

AMENDED IN SENATE JANUARY 5, 2026

AMENDED IN SENATE MARCH 24, 2025

SENATE BILL

No. 762

Introduced by Senator Arreguín

February 21, 2025

An act to ~~amend Section 66647 of the Government Code, relating to conservation; add Chapter 3.13 (commencing with Section 7287.17) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 762, as amended, Arreguín. ~~San Francisco Bay Conservation and Development Commission: funds. Transactions and use tax: City of Hercules.~~

Existing law authorizes cities and counties, subject to certain limitations and approval requirements, to levy a transactions and use tax for general or specific purposes in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law, including a requirement that the combined rate of all taxes that may be imposed in accordance with that law in the jurisdiction not exceed 2%.

This bill would authorize the City of Hercules to impose a transactions and use tax for general or specific purposes, at a rate of no more than 1%, that, in combination with other transactions and use taxes, would exceed the above-described combined rate limit of 2%, if certain requirements are met. The bill would provide that a transactions and use tax rate imposed pursuant to the bill will not be considered for purposes of the combined rate limit described above.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Hercules.

~~Existing law sets forth a comprehensive plan for the conservation of the waters of the San Francisco Bay and the development of its shoreline and delegates to the San Francisco Bay Conservation and Development Commission authority to implement the plan. Existing law establishes in the State Treasury a Bay Fill Clean-Up and Abatement Fund and requires moneys from specified sources to be paid into the fund, including all moneys collected civilly under specified proceedings. Existing law requires moneys in the fund to be available for the expenditure by the commission or the executive director, when appropriated by the Legislature, for specified purposes, including resource enhancement and remedial cleanup or abatement actions.~~

~~This bill would also require the money in the fund to be available for expenditure by the commission or the executive director, when appropriated by the Legislature, for the purpose of supporting enforcement activities. The bill would include funding of technology, services, programs, and personnel that directly support the above-described specified purposes as permissible expenditures.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no.
State-mandated local program: no.

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

1 SECTION 1. Chapter 3.13 (commencing with Section 7287.17)
2 is added to Part 1.7 of Division 2 of the Revenue and Taxation
3 Code, to read:

4
5 CHAPTER 3.13. CITY OF HERCULES TRANSACTIONS AND USE
6 TAX
7

8 7287.17. (a) Notwithstanding any other law, the City of
9 Hercules, by ordinance or by citizens' initiative, may impose a
10 transactions and use tax for general or specific purposes at a rate
11 of no more than 1 percent that would, in combination with all taxes
12 imposed in accordance with Part 1.6 (commencing with Section
13 7251), exceed the limit established in Section 7251.1, if all of the
14 following requirements are met:

15 (1) The City Council of the City of Hercules adopts an ordinance
16 proposing the transactions and use tax by the applicable voting

1 approval requirement. This paragraph shall not apply to a tax
2 imposed by citizens' initiative.

3 (2) The ordinance proposing the transactions and use tax is
4 submitted to the electorate and is approved by the voters voting
5 on the ordinance by the applicable voting approval requirement
6 in accordance with the California Constitution.

7 (3) The transactions and use tax conforms to the Transactions
8 and Use Tax Law (Part 1.6 (commencing with Section 7251)),
9 other than Section 7251.1.

10 (b) Notwithstanding Section 7251.1, a transactions and use tax
11 imposed pursuant to subdivision (a) shall not be considered for
12 purposes of the combined rate limitation established by Section
13 7251.1.

14 SEC. 2. The Legislature finds and declares that a special statute
15 is necessary and that a general statute cannot be made applicable
16 within the meaning of Section 16 of Article IV of the California
17 Constitution because of the unique fiscal needs of the City of
18 Hercules.

19 SECTION 1. ~~Section 66647 of the Government Code is~~
20 ~~amended to read:~~

21 ~~66647. (a) There is in the State Treasury a Bay Fill Clean-up~~
22 ~~and Abatement Fund. All moneys from the following sources are~~
23 ~~to be paid into the fund:~~

24 ~~(1) All moneys appropriated by the Legislature for the fund.~~

25 ~~(2) All moneys contributed to the fund by any person or entity~~
26 ~~and accepted by the commission.~~

27 ~~(3) All moneys collected civilly under any proceeding brought~~
28 ~~pursuant to any provision of this chapter or Division 19~~
29 ~~(commencing with Section 29000) of the Public Resources Code.~~

30 ~~(b) All moneys paid into the fund shall be available for~~
31 ~~expenditure by the commission or the executive director, when~~
32 ~~appropriated by the Legislature, for the purposes of removing fill,~~
33 ~~resource enhancement, enforcement, and performing any other~~
34 ~~remedial cleanup or abatement actions within the commission's~~
35 ~~jurisdiction, and shall include funding of technology, services,~~
36 ~~programs, and personnel that directly support these purposes.~~