.

**SEC. 3. Procedures for All Assessments.**

(a) Procedures applicable to the imposition of any assessment shall include the following:

- (1) An agency which proposes to levy an assessment shall identify all parcels which will have a benefit conferred upon them and upon which an assessment will be imposed. The proportionate benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the operation and maintenance expense of a public improvement.
- (2) All assessments must be supported by a detailed engineer's report prepared by a registered professional engineer certified by the State of California. Except for an assessment for a one time capital expenditure, a separate report shall be prepared for each fiscal year and shall contain plans and specifications for the improvements, an estimate of the costs of the improvements, and a diagram for the assessment district delineating each parcel to be assessed.
- (3) The amount of the proposed assessment for each identified parcel shall be calculated and the record owner of each parcel shall be given written notice by mail of the proposed assessment, the reason therefore, the duration for which the assessment will be imposed and if for a indefinite duration, disclosure of that fact, the amount of the proposed assessment, and the basis upon which the amount of the proposed assessment was calculated, together with the date, time, and location of a public hearing on the proposed assessment.
- (4) The agency shall conduct a public hearing upon the proposed assessment not less than 45 days after mailing the notice of the proposed assessment to record owners of each identified parcel. At the public hearing, the agency shall consider all protests against the proposed assessment. If written protests against the proposed assessment are presented at the hearing by a majority of the record owners of the identified parcels, the agency shall not impose the assessment.

- (5) After the conduct of the public hearing on the proposed assessment, if the requisite number of written protests are not presented and the agency has made a finding that the proposed assessment may and should be imposed, the agency shall provide written notice of its finding to the record owners of each identified parcel. If an election is required to approve the proposed assessment, the agency shall schedule an election on the assessment not less than 90 days after providing the record owners of each identified parcel written notice of the agency's finding.

#### **SEC. 4. *Vote Requirement for Indirect Assessments.***

No new assessment for indirect benefit or increase in a previously enacted assessment for indirect benefit shall be imposed without two-thirds (2/3) voter approval from the electors residing within the boundaries of the proposed assessment district.

#### **SEC. 5. *Property Related Fees and Charges.***

- (a) *Procedures for All Fees and Charges Imposed as an Incident To Property Ownership.* An agency shall follow the procedures pursuant to this section in imposing any fee as defined pursuant to this article including, but not limited to, the following:
  - (1) The parcels upon which or the persons upon whom a fee is proposed for imposition shall be identified. The amount of the fee proposed to be imposed upon each parcel or person shall be calculated. The agency shall provide written notice of the proposed fee to the record owner of each identified parcel upon which and to any person upon whom the fee is proposed for imposition, the amount of the fee proposed to be imposed upon each, the basis upon which the amount of the imposed fee was calculated, the reason for the fee, together with the date, time, and location of a public hearing on the proposed fee.
  - (2) The agency shall conduct a public hearing upon the proposed fee not less than 45 days after mailing the notice of the proposed fee to the record owners of each identified parcel upon which and the person upon whom the fee is proposed for imposition. At the public hearing, the agency shall consider all protests against the proposed fee.

(b) *Requirements for All Property Related Fees and Charges.* A property related fee or charge shall not be imposed by any agency unless it meets all of the following requirements:

- (1) No property related fee or charge shall be levied on any parcel or on any person as an incident of property ownership except for purposes expressed in Section 2(a)(4) of this article.
- (2) Revenues derived from the fee shall not exceed the funds required to provide the public service or to finance the capital costs or operating and maintenance expenses of the public improvement.
- (3) Revenues derived from the fee, including any interest or investment earnings thereon, shall not be used for any purpose other than that for which the fee was imposed.
- (4) The amount of a fee imposed upon any parcel or upon any person does not exceed the proportional cost of the public service, the public improvement, or the operating and maintenance expenses of a public improvement attributable to the parcel.

**SECTION 7. *Liberal Construction.***

The provisions of this Act shall be liberally construed to effect its purposes.

**SECTION 8. *Severability.*** If any provision of this Act, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining sections shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Act are severable.

