KEEP

Guide to
CORTESE-KNOX-HERTZBERG
LOCAL GOVERNMENT
REORGANIZATION ACT OF 2000



Prepared by
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October 1985
(Revised July 2001)

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TO INTERESTED PARTIES:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) establishes procedures for local government changes of organization, including a city incorporation, annexation to a city or special district, and consolidation of cities or special districts.

Local agency formation commissions (LAFCOs) have numerous powers under the Act, but those of primary concern are the power to act on local agency boundary changes and to adopt spheres of influence for local agencies. Among the purposes of LAFCOs are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local agencies.

Annually the staff to the Assembly Local Government Committee updates a Guide to the above-referenced Act. This year's major revisions to that Guide are the result of AB 2838 (Hertzberg), Chapter 761, Statutes of 2000, that incorporated many of the recommendations made by the Commission on Local Governance in the 21st Century in its report, "Growth Within Bounds." Due to the extensive renumbering of the Act, the reader will find useful the table included that was prepared by staff to the Governor's Office of Planning and Research. As an additional reference and to assist in discovering how the Act was renumbered, see previous section numbers indicated in brackets throughout the document.

Given the extent and complexity of the changes to the Act, this edition of the Guide is very much a work in progress. Please feel free in contacting staff at (916) 319-3958 with any questions or suggestions on how this Guide can better serve you and the LAFCO community.

Respectfully,

Pat Wiggins

Patricia Wiggins

PW:ssd

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A BRIEF HISTORY OF THE ACT

The procedures for establishing and revising local government boundaries are set in the constitutions and laws of the 50 states. Some alternative processes include judicial approval, special state legislation, or the use of "boundary commissions" such as California's local agency formation commissions (LAFCOs).

The Cortese-Knox Local Government Reorganization Act of 1985 followed several years of cooperative effort between Assembly Member Dominic Cortese, former Chair of the Assembly Local Government Committee, and the California Association of Local Agency Formation Commissions (CALAFCO). The Act, which became operative January 1, 1986, consolidates three major laws used by California's local governments for boundary changes into a single, unified law.

The three laws which previously governed changes in the boundaries and organization of cities and special districts were:

- The Knox-Nisbet Act of 1963, which established LAFCOs with regulatory authority over local agency boundary changes.
- The District Reorganization Act of 1965 (DRA), which combined separate laws governing special district boundaries into a single law.
- The Municipal Organization Act of 1977 (MORGA), which consolidated various laws on city incorporation and annexation into one law.

These three laws contained many parallel and duplicative provisions. However, similar procedures varied slightly from one law to another, and the procedures necessary for one type of boundary change were found in vastly different sections of the three laws. Although MORGA was the most current revision of city annexation statutes, many cities in the state were required to use DRA so that areas being annexed could be simultaneously detached from special districts. All three laws contained application and hearing procedures for LAFCOs, but there were inconsistencies among them. This made city and district boundary changes unnecessarily confusing and complicated for local agencies and LAFCOs, as well as for residents and property owners.

In June 1981, the CALAFCO executive board, at the recommendation of Ruth Benell, Los Angeles LAFCO Executive Officer and Chair of the CALAFCO legislative committee, established a subcommittee of LAFCO staff representatives to draft legislation for consolidating the three laws. The subcommittee, composed of Chair Bill Davis (San Mateo LAFCO Executive Officer), Marvin Panter (Fresno LAFCO Executive Officer), and Janet Robinson (Sacramento LAFCO staff), spent three years rewriting the law. In February 1983, the CALAFCO legislative committee, composed of LAFCO commissioners and staff members from around the state, reviewed and made recommendations on a number of problem areas found in consolidating the laws. An expanded CALAFCO technical review committee met in December 1983 to review a draft of the new law, and early in 1984, the draft was approved by the CALAFCO legislative committee and executive board.

Assembly Member Cortese had served on Santa Clara LAFCO while a Santa Clara County Supervisor, as well as on the CALAFCO executive board, and was aware of the problems encountered in working with these laws. In February 1984, he agreed to introduce legislation which would carry out the consolidating effort. He also determined that the bill would be limited to consolidating procedural

requirements and would not include changes in legislative policy. In March and April 1984, Casey Sparks Kaneko, Principal Consultant to the Assembly Local Government Committee, and Legislative Counsel reviewed and revised the draft prepared by CALAFCO. Assembly Member Cortese released the consolidated law in May 1984 as Preprint AB 15 for review and comment by local agencies, the League of California Cities, County Supervisors Association of California (now the California State Association of Counties), California Special Districts Association, Association of California Water Agencies, California Building Industry Association, California Farm Bureau Federation, and other interested groups and individuals. The Assembly Local Government Committee held an interim hearing to receive testimony on Preprint AB 15 at the State Capitol on October 15, 1984. Testimony at the hearing supported the concept of consolidating the three boundary change laws.

The final draft of the consolidated law was introduced by Assembly Member Cortese in December 1984 as AB 115. The bill was heard by the Assembly Local Government and Ways and Means Committees and by the Senate Local Government and Appropriations Committees from March through July 1985. After several minor amendments, AB 115 was approved by the Legislature on August 22, signed by Governor Deukmejian on September 9, and chaptered as Chapter 541, Statutes of 1985.

Several other bills in the 1985 legislative session amended sections of the Government Code affected by AB 115. Assembly Bill 558 (Cortese) conformed these other bills to the new Local Government Reorganization Act and added the name of former Assembly Member John Knox to the new law, co-author of the Knox-Nisbet Act of 1963 which established LAFCOs. AB 558, Chapter 1599, Statutes of 1985, was approved by the Legislature on September 13, the last day of the legislative session, and was signed by the Governor on October 2, 1985, completing the "Cortese-Knox Local Government. Reorganization Act of 1985" to be operative on January 1, 1986.

Numerous sections have been added, amended, or repealed since 1986. Speaker Robert M. Hertzberg introduced AB 2838 in 2000 to comprehensively revise the Act. His bill incorporated many of the recommendations made by the Commission on Local Governance in the 21st Century in its report, "Growth Within Bounds." The extent of revisions resulting from AB 2838 is reflected in the Act's new title: "The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000." The changes made are noted with bold and underlined type. Asterisks indicate deletions. Affected sections for previous years are followed by a reference to the chapter which added, amended, or repealed the section.

OUTLINE

DIVISION 3: CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

PART 1. GENERAL

56000	Chapter 1.	Legislative Findings and Declarations
56010	Chapter 2.	Definitions
56100	Chapter 3.	Introductory and General Provisions
56150	Chapter 4.	Notice

PART 2. LOCAL AGENCY FORMATION COMMISSION

56300	Chapter 1.	General
56325	Chapter 2.	Formation of Commission and Selection of Commissioners
56375	Chapter 3.	Powers
56425	Chapter 4.	Spheres of Influence

PART 3. COMMISSION PROCEEDINGS FOR A CHANGE OF ORGANIZATION OR REORGANIZATION

56653	Chapter 1.	General	
56700.1	Chapter 2.	Form, Filing, and Certification of Petition	
56720	Chapter 3.	Proceedings for Cities	
56720		Article 1.	Incorporation
56730		Article 2.	Special Reorganization
56737		Article 3.	Annexation and Other Changes of Organization
56760		Article 4.	Initiation by Petition
56800	Chapter 4.	Fiscal Provisions	
56800		Article 1.	Comprehensive Fiscal Analysis
56810		Article 2.	Property Tax Exchange
56815		Article 3.	Revenue Neutrality
56820	Chapter 5.	Proceedings for Special Districts	
56820		Article 1.	Representation and Functions
56826		Article 2.	Reorganization
56859		Article 3.	Formation
56864		Article 4.	Initiation by Petition
56875		Article 5.	Miscellaneous
56880	Chapter 6.	Commission Decision	
56880		Article 1.	Determinations
56885		Article 2.	Terms and Conditions
56895		Article 3.	Reconsideration
56897		Article 4.	Amendment

PART 4. CONDUCTING AUTHORITY PROCEEDINGS FOR CHANGES OF ORGANIZATION OR REORGANIZATION

57000	Chapter 1.	General
57025	Chapter 2.	Notice of Hearing

57050	Chapter 3.	Conduct of Hearing
57075	Chapter 4.	Resolution of Conducting Hearing
57100	Chapter 5.	Resolution for Order Subject to Election
57125	Chapter 6.	Elections
57176	Chapter 7.	Resolution Confirming Election Results
57200	Chapter 8.	Completion and Effective Date of Change of Organization or Reorganization
	PART 5.	TERMS AND CONDITIONS AND EFFECT OF A CHANGE OF ORGANIZATION OR REORGANIZATION
57302	Chapter 1.	General
57330	Chapter 2.	Effect of Annexation
57350	Chapter 3.	Effect of Detachment
57379	Chapter 4.	Effect of Incorporation
57402	Chapter 5.	Effect of Disincorporation
57450	Chapter 6.	Effect of Dissolution
57475	Chapter 7.	Effect of Consolidation of Cities
57500	Chapter 8.	Effect of Consolidation of Districts
57525	Chapter 9.	Mergers and the Establishment of Subsidiary Districts
57550	Chapter 10.	Effect of Reorganization

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	**Post 1/1/01**		
Section Number	**Section Number**	**Subject**	**Notes/Change Reference**
Education Code			
---	**35700.5 (new)**	Notification	**Rec 3-1**
35721	**35721**	District reorganization	**Rec 3-2**
---	**35721.5 (new)**	Notification	**Rec 3-1**
Government Code			
34880	**34880**	Council size for new city	**Rec 4-16**
56000	**56000**	Title	**Title change**
56001	**56001**	Legislative Intent	**Rec 3-5 & 5-1**
56010 – 56020	56010 – 56020	Definitions	
---	**56020.5 (new)**	Definition	**Conducting authority**
---	**56020.7 (new)**	Definition	**Conducting authority**
56021	56021	Definition	
56022	**Repeal**	Definition	**Rec 4-4**
56023 – 56028	56023 – 56028	Definitions	
56029	**56029**	Definition	**Conducting authority**
56029(a) – (f)	**Repeal**	Definition	**Conducting authority**
56029(g)	**56859**	Formation of a district	**Conducting authority**
56030 – 56035	56030 – 56035	Definitions	
56036	**56036**	Definition	**Conducting authority**
56037	56037	Definition	
---	**56037.5 (new)**	Definition	**Conducting authority**
56038	56038	Definition	
---	**56038.5 (new)**	Definition	**Rec 3-15**
56039 – 56047	56039 – 56047	Definitions	
56048	**56048**	Definition	**Rec 4-5**
56049 - 56058	56049 - 56058	Definitions	
56059	56059	Definition	
56060 - 56063	56060 - 56063	Definitions	
56064	**56064**	Definition	**Rec 6-1**
56065 - 56066	56065 - 56066	Definitions	
56067	**56067**	Definition	**Conducting authority**
56068	**56068**	Definition	**Rec 4-4**
56069	**56069**	Definition	**Rec 3-2**
56070 - 56079	56070 - 56079	Definitions	
---	**56079.5 (new)**	Definition	
56080 - 56081	56080 - 56081	Definitions	
56100	**56100**	Written policies	**Rec 5-2**
56101	**56101**	General provisions	**Revise dates**
56102 – 56105	56101 - 56105	General provisions	
56106	56106	General provisions	
56107	**56107**	General provisions	**Rec 3-16**
56108	56740	State Lands Commission	
56109	56744	Annexation surrounded by Pacific Ocean	
56110	56741	Annexation in same county	

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	Post 1/1/01		
Section Number	Section Number	Subject	Notes/Change Reference
56111	56742	Noncontiguous annexation	
56111.1	Repeal	City of Soledad annexation	**Rec 4-8**
---	**56742.5 (new)**	Noncontiguous annexation	**56111.2 in Rec 4-8**
56111.5	56743	City of Willits annexation	
56111.6	Repeal	City of Blythe annexation	**Rec 4-8**
56111.7	Repeal	City of Susanville annexation	**Rec 4-8**
56111.9	Repeal	City of Calipatria annexation	**Rec 4-8**
56111.10	Repeal	Cresent City annexation	**Rec 4-8**
56111.11	Repeal	City of El Centro annexation	**Rec 4-8**
56111.12	Repeal	City of Chowchilla annexation	**Rec 4-8**
56111.13	Repeal	City of Tehachapi annexation	**Rec 4-8**
56111.14	Repeal	City of Coalinga	**Rec 4-8**
56112	**56745**	Conducting authority	**Conducting authority**
56113	56746	1978 island annexation	
56114	56747	Road strip annexation	
56116 - 56122	56116 – 56122	Various	
56123	**56123**	Various	**Rec 5-8**
56124	**56124**	Various	**Rec 5-8**
56125 - 56131.5	56125 - 56131.5	Various	
56132	56132	Various	
56133	**56133**	Various	**Rec 6-6**
56150	**56150**	Various	**Rec 8-1**
---	**56150.5 (new)**	Various	**Rec 3-15**
56151 – 56153	56151 – 56153	Notice	
56154	**56154**	Notice	**Rec 8-1 & 4-6**
56155	56155	Notice	
56156	**56156**	Notice	**Rec 8-1 & 4-6**
56157	**56157**	Notice	**Rec 3-11, 4-5, & 4-5**
56158	56158	Notice	
56159	**56159**	Notice	**Rec 8-1 & 4-6**
56160	56160	Notice	
56300	**56300**	Legislative Intent	**Rec 3-8, 3-9, & 3-23**
56301	**56301**	Legislative Intent	**Rec 5-1 & 3-5**
56302	56302	Comm on Local Governance	
56325	**56325**	Composition of commission	**Rec 3-18**
---	**56325.1 (new)**	Composition of commission	**Rec 3-19**
56326 - 56329	**56326 - 56329**	Composition of commission	**Rec 3-18**
56330	Repeal	Composition of commission	**Rec 3-18**
56331	56331	Composition of commission	
56331.3	56331.3	Composition of commission	
56332	**56332**	Composition of commission	**Rec 5-4**
---	**56332.5 (new)**	Composition of commission	**Rec 5-4**
56333	56333	Composition of commission	
56334	**56334**	Composition of commission	**Rec 3-17**
56335 - 56337	56335 - 56337	Composition of commission	

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	**Post 1/1/01**		
Section Number	**Section Number**	**Subject**	**Notes/Change Reference**
56375 [except (d) and (g)	**56375**	Powers and duties of LAFCO	**Rec 3-7, 4-10, 5-7, & 6-2**
56375 (d)	**56375.3**	Powers and duties	**Conducting authority**
56375 (g)	**56737**	Annexation of inhabited territory	**Technical**
56375.1	56720	Incorporation findings	
56375.4(a)	**56856(a)**	Annexation - farmland	**Technical - split & move**
56375.4(b)	**56856(b)**	Annexation - farmland	**Technical - split & move**
56375.4(c)	**56749(a) AND 56749(b) (new)**	Annexation - farmland	**Technical - split & move**
56375.45	56750	Change of organization – farmland	
56375.5	**56375.5**	Spheres of influence	**Expand cross-reference**
56376 – 56376.5	56375.5 – 56376.5	Spheres of influence	
56377	56377	Spheres of influence	
56378 - 56379	56378 - 56379	Spheres of influence	
56380	**56380 (new)**	Commission quarters	**Rec 3-20, repeal and add**
56381	**56381**	Commission budget	**Rec 3-24**
---	**56381.6 (new)**	Special cost allocation	**Rec 3-24**
56382	56382	Records	
56383	**56383**	Fees	**Rec 4-14 & 4-3**
56384	**56384**	Commission staff	**Rec 3-20**
56385 - 56388	56385 - 56388	various	
56425	**56425**	Spheres of Influence	**Rec 6-5 & 5-4**
---	**56425.5 (new)**	Spheres of Influence	**Restore AB 1544 chaptering out**
56426	**Repeal**	Spheres of Influence	
56426.5 – 56428	56426.5 – 56428	Spheres of Influence	
---	**56429 (new)**	Spheres of influence	**Added by AB 1544**
---	**56430 (new)**	Comprehensive service review	**Rec 6-7**
---	**56434 (new)**	Public works infrastructure	**Sec 56430 in Rec 6-8**
56450	**56820**	Special district functions	**Rec 5-4**
56451	56820.5	Special district functions	
56452	56820.7	Special district functions	
56453	**56821**	Special district functions	**Rec 5-4**
56454	56821.1	Special district functions	
56455	56821.3	Special district functions	
56456	56821.5	Special district functions	
56457	56821.7	Special district functions	
56458	56822	Special district functions	
56459	56822.3	Special district functions	
56460	56822.5	Special district functions	
56461	56823	Special district functions	
56462	56824	Special district functions	
56463	**56824.1**	Special district functions	**Rec 5-4**
56464	56824.3	Special district functions	
56465	56824.5	Special district functions	

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	**Post 1/1/01**		
Section Number	**Section Number**	**Subject**	**Notes/Change Reference**
56466	**56824.7**	Special district functions	**Rec 5-4**
56475	**56826**	Reorganization plan contents	**Additional cross-reference**
56476	56827	No referral to reorganization committee	
56477	56828	Public hearing	
56478	56829	Notice of hearing	
56479	56830	Mailed notice	
56480	56831	Commission action - hearing	
56481	56832	Expenses of reorganization committee	
56482	56833	Resolution referring proposal to committee	
56483	56834	Course of study	
56484	56835	Copy of resolution to each subject district	
56485	56836	Persons who serve on committee	
56486	56837	Appointment of members	
56487	56838	Notice by clerk	
56488	56839	Commission appointment of members	
56489	56840	Change in membership	
56490	56841	Presiding officer and secretary	
56491	56842	Quorum	
56492	56843	Additional members	
56493	56844	Commission study	
56494	56845	Additional members – rights and duties	
56495	56846	Affected agencies to furnish information	
56496	56847	Report and recommendations	
56497	56848	Approval of report	
56498	56849	Report filed with executive officer	
56650	56650	Proceedings initiation by petition	
56650.5	56650.5	""	
56651	56651	""	
56652	56652	""	
56653	**56653**	""	**Rec 3-2**
56656	**Repeal**	Special Commission on Los Angeles Boundaries	**Rec 4-15**
---	**56728.3 (new)**	Special reorganization	**Sec 56657 in Rec 4-15**
56657	56728.5	Appropriation (Ch 924/99)	
56700	56700	Petition contents	

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	Post 1/1/01		
Section Number	Section Number	Subject	Notes/Change Reference
---	**56700.1 (new)**	Petition contents	**Rec 3-22**
56700.3	56738	Williamson Act contract – petition	
---	**56700.4 (new)**	Petition contents	**56700.3 in Rec 4-2**
56700.5	56760	Prior to circulating a petition	
56701	**56722 and 56860.5**	Incorporation petition – new name for city	**Technical - split city & special district**
56702	56723	Incorporation petitions – city manager	
56703	56703	Petitions	
56704	56704	Petitions	
56705	56705	Signatures	
56706	**56706**	Certificate of sufficiency	**Rec 4-3 & 4-5**
56707	56707	Registered voter petition	
56708	**56708**	Landowner petition/ last equalized assessment roll	**Rec 4-5**
56709	56709	Insufficient petition	
56710	**56710**	Assessed value	**Rec 4-5**
56711	56711	Agency deemed landowner	
56750	56764	Incorporation	
56751	56765	Disincorporation	
56752	**56766**	Consolidation	**Rec 4-1**
56753	**56767**	City annexation	**Rec 4-1**
56754	**56768**	City detachment	**Rec 4-1**
56755	**56864**	District annexation or detachment	**Rec 4-1**
56756	56860	District formation	
56757	56865	Consolidation of districts	
56758	**56870**	District dissolution	**Rec 4-1**
56759	56871	District dissolution – non-user of corporate powers	
56760	**56866**	Merger or subsidiary district	**Rec 4-1**
56761	56864.1	Reorganization	
56762	56864.3	Person qualified to sign	
56800	56654	Proposal made by resolution	
56800.3	56752	Annexation to a city: Williamson Act	
56801	56755	Hearing on resolution of application – Island provisions only	
56802	56756	Certified copy of resolution	
56825	**Repeal**	Powers & Duties	
56826	56757	Reorganization in Santa Clara County	
56827	56655	Two or more proposals pending	

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	Post 1/1/01		
Section Number	Section Number	Subject	Notes/Change Reference
56827.5	56657	Conflicting proposals	
56828	**56658**	Application	
56828.5	56753.5	Notice to Director of Conservation	
56829	56861	Subsidiary district proposal	
56830	56862	Subsidiary district – alternative proposal	
56831	56863	Subsidiary district – commission action	
56832	56875	Proposal to furnish gas or electric service	
56833	56665	Executive Officer report	
56833.1	**56800**	Comprehensive fiscal analysis	**Rec 4-12**
56833.3	56801	Review of CFA by controller	
56833.5	56802	Incorporation of territory within Mountain House CSD	
56834	56660	Notice of hearing	
56835	**56661**	Mailed notice	**Rec 8-1**
56835 (g)	56753	Mailed notice to Director of Conservation	
56836	56662	Determinations without notice and hearing	
56837	**56663**	Annexation without notice and hearing	**Conducting authority**
56838	56664	Public hearing	
56839	56853	Consolidation or reorganization of districts	
56839.1	**56854**	Authorization or reorganization without election	**Conducting authority**
56840	56666	Hearing requirements	
56840.5	56667	Executive Officers Report: revenue loss	
56841	**56668**	Factors to be considered	**Rec 4-9, 6-4, 3-6, & 5-10**
---	**56668.5 (new)**	Regional growth goals	**Rec 4-9, 6-4, 3-6, & 5-10**
56842	56810	Property Tax Exchange	
56842.2	**Repeal**	Property Tax Exchange – 1977-78 FY	**Rec 3-10**
56842.5	56811	Determination of appropriations limit	
56842.6	56812	City appropriations limit	
56842.7	56754	Annexation to a city: Williamson Act	
56843	**56885.5**	Conditional approval	**Sec 56843 in Rec 5-6**
56844	56886	Terms and conditions	
56844.1	56887	Coastal Commission	

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	Post 1/1/01		
Section Number	Section Number	Subject	Notes/Change Reference
56844.2 (1)	56888	Public employees (Special reorganization)	
56844.2 (2)	56889	Annexations subject to Williamson Act (Special Reorganization)	
56845	56815	Revenue neutrality	
---	**56815.2 (new)**	Revenue neutrality	**Sec 56845.2 in Rec 4-11**
56846	56890	Terms and conditions applicability	
56847	56887.5	Constitutional limitations	
56848	56848	Repealed	
56848.3	56855	Annexation – Fire protection districts	
56848.5	56758	Annexation – Los Angeles County	
56849	56876	Election for district annexation or detachment	
56850	56759	Annexation – Population and assessed value	
56851	56880	Resolution making determinations – adoption	
56852	**56881**	Resolution making determinations – contents	**Conducting authority**
56852.3	56803	Finding in executive officer report	
56852.5	56727	Incorporation – election of officers	
---	**56852.7 (new)**	Incorporation of a city of more than 1,000,000 population	**AB 185**
56853	56882	Resolution making determinations – mailing	
56854	**56883**	Resolution making determinations – errors or mistakes	**Conducting authority**
56855	56884	Disapproval – waiting period	
56856	56885	Continuance authorized	
56857	**56895**	Reconsideration	**Rec 3-14**
56858	56897	Approval of amendment	
56859	56898	Impartial analysis	
---	**56886.5 (new)**	Formation of gov't	**Sec 56842.7 in Rec 3-5 & 5-1**
57000 (a) & (b)	**57000 (a) & (b)**	Conducting Authority Election	**Conducting authority**
---	**57000 (c) (new)**	Conducting Authority Election	**Rec 3-11**
---	**57000 (d) (new)**	Conducting Authority Election	**Rec 3-11**
---	**57000 (e) (new)**	Conducting Authority Election	**Rec 3-11**
---	**57000 (f) (new)**	Conducting Authority Election	**Rec 3-11**
57001	**57001**	Conducting Authority process	**Rec 3-12**

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	Post 1/1/01		
Section Number	Section Number	Subject	Notes/Change Reference
57002	**57002**	Conducting Authority process	**Conducting authority**
57003	**57003**	Conducting Authority process	**Conducting authority**
57004	**Repeal**	Conducting Authority process	**Rec 3-11 & 4-5**
57005	**Repeal**	Conducting Authority process	**Not necessary**
57006	**Repeal**	Conducting Authority process	**Not necessary**
57007	**57007**	District formation proceedings	**Conducting authority**
57008	**57008**	Hearings	**Conducting authority**
57025 - 57026	**57025 - 57026**	Hearings	**Rec 3-11 & 4-5**
57027 - 57052	**57027 - 57052**	Hearings	**Conducting authority**
57053	**56886.3**	Hearings	**Conducting authority**
57075 - 57078	**57075 - 57078**	Protests	**Conducting authority**
---	**57078.5 (new)**	Separation of protests	**Rec 4-7**
57079	**Repeal**	Hearings	**Rec 3-13**
57079.3	**57079.3**	City & county of Sacramento	**Technical**
57079.5	**56668.3**	Factors to be considered	**Rec 3-13**
57080	**57080**	Resolution of annexation	**Conducting authority**
57081	**57081**	Conducting authority	**Conducting authority**
57082	**57100**	Conducting authority	**Conducting authority**
57082.5	**57101**	Conducting authority	**Conducting authority**
57083	**57102**	Conducting authority	**Conducting authority**
57083.5	**57103**	Conducting authority	**Conducting authority**
57084	57104	Conducting authority	
57085	**57105**	Conducting authority	**Conducting authority**
57086	57106	Conducting authority	
57087	**57107**	Conducting authority	**Conducting authority**
57087.3	57087.3	Conducting authority	
57087.5	**57108**	Conducting authority	**Conducting authority**
57087.7	**57109**	Conducting authority	**Conducting authority**
57088	57110	Conducting authority	
57089	57111	Conducting authority	
57090	57090	Conducting authority	
57091	**57112**	Conducting authority	**Conducting authority**
57092	**57113**	Conducting authority	**Conducting authority**
57093	**57114**	Conducting authority	**Conducting authority**
57100	**57115**	Conducting authority	**Conducting authority**
57101	**57116**	Conducting authority	**Conducting authority**
57102	**57117**	Conducting authority	**Conducting authority**
57103	**57118**	Conducting authority	**Conducting authority**
57103.1	**57119**	Conducting authority	**Conducting authority**
57104	**57120**	Conducting authority	**Conducting authority**
57125 - 57174	**57125 - 57174**	Conducting authority	**Conducting authority**
57175	**Repeal**	Elections canvass	**Not necessary**
57176 - 57204	**57176 - 57204**	Conducting authority	**Conducting authority**
57300 – 57550	57300 – 57550	Effect of reorganizations	

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Prior to 1/1/01			
(A)	(B)	(C)	(D)(E)
Pre-1/1/01	**Post 1/1/01**		
Section Number	**Section Number**	**Subject**	**Notes/Change Reference**
Revenue and Taxation Code Code			
99	**99**	District consultation on master property tax exchange	**Rec 5-3**
NOTES:			
(A) Section number prior to statutory changes effective 1/1/01.			
(B) Section reference as renumbered in AB 2838; **BOLD** means section was amended.			
(C) Brief description of subject.			
(D) **"Rec"** indicates the recommendation number from "Growth Within Bounds" related to the change.			
(E) **Conducting Authority** means the only change is related to Recommendation 3-11 (conducting authority).			
HEADING CHANGES:			
Part 3, Chapter 3:	Eliminate Article 4 heading		
	Eliminate Article 5 heading		
	Eliminated Article 6 heading		
	Change Article 5 to Article 4		
	Add new Article 5 before Section 56760: "Initiation by Petition"		
Part 3, Chapter 4:	Change title from "Comprehensive Fiscal Analysis" to "Fiscal Provisions"		
Part 3, Chapter 5:	Add new Article 1 at Section 56450, et seq (renumbered to 56820, et seq), and		
	titled "Representation & Functions"; renumber remaining articles in Chapter 5.		
	Eliminate Article 4 heading		
	Eliminate Article 5 heading		
	Change Article 6 to Article 5		
	Add new Article 4 before Section 56864: "Initiation by Petition"		
Part 3, Chapter 6:	Change title from "Commission Approval" to "Commission Decision"		

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(a)	(b)	(c)	(d)(e)
Post 1/1/01	Pre-1/1/01		
Sec. Number	Section Number	Subject	Notes/Change Reference
Education Code			
35700.5 (new)	---	Notification	Rec 3-1
35721	35721	District reorganization	Rec 3-2
35721.5 (new)	---	Notification	Rec 3-1
Government Code			
34880	34880	Council size for new city	Rec 4-16
56000	56000	Legislative Intent	Title change
56001	56001	Legislative Intent	Rec 3-5 & 5-1
56010 – 56020	56010 – 56020	Definitions	
56020.5 (new)	---	Definition	Conducting authority
56020.7 (new)	---	Definition	Conducting authority
56021	56021	Definition	
56023 – 56028	56023 – 56028	Definitions	
56029 (excl a-f)	56029 – 56029(f)	Definition	Conducting authority
56030 – 56035	56030 – 56035	Definitions	
56036	56036	Definition	Conducting authority
56037	56037	Definition	
56037.5 (new)	---	Definition	Conducting authority
56038	56038	Definition	
56038.5 (new)	---	Definition	Rec 3-15
56039 – 56047.5	56039 – 56047	Definitions	
56048	56048	Definition	Rec 4-5
56049 - 56058	56049 - 56058	Definitions	
56059	56059	Definition	
56060 - 56063	56060 - 56063	Definitions	
56064	56064	Definition	Rec 6-1
56065 - 56066	56065 - 56066	Definitions	
56067	56067	Definition	Conducting authority
56068	56068	Definition	Rec 4-4
56069	56069	Definition	Rec 3-2
56070 - 56079	56070 - 56079	Definitions	
56080 - 56081	56080 - 56081	Definitions	
56100	56100	Written policies	Rec 5-2
56100.1	---	Disclosure of contributions	Rec 3-23
56101	56101	General provisions	Technical - revise dates
56102	56102	General provisions	
56103	56103	General provisions	
56104	56104	General provisions	
56105	56105	General provisions	
56106	56106	General provisions	
56107	56107	General provisions	Rec 3-16
56116 – 56122	56116 - 56122	Various	
56123	56123	Various	Rec 5-8
56124	56124	Various	Rec 5-8
56125 - 56131.5	56125 - 56131.5	Various	

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Post 1/1/01	Pre-1/1/01		
Sec. Number	Section Number	Subject	Notes/Change Reference
56132	56132	Various	
56133	56133	Various	**Rec 6-6**
56150	56150	Various	**Rec 8-1**
56151 – 56153	56151 – 56153	Notice	
56154	56154	Notice	**Rec 8-1 & 4-6**
56155	56155	Notice	
56156	56156	Notice	**Rec 8-1 & 4-6**
56157	56157	Notice	**Rec 3-11, 4-5, & 4-5**
56158	56158	Notice	
56159	56159	Notice	**Rec 8-1 & 4-6**
56160	56160	Notice	
56300	56300	Legislative Intent	**Rec 3-8, 3-9, & 3-23**
56301	56301	Legislative Intent	**Rec 5-1 & 3-5**
56302	56302	Comm on Local Governance, 21st Cent	
56325	56325	Composition of commission	**Rec 3-18**
56325.1 (new)	---	Composition of commission	**Rec 3-19**
56326	56326	Composition of commission	**Rec 3-18**
56326.5	56326.5	Composition of commission	**Rec 3-18**
56327	56327	Composition of commission	**Rec 3-18**
56327.3 (new)	--	Santa Clara Co. membership	
56328	56328	Composition of commission	**Rec 3-18**
56329	56329	Composition of commission	**Rec 3-18**
56331	56331	Composition of commission	
56331.3	56331.3	Composition of commission	
56332	56332	Composition of commission	**Rec 5-4**
56332.5 (new)	---	Composition of commission	**Rec 5-4**
56333	56333	Composition of commission	
56334	56334	Composition of commission	**Rec 3-17**
56335 - 56337	56335 - 56337	Composition of commission	
56375	56375 [except (d) and (g)]	Powers and duties of LAFCO	**Rec 3-7, 4-10, 5-7, & 6-2**
56375.3	56375(d)	Island annexations (moved)	**Moved; no changes**
56375.5	56375.5	Spheres of influence	**Expand cross-reference**
56376 – 56376.5	56376 – 56376.5	Spheres of influence	
56377	56377	Spheres of influence	
56378 - 56379	56378 - 56379	Spheres of influence	
56380 (new)	56380	Commission quarters	**Rec 3-20, repeal and add**
56381	56381	Commission budget	**Rec 3-24**
56381.6 (new)	--	Cost allocation - 4 counties	
56382	56382	Records	
56383	56383	Fees	**Rec 4-14 & 4-3**
56384	56384	Commission staff	**Rec 3-20**
56385 - 56388	56385 - 56388	various	
56425	56425	Spheres of Influence	**Rec 6-5 & 5-4**
56425.5 (new)	---	Spheres of Influence	**Restore AB 1544 chaptering out**

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	**Pre-1/1/01**		
Sec. Number	**Section Number**	**Subject**	**Notes/Change Reference**
56426.5 – 56428	56426 – 56428	Spheres of Influence	
56429 (new)	---	Spheres of influence	**Added by AB 1544**
56430 (new)	---	Comprehensive service review	**Rec 6-7**
56434 (new)	--	Public works infrastructure	**Rec 6-8**
56650	56650	Proceedings: initiation by petition	
56650.5	56650.5	""	
56651	56651	""	
56652	56652	""	
56653	56653	""	**Rec 3-2**
56654	56800	Proposal made by resolution	
56655	56827	Two or more proposals pending	
56657	56827.5	Conflicting proposals	
56658	56828	Application	
56660	56834	Notice of hearing	
56661	56835	Mailed notice	**Rec 8-1**
56662	56836	Determinations without notice and hearing	
56663	56837	Annexation without notice and hearing	**Conducting authority**
56664	56838	Public hearing	
56665	56833	Executive Officer report	
56666	56840	Hearing requirements	
56667	56840.5	Executive Officers Report: revenue loss	
56668	56841	Factors to be considered	**Rec 4-9, 6-4, 3-6, & 5-10**
56668.3	57079.5	Factors to be considered	**Rec 4-9, 6-4, 3-6, & 5-10**
56668.5 (new)	---	Regional growth goals	**Rec 4-9, 6-4, 3-6, & 5-10**
56700	56700	Petition contents	
56700.1 (new)	---	Petition contents	**Rec 3-22**
56700.4 (new)	---	Petition contents	**56700.3 in Rec 4-2**
56703	56703	Petitions	
56704	56704	Petitions	
56705	56705	Signatures	
56706	56706	Certificate of sufficiency	**Rec 4-3 & 4-5**
56707	56707	Registered voter petition	
56708	56708	Landowner petition/ last equalized assessment roll	**Rec 4-5**
56709	56709	Insufficient petition	
56710	56710	Assessed value	**Rec 4-5**
56711	56711	Agency deemed landowner	
56720	56375.1	Incorporation findings	
56722	56701	Incorporation petition – new name for city	**Technical - split city & special district**
56723	56702	Incorporation petitions – city manager	
56727	56852.5	Incorporation – election of officers	
56728.5	56657	Appropriation (Ch 924/99)	**Not codified?**
56730 (new)	---	Special reorganization	**Sec 56657 in Rec 4-15**
56737	56375 (g)	Annexation of inhabited territory	**Technical**
56738	56700.3	Williamson Act contract – petition	

Local Government Reorganization Act Amendments and Re-numbering			
Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	Pre-1/1/01		
Sec. Number	Section Number	Subject	Notes/Change Reference
56740	56108	State Lands Commission	
56741	56110	Annexation in same county	
56742	56111	Noncontiguous annexation	
56742.5 (new)	---	Noncontiguous annexation	**56111.2 in Rec 4-8**
56743	56111.5	City of Willits annexation	
56744	56109	Annexation surrounded by Pacific Ocean	
56745	56112	Conducting authority	**Conducting authority**
56746	56113	1978 island annexation	
56747	56114	Road strip annexation	
56749(a)	56375.4(a)	Annexation - farmland	
56749(b) (new)	56375.4(c)	Annexation - farmland	**Technical - split & move**
56750	56375.45	Change of organization – farmland	
56751 (new)	--	City detachment	**Rec. 3-13**
56752	56800.3	Annexation to a city: Williamson Act	
56753	56835 (g)	Mailed notice to Director of Conservation	
56753.5	56828.5	Notice to Director of Conservation	
56754	56842.7	Annexation to a city: Williamson Act	
56755	56801	Hearing on resolution of application – Island provisions only	
56756	56802	Certified copy of resolution	
56757	56826	Reorganization in Santa Clara County	
56758	56848.5	Annexation – Los Angeles County	
56759	56850	Annexation – Population and assessed value	
56760	56700.5	Prior to circulating a petition	
56764	56750	Disincorporation	
56765	56751	Consolidation	
56766	56752	City detachment	
56767	56753	City annexation	**Rec 4-1**
56768	56754	City annexation	**Rec 4-1**
56800	56833.1	Comprehensive fiscal analysis	**Rec 4-12**
56801	56833.3	Review of CFA by controller	
56802	56833.5	Incorporation of territory within Mountain House CSD	
56803	56852.3	Finding in executive officer report	
56810	56842	Property Tax Exchange	
56811	56842.5	Determination of appropriations limit	
56812	56842.6	City appropriations limit	
56815	56845	Revenue neutrality	
56815.2 (new)	---	Revenue neutrality	**Sec 56845.2 in Rec 4-11**
56820	56450	Special district functions	**Rec 5-4**
56820.5	56451	Special district functions	
56820.7	56452	Special district functions	
56821	56453	Special district functions	**Rec 5-4**
56821.1	56454	Special district functions	
56821.3	56455	Special district functions	

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	**Pre-1/1/01**		
Sec. Number	**Section Number**	**Subject**	**Notes/Change Reference**
56821.5	56456	Special district functions	
56821.7	56457	Special district functions	
56822	56458	Special district functions	
56822.3	56459	Special district functions	
56822.5	56460	Special district functions	
56823	56461	Special district functions	
56824	56462	Special district functions	
56824.1	56463	Special district functions	**Rec 5-4**
56824.3	56464	Special district functions	
56824.5	56465	Special district functions	
56824.7	56466	Special district functions	**Rec 5-4**
56826	56475	Reorganization plan contents	**Additional cross-reference**
56827	56476	No referral to reorganization committee	
56828	56477	Public hearing	
56829	56478	Notice of hearing	
56830	56479	Mailed notice	
56831	56480	Commission action - hearing	
56832	56481	Expenses of reorganization committee	
56833	56482	Resolution referring proposal to committee	
56834	56483	Course of study	
56835	56484	Copy of resolution to each subject district	
56836	56485	Persons who serve on committee	
56837	56486	Appointment of members	
56838	56487	Notice by clerk	
56839	56488	Commission appointment of members	
56840	56489	Change in membership	
56841	56490	Presiding officer and secretary	
56842	56491	Quorum	
56843	56492	Additional members	
56844	56493	Commission study	
56845	56494	Additional members – rights and duties	
56846	56495	Affected agencies to furnish information	
56847	56496	Report and recommendations	
56848	56497	Approval of report	
56849	56498	Report filed with executive officer	
56852.7 (new)	---	Incorporation of a city of more than 1,000,000 population	**AB 185**
56853	56839	Consolidation or reorganization of districts	
56854	56839.1	Authorization or reorganization without election	**Conducting authority**
56855	56848.3	Annexation – Fire protection districts	
56856(a)	56375.4(a)	Annexation - farmland	**Technical - split & move**
56856(b)	56375.4(b)	Annexation - farmland	**Technical - split & move**
56857 (new)	--	District annexation	**Rec. 3-13**
56859	56029(g)	Formation of a district	**Conducting authority**

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	**Pre-1/1/01**		
Sec. Number	**Section Number**	**Subject**	**Notes/Change Reference**
56860	56756	District formation	
56860.5 (new)	56701	Incorporation petition – new name for city	**Technical - split city & special district**
56861	56829	Subsidiary district proposal	
56862	56830	Subsidiary district – alternative proposal	
56863	56831	Subsidiary district – commission action	
56864	56755	District annexation or detachment	**Rec 4-1**
56864.1	56761	Reorganization	
56864.3	56762	Person qualified to sign	
56865	56757	Consolidation of districts	**Rec 4-1**
56866	56760	Merger or subsidiary district	**Rec 4-1**
56870	56758	District dissolution	**Rec 4-1**
56871	56759	District dissolution – non-user of corporate powers	
56875	56832	Proposal to furnish gas or electric service	
56876	56849	Election for district annexation or detachment	
56880	56851	Resolution making determinations – adoption	
56881	56852	Resolution making determinations – contents	**Conducting authority**
56882	56853	Resolution making determinations – mailing	
56883	56854	Resolution making determinations – errors or mistakes	**Conducting authority**
56884	56855	Disapproval – waiting period	
56885	56856	Continuance authorized	
56885.5	56843	Conditional approval	**Sec 56843 in Rec 5-6**
56886	56844	Terms and conditions	
56886.3	57053	Terms and conditions	
56886.5 (new)	---	Formation of gov't	**Sec 56842.7 - Rec 3-5 & 5-1**
56887	56844.1	Coastal Commission	
56887.5	56847	Constitutional limitations	
56888	56844.2 (1)	Public employees (Special reorganization)	
56889	56844.2 (2)	Annexations subject to Williamson Act (Special Reorganization)	
56890	56846	Terms and conditions applicability	
56895	56857	Reconsideration	**Rec 3-14**
56897	56858	Approval of amendment	
56898	56859	Impartial analysis	
57000 (a)	57000 (a)	Conducting Authority Election	**Conducting authority**
57000 (b)	57000 (b)	Conducting Authority Election	**Conducting authority**
57000 (c) (new)	---	Conducting Authority Election	**Rec 3-11**
57000 (d) (new)	---	Conducting Authority Election	**Rec 3-11**
57000 (e) (new)	---	Conducting Authority Election	**Rec 3-11**
57000 (f) (new)	---	Conducting Authority Election	**Rec 3-11**

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Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	**Pre-1/1/01**		
Sec. Number	**Section Number**	**Subject**	**Notes/Change Reference**
57001	57001	Conducting Authority process	**Rec 3-12**
57002	57002	Conducting Authority process	**Conducting authority**
57003	57003	Conducting Authority process	**Conducting authority**
57007	57007	District formation proceedings	**Conducting authority**
57008	57008	Hearings	**Conducting authority**
57025	57025	Hearings	**Rec 3-11 & 4-5**
57026	57026	Hearings	**Rec 3-11 & 4-5**
57050	57050	Hearings	**Conducting authority**
57051	57051	Hearings	**Conducting authority**
57052	57052	Hearings	**Conducting authority**
57075	57075	Protests	**Conducting authority**
57075.5	57075.5	Protests	**Conducting authority**
57076	57076	Protests	**Conducting authority**
57077	57077	Protests	**Conducting authority**
57078	57078	Protests	**Conducting authority**
57078.5 (new)	---	Separation of community protests	**Rec 4-7**
57079.3	57079.3	City & County of Sacramento	**Technical**
57080	57080	Resolution of annexation	**Conducting authority**
57081	57081	Hearings	**Conducting authority**
57087.3	57087.3	Conducting authority	
57090	57090	Conducting authority	
57100	57082	Conducting authority	**Conducting authority**
57101	57082.5	Conducting authority	**Conducting authority**
57102	57083	Conducting authority	**Conducting authority**
57103	57083.5	Conducting authority	**Conducting authority**
57104	57084	Conducting authority	
57105	57085	Conducting authority	**Conducting authority**
57106	57086	Conducting authority	**Conducting authority**
57107	57087	Conducting authority	**Conducting authority**
57108	57087.5	Conducting authority	**Conducting authority**
57109	57087.7	Conducting authority	**Conducting authority**
57110	57088	Conducting authority	
57111	57089	Conducting authority	
57112	57091	Conducting authority	**Conducting authority**
57113	57092	Conducting authority	**Conducting authority**
57114	57093	Conducting authority	**Conducting authority**
57115	57100	Conducting authority	**Conducting authority**
57116	57101	Conducting authority	**Conducting authority**
57117	57102	Conducting authority	**Conducting authority**
57118	57103	Conducting authority	**Conducting authority**
57119	57103.1	Conducting authority	**Conducting authority**
57120	57104	Conducting authority	**Conducting authority**
57125	57125	Conduct of elections	**Conducting authority**
57126	57126	Conduct of elections	**Conducting authority**
57127	57127	Conduct of elections	**Conducting authority**
57127.5	57127.5	Conduct of elections	

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	Pre-1/1/01		
Sec. Number	Section Number	Subject	Notes/Change Reference
57128	57128	Conduct of elections	
57129	57129	Conduct of elections	**Conducting authority**
57130	57130	Conduct of elections	**Conducting authority**
57131	57131	Conduct of elections	
57132	57132	Conduct of elections	
57132.5	57132.5	Conduct of elections	
57133	57133	Conduct of elections	**Conducting authority**
57134	57134	Conduct of elections	
57135	57135	Conduct of elections	
57136	57136	Conduct of elections	
57137	57137	Conduct of elections	
57138	57138	Conduct of elections	**Conducting authority**
57139	57139	Conduct of elections	
57140	57140	Conduct of elections	
57141	57141	Conduct of elections	
57142	57142	Conduct of elections	
57143	57143	Conduct of elections	
57144	57144	Conduct of elections	**Conducting authority**
57145	57145	Conduct of elections	**Conducting authority**
57146	57146	Conduct of elections	**Conducting authority**
57147	57147	Conduct of elections	
57148	57148	Conduct of elections	**Conducting authority**
57149	57149	Conduct of elections	**Conducting authority**
57150	57150	Conduct of elections	**Conducting authority**
57176	57176	Certificate of Completion	**Conducting authority**
57176.1	57176.1	Certificate of Completion	**Conducting authority**
57177	57177	Certificate of Completion	**Conducting authority**
57177.5	57177.5	Certificate of Completion	**Conducting authority**
57178	57178	Certificate of Completion	**Conducting authority**
57179	57179	Certificate of Termination	**Conducting authority**
57200	57200	Completion of proceedings	**Conducting authority**
57201	57201	Certificate of Completion	**Conducting authority**
57202	57202	Effective date	
57203	57203	Recordation	
57204	57204	Filings	
57300 - 57401	57300 - 57401	Effect of reorganizations	
57402	57402	Certification	**Conducting authority**
57403	57403	Disencorporation	
57404	57404	Certified statement	**Conducting authority**
57405 – 57550	57405 – 57550	Effect of reorganizations	
Repeal	56022	Definition	**Rec 4-4**
Repeal	56029(a) – (f)	Definition	**Conducting authority**
Repeal	56111.1	City of Soledad annexation	**Rec 4-8**
Repeal	56111.6	City of Blythe annexation	**Rec 4-8**
Repeal	56111.7	City of Susanville annexation	**Rec 4-8**

Local Government Reorganization Act Amendments and Re-numbering Cross-Reference Table, Ordered by Section Number Subsequent to 1/1/01			
(a)	(b)	(c)	(d)(e)
Post 1/1/01	**Pre-1/1/01**		
Sec. Number	**Section Number**	**Subject**	**Notes/Change Reference**
Repeal	56111.9	City of Calipatria annexation	**Rec 4-8**
Repeal	56111.1	Cresent City annexation	**Rec 4-8**
Repeal	56111.11	City of El Centro annexation	**Rec 4-8**
Repeal	56111.12	City of Chowchilla annexation	**Rec 4-8**
Repeal	56111.13	City of Tehachapi annexation	**Rec 4-8**
Repeal	56111.14	City of Coalinga	**Rec 4-8**
Repeal	56330	Composition of commission	**Rec 3-18**
Repeal	56426	Spheres of influence	**Obsolete**
Repeal	56656	Special Commission on Los Angeles Boundaries	**Rec 4-15**
Repeal	56825	Additional powers	**Not needed**
Repeal	56842.2	Property Tax Exchange – 1977-78 FY	**Rec 3-10**
Repeal	57004	Conducting Authority process	**Rec 3-11 & 4-5**
Repeal	57005	Conducting Authority process	**Not needed**
Repeal	57006	Conducting Authority process	**Not needed**
Repeal	57079	Hearings	**Rec 3-13**
Repeal	57175	Elections canvass	**Not needed**
Revenue and Taxation Code Code			
99	99	District consultation on master property tax exchange	**Rec 5-3**
NOTES:			
(a) New section reference, as renumbered in AB 2838; **BOLD** means section amended.			
(b) Section number prior to statutory changes effective 1/1/01.			
(c) Brief description of subject.			
(d) **"Rec"** indicates the recommendation number from "Growth Within Bounds" related to the change.			
(e) **Conducting Authority** means the only change is related to Recommendation 3-11(conducting authority).			
HEADING CHANGES:			
Part 3, Chapter 3:	Eliminate Article 4 heading		
	Eliminate Article 5 heading		
	Eliminated Article 6 heading		
	Change Article 5 to Article 4		
	Add new Article 5 before Section 56760: "Initiation by Petition"		
Part 3, Chapter 4:	Change title from "Comprehensive Fiscal Analysis" to "Fiscal Provisions"		
Part 3, Chapter 5:	Add new Article 1 at Section 56450, et seq (renumbered to 56820, et seq), and titled "Representation & Functions"; renumber remaining articles in Chapter 5.		
	Eliminate Article 4 heading		
	Eliminate Article 5 heading		
	Change Article 6 to Article 5		
	Add new Article 4 before Section 56864: "Initiation by Petition"		
Part 3, Chapter 6:	Change title from "Commission Approval" to "Commission Decision"		

DIVISION 3. CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 1985

PART 1. GENERAL

CHAPTER 1. LEGISLATIVE FINDINGS AND DECLARATIONS

Title

56000. This division shall be known and may be cited as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
(Amended by Stats. 2000, Ch. 761.)

Legislative findings and declarations; state interests

56001. The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services. The Legislature also recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development. Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

Priorities

The Legislature recognizes that urban population densities and intensive residential, commercial, and industrial development necessitate a broad spectrum and high level of community services and controls. The Legislature also recognizes that when areas become urbanized to the extent that they need the full range of community services, priorities are required to be established regarding the type and levels of services that the residents of an urban community need and desire; that community service priorities be established by weighing the total community service needs against the total financial resources available for securing community services; and that those community service priorities are required to reflect local circumstances, conditions, and limited financial resources. The Legislature finds and

declares that a single multipurpose governmental agency * * * is * * * accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas. Nonetheless, the Legislature recognizes the critical role of many limited purpose agencies, especially in rural communities. The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 2. DEFINITIONS

Definitions

56010. Unless the provision or context otherwise requires, the definitions contained in this chapter govern the construction of this division. The definition of a word applies to any of that word's variants.

"Affected city"

56011. "Affected city" means any city which satisfies either of the following conditions:

(a) It contains, or its sphere of influence contains, territory for which a change of organization is proposed or ordered either singularly or as part of a reorganization.

(b) It would contain the territory described in subdivision (a) as a result of proceedings for a change of organization or reorganization taken pursuant to this division.

"Affected county"

56012. "Affected county" means each county which contains, or would contain, any territory for which a change of organization or reorganization is proposed or ordered or which contains all or any part of a district for which a change of organization or reorganization is proposed or ordered with respect to territory outside that county.

"Affected district"

56013. "Affected district" means a special district, as defined by Section 56036, which contains, or whose sphere of influence contains, any territory for which a reorganization or a change of organization is proposed or ordered.

"Affected local agency"

56014. "Affected local agency" means any agency which contains, or would contain, or whose sphere of influence contains, any territory within any proposal or study to be reviewed by the commission.

"Affected territory"

56015. "Affected territory" means any territory for which a change of organization or reorganization is proposed or ordered.

"Agricultural lands"

56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

"Annexation"

56017. "Annexation" means the annexation, inclusion, attachment, or addition of territory to a city or district.

"Benefit district"

56018. "Benefit district" means a district, containing lands which are, or will be, benefited by their inclusion within the district, the owners of those lands being entitled, under state or federal statutes or the California Constitution or the United States Constitution, to notice by mail or personal service and hearing prior to the inclusion of the lands within the district.

"Board of directors"

56019. "Board of directors" means the legislative body or governing board of a district.

"Board of supervisors"

56020. "Board of supervisors" means the board of supervisors of a county.

"Certificate of completion"

56020.5. "Certificate of completion" means the document prepared by the executive officer and recorded with the county recorder that confirms the final successful resolution of a change of organization or reorganization.
(Added by Stats. 2000, Ch. 761.)

"Certificate of termination of proceedings"

56020.7. "Certificate of termination of proceedings" means the document prepared by the executive officer and retained by the commission that indicates that a proposal for a change of organization or reorganization was terminated because of a majority written protest or rejection by voters in an election.
(Added by Stats. 2000, Ch. 761.)

"Change of organization"

56021. "Change of organization" means any of the following:

(a) A city incorporation.
(b) A district formation.
(c) An annexation to, or detachment from, a city or district.
(d) A disincorporation of a city.
(e) A district dissolution.
(f) A consolidation of cities or special districts.
(g) A merger or establishment of a subsidiary district.

"City" and "Town"

56023. "City" means any chartered or general law city, including any city the name of which includes the word "town."

"City council"

56024. "City council" means the city council or legislative body of a city.

"City officer"

56025. "City officer" means the mayor or a member of the city council.

"Clerk"

56026. "Clerk" means the clerk or secretary of a county, city, or district, or the clerk or secretary of the legislative body of a county, city, or district. Where the office of county clerk is separate from the office of the clerk of the board of supervisors, "clerk" means the clerk of the board of supervisors.

Where the office of county clerk is separate from the office of the registrar of voters, "clerk" means the registrar of voters with respect to all duties pertaining to the conduct of elections and the county clerk with respect to all other duties.

"Commission"

56027. "Commission" means a local agency formation commission.

"Commission proceedings"

56028. "Commission proceedings" means proceedings which are taken by a commission pursuant to Part 3 (commencing with Section 56650).

"Conducting authority"

56029. "Conducting authority" means the * * * commission of the principal county of the entity proposing a change of organization or reorganization, unless another conducting authority is specified by law.

* * *

(Amended by Stats. 2000, Ch. 761.)

"Consolidation"

56030. "Consolidation" means the uniting or joining of two or more cities located in the same county into a single new successor city or two or more districts into a single new successor district. In the case of consolidation of special districts, all of those districts shall have been formed pursuant to the same principal act.

"Contiguous"

56031. (a) "Contiguous" means both of the following:

(1) In the case of annexation, territory adjacent to, or territory adjoining territory within, the local agency to which annexation is proposed.

(2) In the case of consolidation, territory of a local agency or agencies which is adjacent to, or adjoining the territory of,

the consolidating local agency or to the territory of another local agency which is contiguous to the consolidating local agency and to be consolidated with the consolidating local agency.

(b) Territory is not contiguous if the only contiguity is based upon a strip of land more than 300 feet long and less than 200 feet wide, that width to be exclusive of highways.

"County officer"

56032. "County officer" means a member of the board of supervisors.

"Detachment"

56033. "Detachment" means the detachment, deannexation, exclusion, deletion, or removal from a city or district of any portion of the territory of that city or district.

"Disincorporation"

56034. "Disincorporation" means the disincorporation, dissolution, extinguishment, and termination of the existence of a city and the cessation of its corporate powers, except for the purpose of winding up the affairs of the city.

"Dissolution"

56035. "Dissolution" means the dissolution, disincorporation, extinguishment, and termination of the existence of a district and the cessation of all its corporate powers, except for the purpose of winding up the affairs of the district.

"District" or "special district"

56036. (a) "District" or "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 within limited boundaries. "District" or "special district" includes a county service area, but excludes all of the following:

(1) The state.

(2) A county.

(3) A city.

(4) A school district or a community college district.

(5) A special assessment district.

(6) An improvement district.

(7) A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5.

(8) A permanent road division formed pursuant to Article 3 (commencing with Section 1160) of Chapter 4 of Division 2 of the Streets and Highways Code.

(9) An air pollution control district or an air quality maintenance district.

(10) A service zone of a fire protection district.

(b) Except as otherwise provided in paragraph (1), each of the entities listed in paragraph (1) is a "district" or a "special district" for the purposes of this division.

Non-districts

(1) For the purposes of Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57175), inclusive, of Part 4 or Part 5 (commencing with Section 57300), none of the following entities is a "district" or a "special district:"

(A) A unified or union high school library district.

(B) A bridge and highway district.

(C) A joint highway district.

(D) A transit or rapid transit district.

(E) A metropolitan water district.

(F) A separation of grade district.

(2) Any * * * proceedings **pursuant to Part 4 (commencing with Section 57000)** for a change of organization involving an entity described in paragraph (1) shall be conducted pursuant to the principal act authorizing the establishment of that entity.

Districts enumerated

(c) Except as otherwise provided in paragraph (1), each of the entities listed in paragraph (1) is a "district" or "special district" for purposes of this division.

(1) For the purposes of Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57175), inclusive, of Part 4 or Part 5 (commencing with Section 57300), none of the following entities is a "district" or "special district" if the commission of the principal county determines, in accordance with Sections 56127 and 56128, that the entity is not a "district" or "special district."

(A) A flood control district.

(B) A flood control and floodwater conservation district.

(C) A flood control and water conservation district.

(D) A conservation district.

(E) A water conservation district.

(F) A water replenishment district.

(G) The Orange County Water District.

(H) A California water storage district.

(I) A water agency.

(J) A county water authority or a water authority.

(2) If the commission determines that an entity described in paragraph (1) is not a "district" or "special district," any * * * proceedings **pursuant to Part 4 (commencing with Section 57000)** for a change or organization involving the entity shall be conducted pursuant to the principal act authorizing the establishment of that entity.

(Amended by Stats. 2000, Ch. 761.)

"District of limited powers"

56037. "District of limited powers" means an airport district, community services district, municipal utility district, public utilities district, fire protection district, harbor

district, port district, recreational harbor district, small craft harbor district, resort improvement district, library district, local hospital district, local health district, municipal improvement district formed pursuant to any special act, municipal water district, police protection district, recreation and park district, garbage disposal district, garbage and refuse disposal district, sanitary district, county sanitation district, public cemetery district, California water district, county water district, county waterworks district, or irrigation district.

"Elections official"

56037.5. "Elections official" shall have the same meaning as in Section 320 of the Elections Code. (Added by Stats. 2000, Ch. 761.)

"Executive officer"

56038. "Executive officer" means the executive officer appointed by a commission * * *. (Amended by Stats. 2000, Ch. 761.)

"Feasible"

56038.5. "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, legal, social, and technological factors. (Added by Stats. 2000, Ch. 761.)

"Formation"

56039. "Formation" means the formation, incorporation, organization, or creation of a district.

"Function"

56040. "Function" means any power granted by law to a local agency or a county to provide designated governmental or proprietary services or facilities for the use, benefit, or protection of persons or property.

"Improvement district"

56041. "Improvement district" means a district, area, or zone formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area.

"Include"

56042. "Include," except when used in relation to the inclusion of land, does not necessarily exclude matters not enumerated.

"Incorporation"

56043. "Incorporation" means the incorporation, formation, creation, and establishment of a city with corporate powers. Any area proposed for incorporation as a new city shall have at least 500 registered voters residing within the affected area at the time commission proceedings are initiated.

"Independent special district"

56044. "Independent special district" includes any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. "Independent special district" does not include any district excluded from the definition of district contained in Section 56036.

"Independent special district officer"

56045. "Independent special district officer" means the presiding officer or a member of the legislative body of an independent special district.

"Inhabited territory"

56046. "Inhabited territory" means territory within which there reside 12 or more registered voters. The date on which the number of registered voters is determined is the date of the adoption of a resolution of application by the legislative body pursuant to Section 56654, if the legislative body has complied with subdivision (b) of that section, or the date a petition or other resolution of application is accepted for filing and a certificate of filing is issued by the executive officer. All other territory shall be deemed "uninhabited." **(Amended by Stats. 2000, Ch. 761.)**

"Initiate" or "initiation"

56047. "Initiate" or "initiation" means the acceptance for filing and the issuance of a certificate of filing by the executive officer.

"Interested agency"

56047.5. "Interested agency" means each local agency which provides facilities or services in the affected territory that a subject agency would provide.

"Landowner" or "owner of land"

56048. (a) Except as otherwise provided in subdivision (b) or (c), "landowner" or "owner of land" means all of the following:

(1) Any person shown as the owner of land on the * * * **most recent** assessment roll **being prepared by the county at the time the commission adopts a resolution of application** except where that person is no longer the owner. Where that person is no longer the owner, the landowner or owner of land is any person entitled to be shown as owner of land on the next assessment roll.

(2) Where land is subject to a recorded written agreement of sale, any person shown in the agreement as purchaser.

(3) Any public agency owning land.

(b) "Landowner" or "owner of land" does not include a public agency which owns highways, rights-of-way, easements, waterways, or canals.

(c) For the purpose of mailed notice provided pursuant to Section 56157, "landowner" or "owner of land" means each person to whom land is assessed, as shown upon the most recent assessment * * * roll being prepared by the county at the time the commission adopts a resolution of application, at the address shown upon that assessment roll.
(Amended by Stats. 2000, Ch. 761.)

"Landowner-voter"

56049. "Landowner-voter" means any person entitled to vote in a landowner-voter district, or the legal representative of that person or, in the case of an election, the proxy of that person.

"Landowner-voter district"

56050. "Landowner-voter district" means a district whose principal act provides that owners of land within the district are entitled to vote upon the election of district officers, the incurring of bonded indebtedness, or any other district matter.

"Last equalized assessment roll"

56051. "Last equalized assessment roll" means the last equalized assessment roll or book used by a county, city, or district for the purpose of the annual levy and collection of any taxes or assessments imposed by the county, city, or district.

This section does not require the use of the supplemental roll prepared pursuant to Chapter 3.5 (commencing with Section 75) of Part 0.5 of Division 1 of the Revenue and Taxation Code.

"Legal representative"

56052. "Legal representative" means an officer of a corporation duly authorized, by the bylaws or a resolution of the board of directors of the corporation, to sign for, and on behalf of, the corporation. Legal representative also includes a guardian, conservator, executor, administrator, or other person holding property in a trust capacity under appointment of a court, when authorized by an order of the court. The order of the court may be made without notice.

"Legislative body"

56053. "Legislative body" means the legislative body or governing board of a city, special district, or county.

"Local agency"

56054. "Local agency" means a city, county, or district.

"Member district"

56055. "Member district" means any district which is included, in whole or in part, within another district, a metropolitan water district, or any of the entities enumerated in subdivision (c) of Section 56036, all or any part of the

first-mentioned district being entitled, under the provisions of the principal act of the second-mentioned district or entity, to receive or be furnished with any governmental or proprietary service or commodity by the second-mentioned district or entity.

"Merger"

56056. "Merger" means the extinguishment, termination, and cessation of the existence of a district of limited powers by the merger of that district with a city as a result of proceedings taken pursuant to this division.

"Next equalized assessment roll"

56057. "Next equalized assessment roll" means the next assessment roll or book to be equalized and used by a city, county, or district for the purpose of the annual levy and collection of any taxes or assessments imposed by the city, county, or district.

"Notice"

56058. "Notice" means any matter authorized or required by this division to be published, posted, or mailed.

"Open space"

56059. "Open space" means any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in Section 65560.

"Open-space use"

56060. "Open-space use" means any use as defined in Section 65560.

"Overlap" or "overlapping territory"

56061. "Overlap" or "overlapping territory" means territory which is included within the boundaries of two or more districts or within one or more districts and a city or cities.

"Parent district"

56062. "Parent district" means any district, a metropolitan water district, or any of the entities enumerated in subdivision (a) of Section 56036, which includes all or any part of another district, the first-mentioned district or entity being obligated, under the provisions of the principal act of the first-mentioned district or entity, to provide and furnish any governmental or proprietary service or commodity to the second-mentioned district.

"Plan of reorganization"

56063. "Plan of reorganization" means a plan or program for effecting a reorganization and which contains a description of all changes of organization included in the reorganization and setting forth all terms, conditions, and matters necessary or incidental to the effectuation of that reorganization.

"Prime agricultural land"

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not

been developed for a use other than an agricultural use and that meets any of the following qualifications:

(a) Land that qualifies, if irrigated, for rating as class I or class II in the * * * USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.

(b) Land that qualifies for rating 80 through 100 Storie Index Rating.

(c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.

(d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars ($400) per acre.

(e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars ($400) per acre for three of the previous five calendar years.

* * *

(Amended by Stats. 2000, Ch. 761.)

"Principal act"

56065. "Principal act" means, in the case of a district, the law under which the district was formed and, in the case of a city, the general laws or a charter, as the case may be.

"Principal county"

56066. "Principal county" means the county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change of organization or reorganization is proposed.
(Amended by Stats. 1994, Ch. 654.)

"Proceeding"

56067. "Proceeding," "proceeding for a change of organization," or "proceeding for a reorganization" means proceedings taken by the * * * commission for a proposed change of organization or reorganization pursuant to Part 4 (commencing with Section 57000).
(Amended by Stats. 2000, Ch. 761.)

"Proponent"

56068. "Proponent" means the person * * * or * * * persons who file a notice of intention to circulate a petition with the executive officer.
(Amended by Stats. 2000, Ch. 761.)

"Proposal"

56069. "Proposal" means a request or statement of intention made by petition or by resolution of application of a legislative body or of a school district proposing proceedings for the change of organization or reorganization described in the request or statement of intention.
(Amended by Stats. 2000, Ch. 761.)

"Public agency"

56070. "Public agency" means the state or any state agency, board, or commission, any city, county, city and county, special district, or other political subdivision, or any agency, board, or commission of the city, county, city and county, special district, or other political subdivision.

"Registered voter"

56071. "Registered voter" means any elector registered under, and pursuant to, the Elections Code.

"Registered voter district"

56072. "Registered-voter district" means a district whose principal act provides that registered voters residing within the district are entitled to vote for the election of district officers, incurring of bonded indebtedness, or any other district matter.

"Reorganization"

56073. "Reorganization" means two or more changes of organization initiated in a single proposal.

"Service"

56074. "Service" means a class established within, and as a part of, a single function, as provided by regulations adopted by the commission pursuant to Chapter 5 (commencing with Section 56820) of Part 3.
(Amended by Stats. 2000, Ch. 761.)

"Special assessment district"

56075. "Special assessment district" means an area fixed, established, and formed by a city, county, district, or the state, pursuant to general law, special act, or charter, that is specially benefited by, and assessed, or to be assessed, to pay the costs and expenses of, acquiring any lands or right-of-way, acquiring or constructing any public improvements, maintaining or operating any public improvement, or lighting any public street, highway, or place.

"Special reorganization"

56075.5. "Special reorganization" means a reorganization that includes the detachment of territory from a city or city and county and the incorporation of that entire detached territory as a city.

"Sphere of influence"

56076. "Sphere of influence" means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission.

"Subject agency"

56077. "Subject agency" means each district or city for which a change of organization is proposed or provided in a reorganization or plan of reorganization.

"Subsidiary district"

56078. "Subsidiary district" means a district of limited powers in which a city council is designated as, and empowered to act as, the ex officio board of directors of the district.

"Sufficient petition"

56079. "Sufficient petition" means a petition which, upon its filing and certification, requires the commission to hold a hearing and make determinations with respect to the proposal contained in the petition.

"Urban service area"

56080. "Urban service area" means developed, undeveloped, or agricultural land, either incorporated or unincorporated, within the sphere of influence of a city, which is served by urban facilities, utilities, and services or which are proposed to be served by urban facilities, utilities, and services during the first five years of an adopted capital improvement program of the city if the city adopts that type of program for those facilities, utilities, and services. The boundary around an urban area shall be called the "urban service area boundary" and shall be developed in cooperation with a city and adopted by a commission pursuant to policies adopted by the commission in accordance with Sections 56300, 56301, and 56425.

"Voter"

56081. "Voter" means a landowner-voter or a registered voter.

CHAPTER 3. INTRODUCTORY AND GENERAL PROVISIONS

Exclusive authority and procedure

56100. Except as otherwise provided in paragraph (2) of subdivision (b) of Section 56036, paragraph (2) of subdivision (c) of Section 56036, and Section 56101, this division provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. * * * All changes of organization and reorganizations shall be initiated, conducted, and completed in accordance with, and as provided in, this division.

Conflict with principal act

Notwithstanding any other provision of law, proceedings for the formation of a district shall be conducted as authorized by the principal act of the district proposed to be formed, except that the commission shall serve as the conducting authority and the procedural requirements of this division shall apply and shall prevail in the event of conflict with the procedural requirements of the principal

act of the district. In the event of such a conflict, the commission shall specify the procedural requirements that apply, consistent with the requirements of this section. (Amended by Stats. 2000, Ch. 761.)

Disclosure of contributions, expenditures, and independent expenditures

56100.1. A commission may require, through the adoption of written policies and procedures, the disclosure of contributions, as defined in Section 82015, expenditures, as defined in Section 82025, and independent expenditures, as defined in Section 82031, made in support of or opposition to a proposal. Disclosure shall be made either to the commission's executive officer, in which case it shall be posted on the commission's website, if applicable, or to the board of supervisors of the county in which the commission is located, which may designate a county officer to receive the disclosure. Disclosure pursuant to a requirement under the authority provided in this section shall be in addition to any disclosure required by Title 9 (commencing with Section 81000) or by local ordinance. (Added by Stats. 2000, Ch. 761.)

Pending proceedings; exemption

56101. This division does not apply to any proceeding for a change of organization or reorganization for which the application shall have been accepted for filing by the executive officer pursuant to Section 56658 prior to January 1, 2001. These pending proceedings may be continued and completed under, and in accordance with, the provisions of law under which the proceedings were commenced. The repeals, amendments, and additions made by the act enacting this division shall not apply to any of those pending proceedings, and, the laws existing prior to January 1, 2001, shall continue in full force and effect, as applied to those pending proceedings. (Amended by Stats. 2000, Ch. 761.)

Change deemed complete by Certificate of completion

56102. For the purpose of any action to determine or contest the validity of any change of organization or reorganization, the change of organization or reorganization shall be deemed to be completed and in existence upon the date of execution of the certificate of completion.

Action to determine validity of any change

56103. An action to determine the validity of any change of organization or reorganization completed pursuant to this division shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

Severability

56104. If any provision of this division or the application of any provision of this division in any circumstance or to any person, city, county, district, the state, or any agency or

subdivision of the state is held invalid, that invalidity shall not affect other provisions or applications of this division which can be given effect without the invalid provision or application of the invalid provision, and to this end the provisions of this division are severable.

Protest to regularity of proceedings

56105. Any protest or objection pertaining to the regularity or sufficiency of any proceedings or commission proceedings shall be in writing, clearly specify the defect, error, irregularity, or omission to which protest or objection is made and shall be filed within the time and in the manner provided by this division. Any protest or objection pertaining to any of these matters which is not so made and filed is deemed voluntarily waived.

Time for action as directory rather than mandatory

56106. Any provisions in this division governing the time within which an official * * * or the commission is to act shall in all instances, except for notice requirements and the requirements of subdivision (i) of Section 56658, be deemed directory, rather than mandatory.
(Amended by Stats. 2000, Ch. 761.)

Construction; harmless irregularities; fraud; prejudicial abuse of discretion; review

56107. (a) This division shall be liberally construed to effectuate its purposes. No change of organization or reorganization ordered under this division and no resolution adopted by the commission making determinations upon a proposal shall be invalidated because of any defect, error, irregularity, or omission in any act, determination, or procedure which does not adversely and substantially affect the rights of any person, city, county, district, the state, or any agency or subdivision of the state. * * *

(b) All determinations made by a commission under, and pursuant to, this division shall be final and conclusive in the absence of fraud or prejudicial abuse of discretion.

(c) In any action or proceeding to attack, review, set aside, void, or annul a determination by a commission on grounds of noncompliance with this division, any inquiry shall extend only to whether there was fraud or a prejudicial abuse of discretion. Prejudicial abuse of discretion is established if the court finds that * * * the determination or decision is not supported by substantial evidence in light of the whole record.
(Amended by Stats. 2000, Ch. 761.)

Standard of Legal Review

Substantial Evidence Test

Automatic merger doctrine

56116. The Legislature declares that the doctrine of automatic merger of a district with a city or the merger by operation of law of a district with a city has no further force or effect. The existence of a district shall not be extinguished or terminated as a result of the entire territory of that district being heretofore or hereafter included within a city unless

that district is merged with the city as a result of proceedings taken pursuant to this division.

Mergers and subsidiary districts; mutual service agreements

56117. A district of limited powers may be either merged with, or established as a subsidiary district of a city in the manner provided in this division.

A mutual service agreement between a city and a district of limited powers may provide that the city shall not, while that agreement is in effect, or during any portion of the agreement's effective duration as the city and the district may stipulate in the agreement, initiate a proposal to establish the district as a subsidiary district of the city.

Mergers and subsidiary districts; proposal in alternative

56118. Except for a proposal for the merger of a then existing subsidiary district, any proposal for a merger or establishment of a subsidiary district authorized by this division shall contain a request in the alternative, requesting either a merger or the establishment of a subsidiary district, as may be determined during the course of the proceedings. Any proposal requesting only merger shall be deemed to also include a request for the establishment of a subsidiary district and any proposal requesting only the establishment of a subsidiary district shall be deemed to also include a request for merger.

Consistency with district principal acts

56119. It is not necessary for the principal act of any district to adopt or incorporate this division by reference and any change of organization or reorganization provided for by this division may be made by, or with respect to, any district. Except as otherwise provided in this division, in any change of organization or reorganization the principal act shall govern as to any provisions in the principal act pertaining to boundaries, to contiguity or noncontiguity of territory, to the incorporated or unincorporated status of territory, and to the overlapping of territory of a district with the territory of another district or city. Unless otherwise provided by the principal act, any territory annexed to a district shall be contiguous to the district and shall not be a part of another district formed under the same principal act without the consent of the other district.

Contiguity requirement

Parent and member districts; automatic boundary changes

56120. Where the principal act of any parent district provides that the boundaries of the parent district shall be automatically changed in the event of a change in the boundaries of a member district, or that the boundaries of the parent district may be concurrently changed with a change in the boundaries of a member district, the boundaries of the parent district shall be deemed to be automatically, or may be concurrently, changed as the case may be, when proceedings are in accordance with the provisions of the principal acts of

any parent district, upon completion of a change of organization or a reorganization changing the boundaries of the member district. The commission of the principal county of the member district shall have exclusive jurisdiction over such a change in boundaries of the member district and also of any parent district subject to this division.

Rights of bondholders; enforcement

56121. No change of organization or reorganization, or any term or condition of a change of organization or reorganization, shall impair the rights of any bondholder or other creditor of any county, city, or district. Nor shall any change of organization or reorganization, or any term or condition of a change of organization or reorganization, impair the contract rights, or contracts entered into by a public entity created by a joint exercise of powers agreement established pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code. Notwithstanding any provision of this division, or of any change of organization or reorganization, or any term or condition of a change of organization or reorganization, each and every bondholder or other creditor may enforce all of his or her rights in the same manner, and to the same extent, as if the change of organization, reorganization, term, or condition had not been made. Those rights may also be enforced against agencies, and their respective officers, as follows:

(a) Annexation or detachment: against the city or district to, or from, which territory is annexed or detached.

(b) Incorporation: against the newly incorporated city.

(c) Formation: against the newly formed district.

(d) Disincorporation: against the successor county receiving distribution of the remaining assets of the disincorporated city.

(e) Dissolution: against the local agency receiving distribution of all or any part of the remaining assets of a dissolved district.

(f) Consolidation: against the consolidated successor city or district.

(g) Reorganization: against the affected city or district, successor county or newly incorporated city or newly formed district, as the case may be, for any of the above enumerated changes of organization or city incorporations which may be included in the particular reorganization.

Enforceability of Section 56886; effect on bondholders or other creditors

56122. Section 56886 and any term and condition provided by, or made pursuant to, that section shall be enforceable by, between, among, and against any public agency or agencies designated in the term and condition, but shall not constitute, or be given effect as, a limitation upon the power of any bondholder or other creditor to enforce his

or her rights, particularly any rights provided for by Part 5 (commencing with Section 57300), as if Section 56886 had not been enacted or the term and condition had not been made or provided pursuant to that section.
(Amended by Stats. 2000, Ch. 761.)

Multi-county districts; principal county

56123. Except as otherwise provided in Section 56124, if a proposed change of organization or a reorganization applies to two or more affected counties, for the purpose of this division, exclusive jurisdiction shall be vested in the commission of the principal county. Any notices, proceedings, orders, or any other acts authorized or required to be given, taken, or made by the commission, board of supervisors, clerk of a county, or any other county official, shall be given, taken, or made by the persons holding those offices in the principal county. The commission of the principal county shall provide notice to the chair, each board member, and the executive officer of all affected agencies of any proceedings, actions, or reports on the proposed change of organization or reorganization. Any officer of a county other than the principal county shall cooperate with the commission of the principal county and shall furnish the commission of the principal county with any certificates, records, or certified copies of records as may be necessary to enable the commission of the principal county to comply with this division.
(Amended by Stats. 2000, Ch. 761.)

Jurisdiction other than principal county; requirements

56124. If a proposed change of organization or a reorganization applies to two or more affected counties, for purposes of this division, exclusive jurisdiction may be vested in the commission of an affected county other than the commission of the principal county if all of the following occur:

(a) The commission of the principal county approves of having exclusive jurisdiction vested in another affected county.

(b) The commission of the principal county designates the affected county which shall assume exclusive jurisdiction.

(c) The commission of the affected county so designated agrees to assume exclusive jurisdiction.

If exclusive jurisdiction is vested in the commission of an affected county other than the principal county pursuant to this section, any notices, proceedings, orders, or any other acts authorized or required to be given, taken, or made by the commission, board of supervisors, clerk of a county, or any other officer of a county, shall be given, taken, or made by the persons holding those offices in the affected county. Any officer of a county other than the affected county shall cooperate with the commission of the affected county and

shall furnish the commission of the affected county with any certificates, records, or certified copies of records as may be necessary to enable the commission of the affected county to comply with this division.
(Amended by Stats. 2000, Ch. 761.)

District formation as part of reorganization

56125. If any reorganization provides for the formation of any new district or districts, the district or districts shall be deemed to have been formed upon compliance with the procedure and provisions of this division relating to reorganization. If the terms and conditions of any change of organization or reorganization provide for the formation of an improvement district or for the annexation of territory to, or detachment of territory from, an existing improvement district, that formation, annexation, or detachment shall be deemed to have been completed upon compliance with the procedure and provisions of this division relating to a change of organization or a reorganization. In any proceeding for a change of organization or a reorganization providing for territory to be formed into, or annexed to, or detached from, an improvement district, the clerk of the county or of the district, as the case may be, shall give mailed notice of hearing on the proposed change of organization or reorganization to landowners owning land within the territory. No further or separate proceedings need be taken for the formation of any improvement district or for the annexation of territory to, or detachment of territory from, the existing improvement district. To that extent only, this division shall govern and provide the exclusive procedure for the formation of any such improvement district or for the annexation of territory to, or detachment of territory from, an existing improvement district and the provisions of the principal act relating to the formation of an improvement district or for the annexation of territory to, or detachment of territory from, an existing improvement district shall have no application.

Improvement district as term of condition of change

Mailed notice to landowners

No separate proceedings

Assessor to furnish estimated assessed valuations

56126. Upon request by the executive officer or the clerk of any county or district, the assessor of any city, county, or district shall furnish estimated assessed valuations, determined by the same methods and valuations used in preparing the last equalized assessment roll, in both of the following cases:

Public agency ownership

(a) Where real property is owned by a public agency and no assessed value for that real property is shown on the roll.

(b) Where a single assessment parcel shown on the last equalized assessment roll either:

(1) Has been split into two or more parcels by reason of the sale or conveyance of any portion of the original assessment parcel.

(2) Overlaps two or more counties, cities, districts, or election precincts, or any combination of those entities or precincts. Any of these estimates shall be conclusively presumed to be assessed values for the purpose of this division, but shall be given no force or effect for other purposes.

Determination that a district is not a district

56127. If the legislative body of any of the districts, agencies, or authorities enumerated in subdivision (c) of Section 56036 desires a determination by the commission that the district, agency, or authority is not a district or a special district, for purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300), the legislative body, prior to the adoption of any ordinance, resolution, or order proposing, declaring an intention, or initiating proceedings to make a change of organization, shall make application to the commission of the principal county describing the proposed change of organization and requesting that determination. If a proposal is initiated by other than the legislative body of a district or special district, the district or special district may, within 10 days of notification by the commission of the initiation of the proposal, request a determination by the commission that it is not a district or special district for purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300). That application shall be filed with the executive officer and shall be presented to the commission not later than its next regular meeting. The executive officer shall give the legislative body filing the application mailed notice of the time and place at which the application shall be presented to the commission. No other notice is required to be given. However, the commission may, prior to making its findings and determinations, order the executive officer to give notice of the filing and presentation of the application by publication or by mailing to other affected counties, cities, and districts, or by both publication and mailing.

Application for determination; commission findings

56128. (a) Upon presentation of any application filed pursuant to Section 56127, the commission shall determine that the applicant district, agency, or authority is not a district or special district for purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300), if the commission finds that the applicant is not engaged in any of the following:

(1) The distribution and sale for any purpose, other than for the purpose of resale, of water or of gas or electricity for light, heat, or power.

(2) Furnishing sanitary sewer service or garbage and refuse collection service to the ultimate users, as defined in subdivision (b), of those services.

(3) Providing fire or police protection.

(4) The acquisition, construction, maintenance, lighting, or operation of streets and highways, street and highway improvements, or park and recreation facilities, except as an incident to the exercise of other lawful powers of the applicant..

"Ultimate user"

(b) "Ultimate user" means any user or consumer other than the state, the United States, a city, a county, or a district, or any agency, department, or office of any of those entities or a public utility. If the commission determines that any applicant district, agency, or authority enumerated in subdivision (c) of Section 56036 is not a district or special district, for purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300), then those provisions shall not apply to the change of organization or reorganization described in the application and proceedings for the change of organization or reorganization shall be taken under and pursuant to the principal act. If no application is made to the commission, or if the commission in passing upon an application does not determine that the applicant is not a district or special district for the purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300), then, except as otherwise provided in Section 56115, this division shall provide the sole and exclusive authority for the initiation, conduct, and completion for a change of organization or reorganization by that district, agency, or authority and, to the extent of any inconsistency between this division and the principal act of the applicant, this division shall control.

Public utility; certificate of public convenience and necessity; gas or electric service

56129. (a) If a public utility has been granted a certificate of public convenience and necessity authorizing and requiring it to furnish gas or electric service within a certain service area and, as a result of a change of organization or a reorganization, territory consisting of all, or any part, of that service area becomes a part of, or is formed into, a district authorized by its principal act to furnish gas or electric service, the district shall not furnish that service within the territory except upon approval by both of the following:

Report of Public Utilities Commission voter approval

(1) The commission after receipt and consideration of the report of the Public Utilities Commission made as provided in Section 56131.

(2) The voters within the territory, given at an election as provided in Section 56130.

(b) If both of those approvals are given, upon assumption of service by the district the public utility may at any time thereafter withdraw service within the territory, unless otherwise ordered by the Public Utilities Commission.

(c) "Gas or electric service," as used in this section and in Sections 56130, 56131, and 56875, means the distribution and sale for any purpose, other than for the purpose of resale, of gas or electricity for light, heat, or power. (Amended by Stats. 2000, Ch. 761.)

Election requirements; Section 56129

56130. Voter approval within the territory, as required by Section 56129, shall be given at an election. The question submitted at the election shall identify the district, designate the kind of service to be furnished, identify the territory within which the service is proposed to be furnished, and state the name of the public utility presently authorized to furnish the gas or electric service within the territory.

The district shall not furnish the gas or electric service, as defined in subdivision (c) of Section 56129, within the territory unless the question of furnishing the gas or electric service has been submitted to the voters at an election called, held, and conducted within the territory and a majority of the votes cast upon the question are in favor of the service. The board of supervisors or the legislative body of the conducting district may submit the question at the election called upon the question of confirmation of an order of change of organization or reorganization, or the board of directors of the district may submit the question of the gas or electric service at a special election called after completion of the proceedings for a change of organization or a reorganization. The question of the service shall be submitted as a separate proposition at any election within the territory and shall be voted upon only by qualified voters within the territory. If the question is defeated at the election, for one year thereafter no petition requesting the gas or electric service may be filed and no new election called upon the question.

Proposals filed with Public Utilities Commission

56131. The executive officer shall file with the Public Utilities Commission a certified copy of any proposal for a change of organization or a reorganization which provides, as a part of the change of organization or reorganization, that gas or electric service, as defined in subdivision (c) of Section 56129, be furnished by a district within any of the territory affected by the change of organization or reorganization. The certified copy need not contain any signatures if the proposal is by petition. After that change of organization or reorganization has been ordered, the clerk of the district shall file with the Public Utilities Commission a certified copy of any ordinance, resolution, or order made by the board of directors of a district proposing to furnish gas or electric service, as defined in subdivision (c) of Section 56129, within the territory.

Public Utilities Commission Investigation and report

After that filing, the Public Utilities Commission shall cause an investigation to be made and may conduct any

hearings in connection with the proposal. Upon completion of the investigation and not later than 90 days after the date of the filing, the Public Utilities Commission shall make a report to the commission stating whether, in the opinion of the Public Utilities Commission, the proposed service by the district within the territory will substantially impair the ability of the public utility to provide adequate service at reasonable rates within the remainder of the service area of the public utility. The secretary of the Public Utilities Commission shall immediately file a certified copy of that report with the executive officer.

Local hospital districts: notification of state agencies

56131.5. Upon the filing of an application for the formation of, annexation to, consolidation of, or dissolution of a local hospital district created pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code or of an application for a reorganization including any of those changes of organization or the initiation by the commission of any of those changes of organization or any reorganization including any of those changes of organization, the commission shall notify all state agencies that have oversight or regulatory responsibility over, or a contractual relationship with, the local hospital district that is the subject of the proposed change of organization or reorganization, of its receipt of the application or the initiation by the commission of the proposed change of organization or reorganization and the proposal, including, but not limited to, the following:

(a) The State Department of Health Services, including, but not limited to, Licensing and Certification and the Medi-Cal Division.

(b) The Office of Statewide Health Planning and Development, including, but not limited to, the Cal-Mortgage Loan Insurance Division.

(c) The California Health Facilities Financing Authority.

(d) The California Medical Assistance Commission.

A state agency shall have 60 days from the date of receipt of notification by the commission to comment on the proposal. The commission shall consider all comments received from any state agency in making its decision.

Broadmoor Police Protection District; organization or reorganization which includes detachment of territory; approval by resolution or election

56132. (a) This section shall only apply to any change of organization or reorganization that includes detachment of territory from the Broadmoor Police Protection District in the County of San Mateo and which includes or accommodates, or is intended to facilitate, an annexation of territory to another local agency that has initiated the change of organization or reorganization. This section does not, however, apply to any territory comprising real

property owned by the San Francisco Bay Area Rapid Transit District.

If the commission adopts a resolution approving such a change of organization or reorganization, the board of commissioners of the district may, within 15 days thereafter, adopt a resolution finding either that the proposed detachment may or will not adversely affect the district's ability to efficiently provide its law enforcement services in the remainder of the district. The district shall, if it adopts a resolution, file a certified copy of its resolution with the local agency to which the affected territory is proposed to be annexed * * * and the commission. If that resolution finds that the proposed detachment may have an adverse financial effect, then the reorganization shall not become effective unless a majority of the voters voting at a special election of the district called for that purpose approve the detachment. The Broadmoor Police Protection District shall pay the costs of the election. For purposes of this section, it shall be conclusively presumed that any affected local agency which adopts a resolution under Section 56654 requesting a detachment of contiguous territory from the Broadmoor Police Protection District and which could have concurrently requested annexation of the affected territory, intends to do so.

(b) The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the following special circumstances:

The Broadmoor Police Protection District consists primarily of suburban residential properties which have long enjoyed an urban level of police services. The threat of continued piecemeal detachments of territory from the district threatens its ability to continue providing that level of service on an economically efficient basis.

(c) This section shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, that is enacted prior to January 1, 2002, deletes or extends that date.

(Amended by Stats. 2000, Ch. 761.)

Services by contract outside city and district boundaries

56133. (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county.

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional

boundaries but within its sphere of influence in anticipation of a later change of organization.

(c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

Threat to public health and safety

(1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

Notice to alternate service provider

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of those requests to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the contract for extended services. If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

Proceedings for review

(e) This section does not apply to contracts or agreements solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider. This section does not apply to contracts for the transfer of nonpotable or nontreated water. This section does not apply to contracts or agreements solely involving the provision of surplus water to agricultural lands and

Exemptions

facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county. This section shall not apply to an extended service that a city or district was providing on January 1, 1994. This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 4. NOTICE

Means of notice

56150. Unless the provision or context otherwise requires, whenever this division requires notice to be published, posted, or mailed, the notice shall be published, posted, or mailed as provided in this chapter. Unless the provision or context otherwise requires, whenever this division requires notice to be given that notice shall also be given in electronic format on a website provided by the commission, to the extent that the commission maintains a website.
(Amended by Stats. 2000, Ch. 761.)

Notice given by clerk; contents

56151. Notice authorized or required to be given by publication, posting, or mailing shall be given by the clerk or executive officer and shall contain all matters required by any particular provision of this division. If any

Resolution or ordinance sufficient

ordinance, resolution, or order of any legislative body or the commission gives notice and contains all matters required to be contained in any notice, the clerk or executive officer may cause a copy of that ordinance, resolution, or order to be published, posted, or mailed, in which case no other notice need be given by the clerk or executive officer.

Notice given by clerk or executive officer if not specified

56152. Whenever any notice is required to be given and the duty of giving that notice is not specifically enjoined upon some officer, agency, or person, the clerk or executive officer, as the case may be, shall give notice or cause that notice to be given.

Publication in newspaper(s) of general circulation

56153. Notice required to be published shall be published pursuant to Section 6061in one or more

Publication in two counties

newspapers of general circulation within each affected county, affected city, or affected district. If any newspaper is a newspaper of general circulation in two or more affected cities or affected districts, publication in that newspaper shall be sufficient publication for all those affected cities or affected districts. If there are two or more affected counties, publication shall be made in at least one newspaper of general circulation in each of the affected counties.

Publication; 21 days

56154. If the published notice is a notice of a hearing, publication of the notice shall be commenced at least 21 days prior to the date specified in the notice for the hearing. (Amended by Stats. 2000, Ch. 761.)

By first-class mail

56155. Except as otherwise provided in this division, mailed notice shall be sent first class and deposited, postage prepaid, in the United States mails and shall be deemed to have been given when so deposited.

Mailing; notice of hearing; 21-days

56156. If the mailed notice is notice of a hearing, the notice shall be mailed at least 21 days prior to the date specified in the notice for hearing.
(Amended by Stats. 2000, Ch. 761.)

Mailing; addresses

56157. When mailed notice is required to be given to:

(a) A county, city, or district, it shall be addressed to the clerk of the county, city, or district.

* * *

(b) A commission, it shall be addressed to the executive officer.

(c) * * * Proponents, it shall be addressed to the persons so designated in the petition at the address specified in the petition.

(d) Landowners, it shall be addressed to each person to whom land is assessed, as shown upon the most recent assessment roll being prepared by the county at the time the commission adopts a resolution of application, at the address shown upon the assessment roll.

(e) Persons requesting special notice, it shall be addressed to each person who has filed a written request for special notice with the executive officer or clerk at the mailing address specified in the request.

(f) To all registered voters and owners of property, to the address as shown on the most recent assessment roll being prepared by the county at the time a resolution of application is adopted to initiate proceedings within 300 feet of the exterior boundary of the property that is the subject of the hearing at least 21 days prior to the hearing. This requirement may be waived if proof satisfactory to the

commission is presented that shows that individual notices to registered voters and landowners have already been provided by the initiating agency. Notice shall also either be posted or published in one newspaper 21 days prior to the hearing. If this section would require more than 1,000 notices to be mailed, then notice may instead be provided pursuant to paragraph (1) of subdivision (b) of Section 65954.6.
(Amended by Stats. 2000, Ch. 761.)

Posted notice; place

56158. Notice required to be posted shall be posted on or near the doors of the meeting room of the legislative body or commission or upon any official bulletin board used for the purpose of posting public notices by, or pertaining to, the legislative body or commission.

Posted notice; time

56159. Posted notice shall remain posted for not less than five days. If the posted notice is notice of a hearing, posting shall be commenced at least 21 days prior to the date specified in the notice for hearing and shall continue to the time of the hearing.
(Amended by Stats. 2000, Ch. 761.)

Failure to receive notice; validity of action

56160. The failure of any person or entity to receive notice given pursuant to this division shall not constitute grounds for any court to invalidate any action taken for which the notice was given.

PART 2. LOCAL AGENCY FORMATION COMMISSION

CHAPTER 1. GENERAL

Written policies and procedures

56300. (a) It is the intent of the Legislature that each commission, not later than January 1, 2002, shall establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space lands within those patterns.

Legislative intent

Disclosure hearing

(b) Each commission with a proposal pending on January 1, 2001, shall, by March 31, 2001, hold a public hearing to discuss the adoption of policies and procedures to require the disclosure of contributions, expenditures, and independent expenditures authorized by Section 56100.1. Reporting requirements adopted pursuant to this section shall be effective upon the date of adoption or a later date specified in the resolution. Any commission that does not have a proposal pending on January 1, 2001, shall hold a public hearing to discuss the adoption of those policies and procedures within 90 days of submission of a proposal or at any time prior to submission of a proposal. Once a hearing has taken place under this subdivision, no subsequent hearing shall be required except by petition of 100 or more registered voters residing in the county in which the commission is located.

Disclosure policies

(c) A commission may require, through the adoption of written policies and procedures, lobbying disclosure and reporting requirements for persons who attempt to influence pending decisions by commission members, staff, or consultants. Disclosure shall be made either to the commission's executive officer, in which case it shall be posted on the commission website, if applicable, or to the recorder, registrar of voters, or clerk of the board of supervisors of the county in which the commission is located. Each commission that on January 1, 2001, has a pending proposal, as defined in Section 56069 shall, by March 31, 2001, hold a public hearing to discuss the adoption of policies and procedures governing lobbying disclosure authorized by this subdivision. Reporting requirements adopted pursuant to this section shall be effective upon the date of adoption or on a later date specified in the resolution. Any commission that does not have a proposal pending on January 1, 2001, shall hold a public hearing to discuss the adoption of those policies and procedures within 90 days of submission of a proposal, or at any time prior to submission of a proposal.

(d) Any public hearings required by this section may be held concurrently.

(e) The written policies and procedures adopted by the commission shall include forms to be used for various submittals to the commission including at a minimum a form for any protests to be filed with the commission concerning any proposed organization change.

Forms for submittals required

Internet website required

(f)(1) On or before January 1, 2002, the commission shall establish and maintain, or otherwise provide access to notices and other commission information for the public through an Internet website.

Electronic notice required

(2) The written policies and procedures adopted by the commission shall require that, to the extent that the commission maintains an Internet website, notice of all public hearings and commission meetings shall be made available in electronic format on that site.
(Amended by Stats. 2000, Ch. 761.)

Purposes of commission

56301. Among the purposes of a commission are * * * discouraging * * * urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and * * * encouraging * * * the orderly formation and development of local agencies based upon local conditions and circumstances. One of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities. When the formation of a new government entity is proposed, a commission shall make a determination as to whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose agency is deemed necessary, the commission shall consider reorganization with other single-purpose agencies that provide related services.
(Amended by Stats. 2000, Ch. 761.)

Determination for new agencies

Commission on Local Governance for the 21st Century

56302. (a) The Legislature finds and declares that nearly 35 years have passed since legislators last conducted a thorough investigation of the policies, practices, and statutes affecting the organization and boundaries of California's local agencies. That effort, which resulted in the enactment of the Knox-Nisbet Act, was the product of a careful study by the Commission on Metropolitan Area Problems, commissioned by Governor Edmund G. Brown, Sr. In the intervening decades, there have been fundamental, constitutional, demographic, economic, institutional, and political shifts in California and within the state's

communities. The sustained interest in incorporating new cities, resistance to city annexations, problems in financing local agency facilities and services, and proposals to detach territory from existing cities demonstrate the need for the Legislature and the Governor to reevaluate the statutory policies and procedures that have guided California's communities for nearly 35 years. Therefore, the Legislature finds and declares the necessity for commissioning a careful study of local agency organization and boundaries, consistent with its constitutional duty pursuant to subdivision (a) of Section 2 of Article XI of the California Constitution.

(b) There is created the Commission on Local Governance for the 21st Century which shall consist of 15 members. The Governor shall appoint nine members, the Assembly Committee on Rules shall appoint three members, and the Senate Committee on Rules shall appoint three members. Appointees shall serve until the date that this section is repealed, except that, in the event that a vacancy occurs due to the resignation of a commissioner, a new member shall be appointed by the authority that appointed the resigning member. Of the Governor's appointments, one shall be a city representative, one shall be a county representative, one shall be a special district representative, and one shall be a representative of local agency formation commissions. Each appointing authority shall endeavor to appoint members who reflect the geographic, ethnic, racial, gender, and cultural diversity of the state. Each appointing authority shall appoint members who have demonstrated an interest and have proven academic or professional ability in the fields of demography, urban economics, land use planning, public finance, and the legal aspects of local agency organization and boundaries.

Commission report

(c) Notwithstanding Section 7550.5, on or before * * * December 31, 1999, the commission shall report to the Legislature and the Governor regarding all of the following:

(1) A review of the current statutes, including, but not limited to, this division, regarding the policies, criteria, procedures, and precedents for city, county, and special district boundary changes.

(2) Proposals to add criteria to increase citizen and community participation in city, county, and special district governments.

(3) Proposals to ensure conformity with the requirements of federal law, including, but not limited to, the federal Voting Rights Act of 1965 (42 U.S.C. Sec. 1971).

(4) Recommendations for statutory changes, if any.

Public meetings

(d) The commission shall conduct public meetings to solicit the views and advice of the public, including elected and appointed officials, regarding city, county, and special district organization and boundaries.

(e) The commission shall select a chair and a vice chair from among its membership.

(f) The members of the commission shall be reimbursed their actual and necessary expenses for attending the meetings of the commission. The commission may authorize a payment of a per diem not to exceed one hundred dollars ($100) to its members for each day while they are in attendance at meetings of the commission. The commission may appoint employees, including counsel, define their qualifications and duties, and provide for compensation for the performance of those duties. The commission may contract with any other public or private agency for any services necessary to carry out the purposes of this section. The cost of the quarters, equipment, supplies, and operating expenses incurred by the commission shall be paid from the appropriation made by the act that enacted this section.

(g) The commission shall remain in existence until July 1, 2000, and as of that date, this section is inoperative. This section is repealed * * * on January 1, 2001, unless a later enacted statute, enacted on or before January 1, 2001, deletes or extends * * * that date and the commission's existence.

(Amended by Stats. 2000, Ch. 761.)

CHAPTER 2. FORMATION OF COMMISSION AND SELECTION OF COMMISSIONERS

Creation; composition

56325. There is hereby continued in existence in each county a local agency formation commission. Except as otherwise provided in this chapter, the commission shall consist of * * * members selected as follows:

(a) Two * * * appointed by the board of supervisors from their own membership. The board of supervisors shall appoint a third supervisor who shall be an alternate member of the commission. The alternate member may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission.

If the office of a regular county member becomes vacant, the alternate member may serve and vote in place of the former regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) Two * * * selected by the cities in the county, each of whom shall be a * * * mayor or council member, appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 56335. The alternate shall also be a mayor or council member. The city selection committee is encouraged to select

members to fairly represent the diversity of the cities in the county, with respect to population and geography.

District member

(c) Two presiding officers or members of legislative bodies of independent special districts selected by the independent special district selection committee pursuant to Section 56332. The independent special district selection committee shall also designate a presiding officer or member of the legislative body of an independent special district as an alternative member who shall be appointed and serve pursuant to Section 56332. The independent special district selection committee is encouraged to make selections that fairly represent the diversity of the independent special districts in the county, with respect to population and geography.

Public member

(d) One representing the general public appointed by the other * * * members of the commission. The other * * * members of the commission may also designate one alternate member who shall be appointed and serve pursuant to Section 56331. Selection of the public member and alternate public member shall be subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities.

(Amended by Stats. 2000, Ch. 761.)

Independent judgment of members

56325.1. While serving on the commission, all commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of this division. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. This section does not require the abstention of any member on any matter, nor does it create a right of action in any person.

(Added by Stats. 2000, Ch. 761.)

Composition; Los Angeles County

56326. In Los Angeles County, the commission shall consist of nine members, selected as follows:

(a) Two * * * appointed by the board of supervisors from its own membership. The board of supervisors shall also appoint a third supervisor who shall be an alternate member of the commission. The alternate member may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission.

If the office of the regular county member becomes vacant, the alternate member may serve and vote in place of the former regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) One * * * appointed by the board of supervisors, who shall not be a member of the board of supervisors but who shall be a resident of the San Fernando Valley Statistical Area, as defined in subdivision (c) of Section 11093. The board of supervisors shall also appoint an alternate member who shall not be a member of the board of supervisors but who is a resident of the San Fernando Valley Statistical Area. The alternate member may serve and vote in place of the member appointed pursuant to this subdivision if that member is absent or disqualifies himself or herself from participating in a meeting of the commission.

If the office of the regular member becomes vacant, the alternate member may serve and vote in place of the former regular member until the appointment and qualification of a regular member to fill the vacancy.

(c) Two * * * selected by the cities in the county, each of whom shall be a * * * mayor or council member, appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 56335. The alternate shall also be a mayor or council member. The city selection committee is encouraged to select members to fairly represent the diversity of the cities in the county, with respect to population and geography.

(d) One selected by a city in the county having a population in excess of 30 percent of the total population of the county who is a member of the legislative body of the city, appointed by the presiding officer of the legislative body. The presiding officer of the legislative body shall also designate an alternate member who is a member of the legislative body. The alternate member may serve and vote in place of the member appointed pursuant to this subdivision if the member is absent or disqualifies himself or herself from participating in a meeting of the commission.

If the office of the regular member becomes vacant, the alternate member may serve and vote in place of the former regular member until the appointment and qualification of a regular member to fill the vacancy.

* * *

(e) Two presiding officers or members of legislative bodies of independent special districts selected by an independent special district selection committee pursuant to Section 56332. The independent special district selection committee shall also designate one alternate member who shall be a presiding officer or member of the legislative body of an independent special district and shall be appointed and serve pursuant to Section 56332. The independent special district selection committee is encouraged to select members to fairly represent the

diversity of the independent special districts in the county, with respect to population and geography.

(f) One representing the general public appointed by the other * * * members of the commission.
(Amended by Stats. 2000, Ch. 761.)

Composition; Sacramento County

56326.5. In Sacramento County, the commission shall consist of seven members, selected as follows:

(a) Two * * * appointed by the board of supervisors from their own membership. The board of supervisors shall appoint a third supervisor who shall serve as an alternate member of the commission. The alternate member may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular county member becomes vacant, the alternate member may serve and vote in place of the former regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) One * * * selected by the City of Sacramento who is a member of the city council, appointed by the mayor and confirmed by the city council. The mayor shall also appoint, subject to confirmation by the council, an alternate member who is a member of the city council. The alternate member may serve and vote in place of the regular city member if the city member is absent or disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular city member becomes vacant, the alternate member may serve and vote in place of the former regular city member until the appointment and qualification of a regular city member to fill the vacancy.

(c) One * * * selected by the cities in the county, who is a * * * mayor or council member appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 56335. The alternate shall also be a mayor or council member. The city selection committee is encouraged to select members to fairly represent the diversity of the cities in the county, with respect to population and geography.

(d) Two * * * presiding officers or members of legislative bodies of independent special districts selected by an independent special district selection committee pursuant to Section 56332. The independent special district selection committee shall also designate one alternate member who shall be a presiding officer or member of the legislative body of an independent special district and shall be appointed and serve pursuant to Section 56332. The independent special district selection committee is encouraged to select members to fairly represent the

diversity of the independent special districts in the county, with respect to population and geography.

(e) One representing the general public, appointed by the other six members of the commission. The commission may also appoint an alternate public member who may serve and vote in the place of the regular public member if the regular public member is absent or disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy.

* * *

(Amended by Stats. 2000, Ch. 761.)

Composition; Santa Clara County

56327. In Santa Clara County, the commission shall consist of five members, selected as follows:

(a) Two * * * appointed by the board of supervisors from their own membership. The board of supervisors shall appoint a third supervisor who shall serve as an alternate member of the commission. The alternate member may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular county member becomes vacant, the alternate member may serve and vote in place of the former regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) One * * * selected by the city in the county having the largest population, who is a member of the legislative body of the city, appointed by the city council. The city council shall also appoint an alternate member who is a member of the legislative body of the city. The alternate member may serve and vote in place of the regular city member if the city member is absent or disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular city member becomes vacant, the alternate member may serve and vote in place of the former regular city member until the appointment and qualification of a regular city member to fill the vacancy.

(c) One * * * selected by the cities in the county, who is a * * * mayor or council member appointed by the city selection committee. The city selection committee shall also designate one alternate member who shall be appointed and serve pursuant to Section 56335. The alternate shall also be a mayor or council member. The city selection committee is encouraged to select members to fairly represent the diversity of the cities in the county, with respect to population and geography.

(d) One representing the general public, appointed by the other four members of the commission. This member shall not be a resident of a city which is already represented on the commission. The commission may also appoint an alternate public member, who shall not be a resident of a city represented on the commission, and who may serve and vote in the place of the regular public member if the regular public member is absent or disqualifies himself or herself from participating in a meeting of the commission. If the office of the regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy.
* * *
(Amended by Stats. 2000, Ch. 761.)

Santa Clara County; representation of special districts

56327.3. In Santa Clara County, the commission shall be enlarged by two members if, pursuant to the provisions of Chapter 5 (commencing with Section 56820), the commission orders representation of special districts upon the commission.
(Added by Stats. 2000, Ch. 761.)

Composition; San Diego County

56328. (a) In San Diego County, the commission, which consists of seven members, augmented pursuant to Section 56332, shall be additionally augmented by the appointment of an eighth member and that member shall, notwithstanding subdivision (b) of Section 56325, be a member of the legislative body of the city in the county having the largest population, appointed by the legislative body of that city.

(b) The legislative body of the city shall appoint an alternate member at the same time and in the same manner as it appoints the regular member appointed pursuant to subdivision (a). If the regular city member is absent from a commission meeting, or disqualifies himself or herself from participating in a meeting, the alternate member may serve and vote in place of the regular city member for that meeting. If the office of the regular city member becomes vacant, the alternate member may serve and vote in place of the former regular city member until the appointment and qualification of a regular city member to fill the vacancy.
* * *
(Amended by Stats. 2000, Ch. 761.)

Composition in county with no city

56329. If there is no city in the county, the commission shall consist of five members, selected as follows which may be further augmented pursuant to Sections 56332 and 56332.5:

(a) Three * * * appointed by the board of supervisors from their own membership. The board of supervisors shall

appoint a fourth supervisor who is an alternate member of the commission. The alternate member may serve and vote in place of any supervisor on the commission who is absent or who disqualifies himself or herself from participating in a meeting of the commission.

If the office of a regular county member becomes vacant, the alternate member may serve and vote in place of the former regular county member until the appointment and qualification of a regular county member to fill the vacancy.

(b) Two representing the general public appointed by the other three members of the commission. **Selection of the public member and alternate public member shall be subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities. (Amended by Stats. 2000, Ch. 761.)**

Public members; no cities

Alternate public member; appointment; duties

56331. When appointing a public member pursuant to Sections 56325, 56326, 56329, and 56330, the commission may also appoint one alternate public member who may serve and vote in place of a regular public member who is absent or who disqualifies himself or herself from participating in a meeting of the commission.

If the office of a regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy.

Public member restrictions

No person appointed as a public member or alternate public member pursuant to this chapter shall be an officer or employee of the county or any city or district with territory in the county, provided, however, that any officer or employee serving on January 1, 1994, may complete the term for which he or she was appointed.

Alternate member; one vote

56331.3. If two or more members are absent or disqualify themselves from participating in a meeting of the commission, any alternate member who is authorized to serve and vote in the place of a member shall only have one vote. (Added by Stats. 1987, Ch. 1327.)

Independent special district; selection committee

56332. (a) The * * * independent special district selection committee shall consist of the presiding officer of the legislative body of each independent special district. However, if the presiding officer of an independent special district is unable to attend a meeting of the independent special district selection committee, the legislative body of the district may appoint one of its members to attend the meeting of the selection committee in the presiding officer's place. Those districts shall include districts located wholly within the county and those containing territory within the county representing 50 percent or more of the assessed value

Principal county

of taxable property of the district, as shown on the last equalized county assessment roll. Each member of the committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer.

Quorum

Members representing a majority of the eligible districts shall constitute a quorum.

(b) The executive officer shall call and give written notice of all meetings of the members of the selection committee. A meeting shall be called and held under either of the following circumstances:

Meeting

(1) Whenever a vacancy exists among the members or alternate members representing independent special districts upon the commission.

(2) Upon receipt of a written request by one or more members of the selection committee representing districts having 10 percent or more of the assessed value of taxable property within the county, as shown on the last equalized county assessment roll.

Election in writing

(c) (1) If the executive officer determines that a meeting of the special district selection committee, for the purpose of selecting the special district representatives or for filling a vacancy, is not feasible, the executive officer may conduct the business of the committee in writing, as provided in this subdivision. The executive officer may call for nominations to be submitted in writing within 30 days. At the end of the nominating period, the executive officer shall prepare and deliver, or send by certified mail, to each independent special district one ballot and voting instructions.

Electronic ballot

(2) As an alternative to the delivery or certified mail, the executive officer, with the prior concurrence of the district, may transmit the ballot and voting instructions by electronic mail, provided that the executive officer shall retain written evidence of the receipt of that material.

Ballot

(3) The ballot shall include the names of all nominees and the office for which each was nominated. The districts shall return the ballots to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballots to the districts.

(4) If the executive officer has transmitted the ballot and voting instructions by electronic mail, the districts may return the ballots to the executive officer by electronic mail, provided that the executive officer retains written evidence of the receipt of the ballot.

Ballot validation and results

(5) Any ballot received by the executive officer after the specified date is invalid. The executive officer shall announce the results of the election within seven days of the specified date.

(d) The selection committee shall appoint two regular members and one alternate member to the commission. The

members so appointed shall be elected or appointed special district officers residing within the county but shall not be members of the legislative body of a city or county. If one of the regular district members is absent from a commission meeting or disqualifies himself or herself from participating in a meeting, the alternate district member may serve and vote in place of the regular district member for that meeting. The representation by a regular district member who is a special district officer shall not disqualify, or be cause for disqualification of, the member from acting on a proposal affecting the special district. The special district selection committee may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the district of which the member is a representative.

District member disqualification

(e) If the office of a regular district member becomes vacant, the alternate member may serve and vote in place of the former regular district member until the appointment and qualification of a regular district member to fill the vacancy. (Amended by Stats. 2000, Ch. 761.)

Representation of independent special districts

56332.5. If the commission does not have representation from independent special districts on January 1, 2001, the commission shall initiate proceedings for representation of independent special districts upon the commission if requested by independent special districts pursuant to this section. If an independent special district adopts a resolution proposing representation of independent special districts upon the commission, it shall immediately forward a copy of the resolution to the executive officer. Upon receipt of those resolutions from a majority of independent special districts within a county, adopted by the districts within one year from the date that the first resolution was adopted, the commission, at its next regular meeting, shall adopt a resolution of intention. The resolution of intention shall state whether the proceedings are initiated by the commission or by an independent special district or districts, in which case, the names of those districts shall be set forth. The commission shall order the executive officer to call and give notice of a meeting of the independent special district selection committee to be held within 15 days after the adoption of the resolution in order to select independent special district representation on the commission pursuant to Section 56332. (Added by Stats. 2000, Ch. 761.)

Proceedings

Meeting

Appointment of public member with special district members

56333. When a commission is enlarged to seven members as provided in Section 55332, the public members appointed pursuant to Sections 56325, 56329, and 56330 shall thereafter be appointed by members of the commission

representing cities, counties, and special districts. Those appointments shall be made at the times and in the manner provided in Section 56334.

Terms of commissioner; vacancy

56334. The term of office of each member shall be four years and until the appointment and qualification of his or her successor. Upon enlargement of the commission by two members, as provided in Section 56332, the new members first appointed to represent independent special districts shall classify themselves by lot so that the expiration date of the term of office of one new member coincides with the existing member who holds the office represented by the original two-year term on the commission and of the other new member coincides with the existing member who holds the office represented by the original four-year term on the commission. The body which originally appointed a member whose term has expired shall appoint his or her successor for a full term of four years. Any member may be removed at any time and without cause by the body appointing that member. The expiration date of the term of office of each member shall be the first Monday in May in the year in which the term of the member expires, **unless procedures adopted by the commission specify an alternate date to apply uniformly to all members. However, the length of a term of office shall not be extended more than once**. Any vacancy in the membership of the commission shall be filled for the unexpired term by appointment by the body which originally appointed the member whose office has become vacant.

Removal from Commission

Chairperson

The chairperson of the commission shall be selected by the members of the commission.

Reimbursement of expenses; per diem

Commission members and alternates shall be reimbursed for the actual amount of their reasonable and necessary expenses incurred in attending meetings and in performing the duties of their office. The board of supervisors may authorize payment of a per diem to commission members and alternates for each day while they are in attendance at meetings of the commission.
(Amended by Stats. 2000, Ch. 761.)

City selection committee

56335. In each county containing two or more cities, regular and alternate city members to the commission shall be appointed by the city selection committee organized in the county pursuant to and in the manner provided in Article 11 (commencing with Section 50270) of Chapter 1 of Part 1 of Division 1. Regular members of the commission shall be appointed by the city selection committee pursuant to Sections 56325, 56326, and 56327.

The city selection committee shall appoint one alternate member to the commission in the same manner as it appoints

a regular member. If one of the regular city members is absent from a commission meeting, or disqualifies himself or herself from participating in a meeting, the alternate member may serve and vote in place of that regular city member for that meeting.

Except in the case of a member appointed pursuant to subdivision (d) of Section 56326 or subdivision (b) of Section 56327, a city selection committee, may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the city which the member or alternate represents.

If the office of a regular city member becomes vacant, the alternate member may serve and vote in place of the former regular city member until the appointment and qualification of a regular city member to fill the vacancy.

Disqualification of member; regulations

56336. Each commission may adopt regulations with respect to disqualification of members or alternates from participating in the review of a proposal. In the absence, however, of those regulations, Section 56332 or 56335 shall apply. The representation by a member or alternate of a city or district shall not disqualify, or be cause for disqualification of, the member or alternate from acting on a proposal affecting the city or the district, and any regulation providing for the disqualification of a city or district representative for that reason is null and void.

City or county member serves while holding office

56337. A city or county officer may serve as a member of the commission while holding office as a city or county officer. If a member who is a city or county officer ceases to be an officer of a city or county during his or her term, his or her membership on the commission shall be considered vacant.

CHAPTER 3. POWERS

LAFCO powers and duties

56375. The commission shall have all of the following powers and duties subject to any limitations upon its jurisdiction set forth in this part:

To review and approve, conditionally approve, modify or disapprove proposals; to initiate reorganization

(a) To review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization * * * , consistent with written policies, procedures, and guidelines adopted by the commission. The commission may initiate proposals for (1) consolidation of districts, as defined in Section 56036, (2) dissolution, (3) merger, or (4) establishment of a subsidiary district, or a reorganization that includes any of these changes of organization. A commission shall have the authority to initiate only a (1) consolidation of districts, (2) dissolution, (3) merger, (4) establishment of a subsidiary

Initiate certain proceedings

district, or (5) a reorganization that includes any of these changes of organization, if that change of organization or reorganization is consistent with a recommendation or conclusion of a study prepared pursuant to Section 56378 or 56425. However, a commission shall not have the power to

Disapproval limitation

disapprove an annexation to a city, initiated by resolution, of contiguous territory that the commission finds is any of the following:

(1) Surrounded or substantially surrounded by the city to which the annexation is proposed or by that city and a county boundary or the Pacific Ocean if the territory to be annexed is substantially developed or developing, is not prime agricultural land as defined in Section 56064, is designated for urban growth by the general plan of the annexing city, and is not within the sphere of influence of another city.

(2) Located within an urban service area that has been delineated and adopted by a commission, which is not prime agricultural land, as defined by Section 56064, and is designated for urban growth by the general plan of the annexing city.

(3) An annexation or reorganization of unincorporated islands meeting the requirements of * * * Section 56375.3.

As a condition to the annexation of an area that is surrounded, or substantially surrounded, by the city to which the annexation is proposed, the commission may require, where consistent with the purposes of this division, that the annexation include the entire island of surrounded, or substantially surrounded, territory.

Condition regulating land use prohibited

A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements. When the development purposes are not made known to the annexing city, the annexation shall be reviewed on the basis of the adopted plans and policies of the annexing city or county.

Prezoning requirement

* * * A commission * * * shall require, as a condition to annexation, that a city prezone the territory to be annexed. However, the commission shall not specify how, or in what manner, the territory shall be prezoned. **The decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and prezoning of the city.**

To determine inhabited or uninhabited

(b) With regard to a proposal for annexation or detachment of territory to, or from, a city or district or with regard to a proposal for reorganization that includes annexation or detachment, to determine whether territory proposed for annexation or detachment, as described in its resolution approving the annexation, detachment, or reorganization, is inhabited or uninhabited.

To determine successor city or district

(c) With regard to a proposal for consolidation of two or more cities or districts, to determine which city or district

shall be the consolidated, successor city or district.

Annexation of noncontiguous city-owned land as specified

(d) To approve the annexation * * * of unincorporated, noncontiguous territory, subject to the limitations of Section 56742, located in the same county as that in which the city is located, and that is owned by a city and used for municipal purposes and to authorize the annexation of the territory without notice and hearing.

* * *

Change of prezoning; two-year limitation

(e) To approve the annexation of unincorporated * * * territory consistent with the planned and probable use of the property based upon the review of general plan and prezoning designations. No subsequent change may be made to the general plan for the annexed territory or zoning that is not in conformance to the prezoning designations for a period of two years after the completion of the annexation, unless the legislative body for the city makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the prezoning in the application to the commission.

* * *

Number of registered voters for incorporation

(f) With respect to the incorporation of a new city or the formation of a new special district, to determine the number of registered voters residing within the proposed city or special district. The number of registered voters shall be calculated as of the time of the last report of voter registration by the county * * * elections official to the

Date of count

Secretary of State prior to the date the first signature was affixed to the petition. The executive officer shall notify the petitioners of the number of registered voters resulting from this calculation.

Standards for evaluating proposals

(g) To adopt written procedures for the evaluation of proposals. The commission may adopt standards for any of the factors enumerated in Section 56668. Any standards adopted by the commission shall be written.

Standards for evaluating service plans

(h) To adopt standards and procedures for the evaluating of service plans submitted pursuant to Section 56653 and the initiation of a change of organization or reorganization pursuant to subdivision (a).

Hearing regulations

(i) To make and enforce regulations for the orderly and fair conduct of hearings by the commission.

To incur expenses

(j) To incur usual and necessary expenses for the accomplishment of its functions.

To appoint or contract for staff

(k) To appoint and assign staff personnel and to employ or contract for professional or consulting services to carry out and effect the functions of the commission.

To review boundaries

(l) To review the boundaries of the territory involved in any proposal with respect to the definiteness and certainty of those boundaries, the nonconformance of proposed boundaries with lines of assessment or ownership, and other similar matters affecting the proposed boundaries.

To waive island restrictions; findings required

(m) To waive the restrictions of Section 56744 if it finds that the application of the restrictions would be detrimental the orderly development of the community and that the area that would be enclosed by the annexation or incorporation is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

To waive automatic detachment from a county service area; specific findings required

(n) To waive the application of Section 25210.90 or Section 22613 of the Streets and Highways Code if it finds the application would deprive an area of a service needed to ensure the health, safety, or welfare of the residents of the area and if it finds that the waiver would not affect the ability of a city to provide any service. However, within 60 days of the inclusion of the territory within the city, the legislative body may adopt a resolution nullifying the waiver.

To determine exchange of property tax revenue for formation or incorporation

(o) If the proposal includes the incorporation of a city, as defined in Section 56043, or the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, the commission shall determine the property tax revenue to be exchanged by the affected local agencies pursuant to Section 56810.

To authorize service outside boundaries

(p) To authorize a city or district to provide new or extended services outside its jurisdictional boundaries pursuant to Section 56133.

Agreement with adjoining commission

(q) To enter into an agreement with the commission for an adjoining county for the purpose of determining procedures for the consideration of proposals that may affect the adjoining county or where the jurisdiction of an affected agency crosses the boundary of the adjoining county.

(Amended by Stats. 2000, Ch. 761.)

Annexation of islands without election, as specified

56375.3. (a) In addition to those powers enumerated in Section 56375, a commission may approve the annexation to a city after notice and hearing, and order annexation of the territory without an election, or waive the protest hearing proceedings pursuant to Part 4, commencing with Section 57000, if the annexation meets the requirements of this subdivision and is proposed by resolution adopted by the affected city, if the commission finds that the territory contained in an annexation proposal meets all of the following requirements:

Findings:

Size restriction

(1) It does not exceed 75 acres in area, that area constitutes the entire island, and that island does not constitute a part of an unincorporated area that is more than 100 acres in area.

Entire island

(2) The territory constitutes an entire unincorporated island located within the limits of a city, or constitutes a reorganization containing a number of individual unincorporated islands.

"Surrounded" described

(3) It is surrounded in either of the following ways:

(A) Surrounded, or substantially surrounded, by the city to which annexation is proposed or by the city and a county boundary or the Pacific Ocean.

(B) Surrounded by the city to which annexation is proposed and adjacent cities.

(C) This subdivision shall not be construed to apply to any unincorporated island within a city that is a gated community where services are currently provided by a community services district.

Separate property tax agreement

(D) Notwithstanding any other provision of law, at the option of either the city or the county, a separate property tax transfer agreement may be agreed to between a city and a county pursuant to Section 99 of the Revenue and Taxation Code regarding an annexation subject to this subdivision without affecting any existing master tax sharing agreement between the city and county.

"Developed"

(4) It is substantially developed or developing. The finding required by this subparagraph shall be based upon one or more factors, including, but not limited to, any of the following factors:

(A) The availability of public utility services.

(B) The presence of public improvements.

(C) The presence of physical improvements upon the parcel or parcels within the area.

"Non-prime"

(5) It is not prime agricultural land, as defined by Section 56064.

Benefits

(6) It will benefit from the annexation or is receiving benefits from the annexing city.

(b) Notwithstanding any other provision of this subdivision, this subdivision shall not apply to all or any part of that portion of the development project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code that as of January 1, 2000, meets all of the following requirements:

Exclusion

(1) Is unincorporated territory.

(2) Contains at least 100 acres.

(3) Is surrounded or substantially surrounded by incorporated territory.

(4) Contains at least 100 acres zoned for commercial or industrial uses or is designated on the applicable county general plan for commercial or industrial uses.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56375(d)].)

Spheres; consistency

56375.5. Every determination made by a commission regarding the matters provided for by subdivisions (a), (m), and (n) of Section 56375 shall be consistent with the spheres of influence of the local agencies affected by those determinations.

(Amended by Stats. 2000, Ch. 761.)

Limitation on conditions requiring service outside sphere of influence

56376. The commission shall not impose a condition for the provision of services by the annexing city to an area which has not been placed within that city's adopted sphere of influence, as defined in Section 56076, unless that condition would mitigate effects which are a direct result of the annexation.

In the case of any annexation proposal for which a certificate of completion was not recorded prior to January 1, 1985, a condition imposed thereon which does not comply with the requirements of this section is null and void and shall not affect the validity of, or terminate the annexation proceedings.

Limitations on condition for road maintenance or public facility improvements

56376.5. (a) The commission shall not impose any condition on an annexing local agency with respect to the standards or frequency of maintenance of any existing street or road within the annexed territory.

(b) The commission shall not impose a condition which requires a local agency to improve an existing public facility which is not owned by the agency.

(c) This section shall not be construed as authorizing a commission to impose any conditions which it is not otherwise authorized to impose.

Open Space Land Conversion; policies and priorities

56377. In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:

(a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

Development within jurisdiction

(b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

(Amended by Stats. 2000, Ch. 761.)

Authorization to initiate studies; request information from agencies

56378. In addition to its other powers, the commission shall initiate and make studies of existing governmental agencies. Those studies shall include, but shall not be limited to, inventorying those agencies and determining their maximum service area and service capacities. In conducting

those studies, the commission may ask for land use information, studies, and plans of cities, counties, districts, including school districts, community college districts, and regional agencies and state agencies and departments. Cities, counties, districts, including school districts, community college districts, regional agencies, and state agencies and departments, shall comply with the request of the commission for that information and the commission shall make its studies available to public agencies and any interested person. In making these studies, the commission may cooperate with the county planning commissions.

Grants-in-Aid

The commission, or the board of supervisors on behalf of the commission, may apply for or accept, or both, any financial assistance and grants-in-aid from public or private agencies or from the state or federal government or from a local government.

Request for transcript of commission meeting

Costs

56379. Any person may, prior to any meeting, request the commission to cause a stenographic or electromagnetic record to be made of a meeting. If the cost of making that record is borne by that person, the commission shall cause the record to be made. The commission may require any person requesting the record to be made to deposit the estimated cost of making the record with the commission prior to the hearing.

Personnel and facilities

56380. The commission shall make its own provision for necessary quarters, equipment, and supplies as well as personnel. The commission may choose to contract with any public agency or private party for personnel and facilities.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56380].)

Annual budget

Adoption by June 15

Equal to prior year

Distribution of budget

Public learning

56381. (a) The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors; to each city; to the clerk and chair of the city selection committee, if any, established in each county pursuant to Article 11 (commencing with Section 50270) of Chapter 1 of Part 1 of Division 1; to each independent special district; and to the clerk and chair of the independent special district selection committee, if any, established pursuant to Section 56332.

Apportionment by auditor

(b) After public hearings, consideration of comments, and adoption of a final budget by the commission pursuant to subdivision (a), the auditor shall apportion the net operating expenses of a commission in the following manner:

Counties with cities and districts

(1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations. The independent special districts' share shall be apportioned in a similar manner according to each district's revenues for general purpose transactions, as reported in the most recent edition of the "Financial Transactions Concerning Special Districts" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations. For the purposes of fulfilling the requirement of this section, a multicounty independent special district shall be required to pay its apportionment in its principal county. It is the intent of the Legislature that no single district or class or type of district shall bear a disproportionate amount of the district share of costs.

Counties without district representation

(2) In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1).

Counties without cities

(3) In counties in which there are no cities, the county and its special districts shall each provide a one-half share of the commission's operational costs. The independent special districts' share shall be apportioned in the manner described for cities' apportionment in paragraph (1). If there is no independent special district representation on the commission, the county shall pay all of the commission's operational costs.

Alternative apportionment

(4) Instead of determining apportionment pursuant to paragraph (1), (2), or (3), any alternative method of apportionment of the net operating expenses of the commission may be used if approved by a majority vote of each of the following: the board of supervisors; a majority of the cities representing a majority of the total population of cities in the county; and the independent special districts representing a majority of the combined total population of independent special districts in the county.

Auditor requests payment by July 1

(c) After apportioning the costs as required in subdivision (b), the auditor shall request payment from the board of supervisors and from each city and each independent special district no later than July 1 of each year for the amount that entity owes and the actual administrative costs incurred by the auditor in apportioning costs and requesting payment from each entity. If the county, a city, or an independent special district does not remit its required payment within 60 days, the commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the county, city, or district. The auditor shall provide written notice to the county, city, or district prior to appropriating a share of the property tax or other revenue to the commission for the payment due the commission pursuant to this section. Any expenses incurred by the commission or the auditor in collecting late payments or successfully challenging nonpayment shall be added to the payment owed to the commission. Between the beginning of the fiscal year and the time the auditor receives payment from each affected city and district, the board of supervisors shall transmit funds to the commission sufficient to cover the first two months of the commission's operating expenses as specified by the commission. When the city and district payments are received by the commission, the county's portion of the commission's annual operating expenses shall be credited with funds already received from the county. If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget. If, during the fiscal year, the commission is without adequate funds to operate, the board of supervisors may loan the commission funds and recover those funds in the commission's budget for the following fiscal year. (Repealed and added by Stats. 2000, Ch. 761.)

Commission determines collection method

Costs of collections

Board of Supervisors transmits funds

Provision for loan to commission

Apportionment for special membership commissions

56381.6. (a) Notwithstanding the provisions of Section 56381, for counties whose membership on the commission is established pursuant to Sections 56326, 56326.5, 56327, or 56328, the commission's annual operational costs shall be apportioned among the classes of public agencies that select members on the commission in proportion to the number of members selected by each class. The classes of public agencies that may be represented on the commission are the county, the cities, and independent special districts. Any alternative cost apportionment procedure may be adopted by the commission, subject to a majority affirmative vote of the commission that includes the affirmative vote of at least one of the members selected by

the county, one of the members selected by a city, and one of the members selected by a special district, if special districts are represented on the commission.

(b) Allocation of costs among individual cities and independent special districts and remittance of payments shall be in accordance with the procedures of Section 56381. Notwithstanding Section 56381, any city that has permanent membership on the commission pursuant to Sections 56326, 56326.5, 56327, or 56328 shall be apportioned the same percentage of the commission's annual operational costs as its permanent member bears to the total membership of the commission, excluding any public members selected by all the members. The balance of the cities' portion of the commission's annual operational costs shall be apportioned to the remaining cities in the county in accordance with the procedures of Section 56381. (Added by Stats. 2000, Ch. 761.)

Destruction of records

56382. The commission may authorize the destruction of any duplicate record, paper, or other document if the original or a photographic or electronic copy of the record, paper, or other document is retained in the files of the commission, and the commission may authorize the destruction of original records more than two years old if a photographic or electronic copy of the original record is made and preserved, provided that the following conditions are met:

Requirements for records

(a) The record is reproduced on a medium that does not permit additions, deletions, or changes to the original document, or reproduced in compliance with the minimum standards or guidelines, or both, as recommended by the American National Standards Institute or the Association for Information and Image Management for recording of permanent records or nonpermanent records, whichever applies.

(b) The device used to reproduce the record is one that accurately and legibly reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images.

(c) The reproductions are made as accessible for public reference as the original records were.

(d) A true copy of archival quality of the reproductions shall be kept in a safe and separate place for security purposes.

Processing fees

56383. (a) The commission may establish a schedule of fees for the costs of proceedings taken pursuant to this division, including, but not limited to, all of the following:

* * *

(1) Filing and processing applications filed with the commission.

(2) Proceedings undertaken by the commission and any reorganization committee.

(3) Amending a sphere of influence.

(4) Reconsidering a resolution making determinations.

Reasonable cost

(b) The schedule of fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged and shall be imposed pursuant to Section 66016.

Fee deposit

(c) The commission may require that a fee be deposited with the executive officer before any further action is taken. The deposit of the fee shall be made within the time period specified by the commission. No petition shall be deemed filed until the fee has been deposited.

Fee waiver

(d) The commission may waive a fee if it finds that payment would be detrimental to the public interest.

Fees for signature verification

(e) The signatures on a petition submitted to the commission shall be verified by the elections official of the county and the costs of verification shall be provided for in the same manner and by the same agencies which bear the costs of verifying signatures for an initiative petition in the same county.

Fee waiver limitation

(f) Waiver of fees is limited to those costs incurred by the commission in the processing of a proposal.

Incorporation fees; loan from General Fund

(g) For incorporation proceedings that have been initiated by the filing of a sufficient number of voter signatures on petitions that have been verified by the county registrar of voters, the commission may, upon the receipt of a certification by the proponents that they are unable to raise sufficient funds to reimburse fees for the proceedings, take no action on the proposal and request a loan from the General Fund of an amount sufficient to cover those expenses subject to availability of an appropriation for those purposes and in accordance with any provisions of the appropriation. Repayment of the loan shall be made a condition of approval of the incorporation, if successful, and shall become an obligation of the newly formed city.

Repayment provisions

Repayment shall be made within two years of the effective date of incorporation. If the proposal is denied by the commission or defeated at an election, the loan shall be forgiven.

(Amended by Stats. 2000, Ch. 761.)

Executive officer; appointment alternate

56384. (a) The commission shall appoint an executive officer who shall conduct and perform the day-to-day business of the commission. If the * * * executive officer is subject to a conflict of interest on a matter before the commission, the commission shall appoint an alternate executive officer. The commission may recover its costs by charging fees pursuant to Section 56383.

Appointment Legal Counsel

(b) The commission shall appoint legal counsel to advise it. If * * * the commission's counsel is subject to

a conflict of interest on a matter before the commission, the commission shall appoint alternate legal counsel to advise it. The commission may recover its costs by charging fees pursuant to Section 56383.

Appointment of Staff

(c) The commission may appoint staff as it deems appropriate. If staff for the commission is subject to a conflict of interest on a matter before the commission, the commission shall appoint alternate staff to assist it. The commission may recover its costs by charging fees pursuant to Section 56383.

Conflict of interest reference

(d) For purposes of this section, the term "conflict of interest" shall be defined as it is for the purpose of the Political Reform Act of 1974 and shall also include matters proscribed by Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1.
(Amended by Stats. 2000, Ch. 761.)

Employee benefits

56385. The commission may contract for retirement benefits for the executive officer or staff personnel pursuant to the County Employees Retirement Law of 1937, Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 or the Public Employees' Retirement Law, Part 3 (commencing with Section 20000) of Division 5 of Title 2. It may also provide for health and medical benefits.

The commission shall preserve accrued vacation, sick leave, compensatory time, and retirement benefits of persons hired from within the employment of their respective county.

Local, regional and state officers to furnish information to Executive Officer

56386. (a) The officers and employees of a city, county, or special district, including any local agency, school district, community college district, and any regional agency, or state agency or department, as may be necessary, or any other public agency shall furnish the executive officer with any records or information in their possession which may be necessary to assist the commission and the executive officer in their duties, including, but not limited to, the preparation of reports pursuant to Sections 56665 and 56800.

(b) Upon request by the commission or the executive officer, the county surveyor, or any other county officer, county official, or employee as the board of supervisors may designate, shall examine and report to the commission or the executive officer upon any application or other document involving any of the matters specified in subdivision (j) of Section 56375.
(Amended by Stats. 2000, Ch. 761.)

Exclusive jurisdiction in principal county except as provided in Section 56388

56387. Except as otherwise provided in Section 56388, if any district is, or as a result of a proposed change of organization or reorganization would be, located in more

than one county, the commission of the principal county shall have exclusive jurisdiction over the matters authorized and required by this part.

Commission of principal county may vest jurisdiction in county in which territory located; requirements

56388. If any proposal involves a district which is, or as a result of a proposed change of organization or reorganization would be, located in more than one county, exclusive jurisdiction for that proposal over the matters authorized and required by this part may be vested in the commission of a county, other than the principal county, in which territory of the district is located or is proposed to be located if all of the following occur:

(a) The commission of the principal county agrees to having the exclusive jurisdiction vested in the commission of another county.

(b) The commission of the principal county designates the commission of another county which shall assume exclusive jurisdiction.

(c) The commission of the county so designated agrees to assume exclusive jurisdiction.

CHAPTER 4. SPHERES OF INFLUENCE

Purpose and policies

56425. (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county * * * and enact policies designed to promote the logical and orderly development of areas within the sphere.

City-county meeting and agreement

(b) At least 30 days prior to submitting an application to the commission for a determination of a new sphere of influence, or to update an existing sphere of influence for a city, representatives from the city shall meet with county representatives to discuss the proposed sphere, and its boundaries, and explore methods to reach agreement on the boundaries, development standards, and zoning requirements within the sphere to ensure that development within the sphere occurs in a manner that reflects the concerns of the affected city and is accomplished in a manner that promotes the logical and orderly development of areas within the sphere.

Time period and extension

If no agreement is reached between the city and county within 30 days, then the parties may, by mutual agreement, extend discussions for an additional period of 30 days. If an agreement is reached between the city and county regarding the boundaries, development standards, and zoning requirements within the proposed sphere, the agreement shall be forwarded to the

commission, and the commission shall consider and adopt a sphere of influence for the city consistent with the policies adopted by the commission pursuant to this section, and the commission shall give great weight to the agreement in the commission's final determination of the city sphere.

Commission to give great weight to agreement

(c) If the commission's final determination is consistent with the agreement reached between the city and county pursuant to subdivision (b), the agreement shall be adopted by both the city and county after a noticed public hearing. Once the agreement has been adopted by the affected local agencies and their respective general plans reflect that agreement, then any development approved by the county within the sphere shall be consistent with the terms of that agreement.

Agreement adopted; consistency

(d) If no agreement is reached pursuant to subdivision (b), the application may be submitted to the commission and the commission shall consider a sphere of influence for the city consistent with the policies adopted by the commission pursuant to this section.

Review without agreement

(e) In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following:

(1) The present and planned land uses in the area, including agricultural and open-space lands.

(2) The present and probable need for public facilities and services in the area.

(3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

(f) Upon determination of a sphere of influence, the commission shall adopt that sphere, and shall * * * review and update, as necessary, the adopted sphere not less than once every five years.

Review and update not less than five years

(g) The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for those recommendations. Those recommendations shall be made available, upon request, to other agencies or to the public. The commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

Recommended reorganizations

Distribution

(h) For any sphere of influence or a sphere of influence that includes a special district, the commission shall do all of the following:

District sphere requirements; written statements; special district functions and services; latent powers

(1) Require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

New or different services approved by commission

(2) Establish the nature, location, and extent of any functions or classes of services provided by existing districts.

(3) Determine that, except as otherwise authorized by the regulations, no new or different function or class of service shall be provided by any existing district, except upon approval by the commission.

(i) Subdivisions (b), (c), and (d) and shall become inoperative as of January 1, 2007, unless a later enacted statute, that becomes operative on or before January 1, 2007, deletes or extends that date.

(Amended by Stats. 2000, Ch. 129, effective July 14, 2000; Stats. 2000, Ch. 761.)

Application to redevelopment project area

56425.5. (a) A determination of a city's sphere of influence, in any case where that sphere of influence includes any portion of the redevelopment project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code, shall not preclude any other local agency, as defined in Section 54951, including the redevelopment agency referenced in Section 33492.41 of the Health and Safety Code, in addition to that city, from providing facilities or services related to development, as defined in subdivision (e) of Section 56426, to or in that portion of the redevelopment project area that, as of January 1, 2000, meets all of the following requirements:

(1) Is unincorporated territory.

(2) Contains at least 100 acres.

(3) Is surrounded or substantially surrounded by incorporated territory.

(4) Contains at least 100 acres zoned for commercial or industrial uses or is designated on the applicable county general plan for commercial or industrial uses.

(b) Facilities or services related to development may be provided by other local agencies to all or any portion of the area defined in paragraphs (1) to (4), inclusive, of subdivision (a). Subdivision (a) shall apply regardless of whether the determination of the sphere of influence is made before or after January 1, 2000.

(Added by Stats. 2000, Ch. 761.)

Sphere of influence of proposed or newly incorporated city; within one year

56426.5. (a) Beginning January 1, 1990, at the time a commission approves a proposal for an incorporation or a reorganization which includes an incorporation, the commission may determine the sphere of influence for the proposed new city. Except as provided in subdivision (b), the commission shall determine the sphere of influence for any newly incorporated city within one year of the effective date of incorporation.

(b) The commission shall determine the sphere of influence for any newly incorporated city, the proposal for which was approved by the commission before January 1, 1990, by January 1, 1991.

Spheres of influence adoption and amendment; notice, hearing, continuance

56427. The commission shall adopt, amend, or revise spheres of influence after a public hearing called and held for that purpose. At least 15 days prior to the date of that hearing, the executive officer shall give mailed notice of the hearing to each affected local agency or affected county, and to any interested party who has filed a written request for notice with the executive officer. In addition, at least 15 days prior to the date of that hearing, the executive officer shall cause notice of the hearing to be published in accordance with Section 56153 in a newspaper of general circulation which is circulated within the territory affected by the sphere of influence proposed to be adopted. The commission may continue from time to time any hearing called pursuant to this section.

At any hearing called and held pursuant to this section, the commission shall hear and consider oral or written testimony presented by any affected local agency or affected county or any interested person who wishes to appear.

This section shall only apply to spheres of influence adopted by the commission after January 1, 1975.

Request for amendment of sphere of influence

56428. (a) Any person or local agency may file a written request with the executive officer requesting amendments to a sphere of influence or urban service area adopted by the commission. The request shall state the nature of the proposed amendment, state the reasons for the request, include a map of the proposed amendment, and contain any additional data and information as may be required by the executive officer.

CEQA; notice

(b) After complying with the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, the executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given. The executive officer shall give notice in the manner provided by Section 56427. On the date and time provided in the notice, the commission may do either of the following:

(1) Without further notice, consider the amendments to a sphere of influence.

(2) Set a future date for the hearing on the request.

Report and recommendation

(c) The executive officer shall review each requested amendment and prepare a report and recommendation. The report shall be completed not less than five days before the date specified in the notice of hearing. The executive officer shall send copies of the report to the person or agency

making the request, each affected local agency, and each person who has filed a request for a report.

Hearing

(d) At its meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time but not to exceed 70 days from the date specified in the original notice. The person or agency which filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

Determinations and decision

(e) At the conclusion of its consideration, the commission may approve or disapprove with or without amendment, wholly, partially, or conditionally, the request. The commission shall follow the procedures in Sections 56425 and 56426.

Fee

(f) The commission may require the person or agency making a request pursuant to this section to pay a fee to cover the commission's costs. The fee shall not exceed the estimated reasonable cost of providing the service and shall be set pursuant to Section 56383. The commission may waive the fee if it finds that the request can be considered and studied as part of the periodic review of spheres of influence required by Section 56425. In addition, the commission may waive the fee if it finds that payment would be detrimental to the public interest.

(g) The commission and executive officer may review and act on any request to amend a sphere of influence or urban service area concurrently with their review and determination on any related change of organization or reorganization. In case of a conflict between the provisions of this section and any other provisions of this part, the other provisions shall prevail.

Petition for removal from city sphere; hearing; fees

56429. (a) Notwithstanding Sections 56425, 56427, and 56428, a petition for removal of territory from a sphere of influence determination may be brought pursuant to this section by landowners within the redevelopment project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code, if, at the time the petition is submitted, the area for which the petition is being requested meets all of the following requirements:

Requirements

(1) Is unincorporated territory.

(2) Contains at least 100 acres.

(3) Is surrounded or substantially surrounded by incorporated territory.

(4) Contains at least 100 acres zoned for commercial or industrial uses or is designated on the applicable county general plan for commercial or industrial uses.

(b) On receipt of a petition signed by landowners owning at least 25 percent of the assessed value of the land within

the affected territory, the commission shall hear and consider oral or written testimony.

(c) The petition shall be placed on the agenda of the commission in accordance with subdivision (b) of Section 56428.

Notice and hearing

(d) The executive officer shall give notice of the hearing in accordance with Section 56427.

(e) From the date of filing of the petition to the conclusion of the hearing, the commission shall accept written positions from any owner of land in the unincorporated territory that is seeking removal from a city's sphere of influence.

(f) The petition to remove territory from a city's sphere of influence shall be granted and given immediate effect if the commission finds that written positions filed in favor of the petition and not withdrawn prior to the conclusion of the hearing represent landowners owning 50 percent or more of the assessed value of the land within the affected territory.

(g) No removal of territory from a city's sphere of influence that is proposed by petition and adopted pursuant to this section shall be repealed or amended except by the petition and adoption procedure provided in subdivisions (a) to (f), inclusive. In all other respects, a removal of territory from a city's sphere of influence proposed by petition and adopted pursuant to this section shall have the same force and effect as any amendment to or removal of territory from a city's sphere of influence approved by the commission. No territory removed from a city's sphere of influence pursuant to this section shall be annexed to that city, unless the territory is subsequently added to the sphere of influence of the city pursuant to the petition and adoption procedure provided in this section.

Fees

(h) Pursuant to Section 56383, the commission may establish a schedule of fees for the costs of carrying out this section.

Proponents pay expenses

(i) All proper expenses incurred in connection with removal of territory from a city's sphere of influence pursuant to this section shall be paid by the proponents. (Added by Stats. 2000, Ch. 129, effective July 14, 2000; amended by Stats. 2000, Ch. 761.)

Service reviews

56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be

Geographic area

Written determinations

reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

(1) Infrastructure needs or deficiencies.

(2) Growth and population projections for the affected area.

(3) Financing constraints and opportunities.

(4) Cost avoidance opportunities.

(5) Opportunities for rate restructuring.

(6) Opportunities for shared facilities.

(7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.

(8) Evaluation of management efficiencies.

(9) Local accountability and governance.

Comprehensive service review

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

Service review with sphere update

(c) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

Office of Planning and Research guidelines

(d) Not later than July 1, 2001, the Office of Planning and Research, in consultation with commissions, the California Association of Local Agency Formation Commissions, and other local governments, shall prepare guidelines for the service reviews to be conducted by commissions pursuant to this section.

(Added by Stats. 2000, Ch. 761.)

Services to previously unserved territory

56434. (a) The commission may review and approve a proposal that extends services into previously unserved territory within unincorporated areas and may review the creation of new service providers to extend urban type development into previously unserved territory within unincorporated areas to ensure that the proposed extension is consistent with the policies of Sections 56001, 56300, 56301, and the adopted policies of the commission implementing these sections, including promoting orderly development, discouraging urban sprawl, preserving open space and prime agricultural lands, providing housing for persons and families of all incomes, and the efficient extension of governmental services.

(b) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2007, deletes or extends that date.

(Added by Stats. 2000, Ch. 761.)

PART 3. COMMISSION PROCEEDINGS FOR A CHANGE OF ORGANIZATION OR REORGANIZATION

CHAPTER 1. GENERAL

LAFCO proceedings initiated by petition or resolution of application

56650. Commission proceedings for a change of organization or a reorganization may be initiated by petition or by resolution of application in accordance with this chapter.

Initiation of proceedings for annexation to a city over 100,000 in Los Angeles County

56650.5. If the proposal is for the annexation of inhabited territory to a city with over 100,000 residents which is located in a county with a population of over 4,000,000, no proceedings shall be initiated either by petition or by resolution of application unless the proposal is consistent with the sphere of influence of any affected city or affected district.

LAFCO proceedings initiated on date certificate of filing issued

56651. Commission proceedings shall be deemed initiated on the date a petition or resolution of application is accepted for filing and a certificate of filing is issued by the executive officer of the commission of the county in which the affected territory is located.

Form of application; contents

56652. Each application shall be in the form as the commission may prescribe and shall contain all of the following information:

(a) A petition or resolution of application initiating the proposal.

(b) A statement of the nature of each proposal.

(c) A map and description, acceptable to the executive officer, of the boundaries of the subject territory for each proposed change of organization or reorganization.

(d) Any data and information as may be required by any regulation of the commission.

(e) Any additional data and information, as may be required by the executive officer, pertaining to any of the matters or factors which may be considered by the commission.

(f) The names of the officers or persons, not to exceed three in number, who are to be furnished with copies of the report by the executive officer and who are to be given mailed notice of the hearing.

Plan for providing services submitted with resolution of application

56653. (a) Whenever a local agency <u>or school district</u> submits a resolution of application for a change of organization or reorganization pursuant to this part, the local agency shall submit with the resolution of application a plan for providing services within the affected territory.

(b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer:

(1) An enumeration and description of the services to be extended to the affected territory.

(2) The level and range of those services.

(3) An indication of when those services can feasibly be extended to the affected territory.

(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

(5) Information with respect to how those services will be financed.

(Amended by Stats. 2000, Ch. 761.)

Resolution of application

56654. (a) A proposal for a change of organization or a reorganization may be made by the adoption of a resolution of application by the legislative body of an affected local agency.

Notice of intention

(b) At least 20 days before the adoption of the resolution, the legislative body may give mailed notice of its intention to adopt a resolution of application to the commission and to each interested agency and each subject agency. The notice shall generally describe the proposal and the affected territory.

Resolution contents

(c) Except for the provisions regarding signers and signatures, a resolution of application shall contain all of the matters specified for a petition in Section 56700 and shall be submitted with a plan for services prepared pursuant to Section 56653.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 56800].)

Priority of conflicting proposals

56655. If two or more proposals pending before the commission conflict or in any way are inconsistent with each other, as determined by the commission, the commission may determine the relative priority for conducting any further proceedings based on any of those proposals. That determination shall be included in the terms and conditions imposed by the commission. In the absence of that determination, priority is given to that proceeding which shall be based upon the proposal first filed with the executive officer.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56827].)

County of Los Angeles; appropriations incorporation of a new city

56657. (a) The sum of three hundred twenty thousand dollars ($320,000) is hereby appropriated from the General Fund to the Local Agency Formation Commission of the

County of Los Angeles for the purpose of conducting a study to determine whether it is feasible for the Harbor Area, consisting of the communities of San Pedro, Wilmington, and Harbor City, to detach from the City of Los Angeles and to incorporate as a new city.

(b) This section shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2002, deletes or extends that date.

(Note: This section is repealed by its own terms on January 1, 2002.)

Proposals affecting same or overlapping area

56657. Notwithstanding Section 56655, the commission shall not approve a proposal for incorporation, consolidation of districts, dissolution, merger, or establishment or a subsidiary district, or a reorganization that includes any of these changes of organization until it has considered any other change of organization which conflicts with the subject proposal and which was submitted to the commission within 60 days of the submission of the subject proposal.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56827.5].)

Consideration of conflicting proposals

56658. (a) Any petitioner or legislative body desiring to initiate proceedings shall submit an application to the executive officer of the principal county.

Mailed notice of receipt

(b) Immediately after receiving an application and before issuing a certificate of filing, the executive officer shall give mailed notice that the application has been received to each interested agency, and each subject agency, **the county committee on school district organization, and each school superintendent whose school district overlies the subject area**. The notice shall generally describe the proposal and the affected territory. The executive officer shall not be required to give notice pursuant to this subdivision if a local agency has already given notice pursuant to subdivision (b) of Section 56654.

Bi-county district

(c) If a special district is, or as a result of a proposal will be, located in more than one county, the executive officer of the principal county shall immediately give the executive officer of each other affected county mailed notice that the application has been received. The notice shall generally describe the proposal and the affected territory.

Application deemed complete or incomplete

(d) Except when a commission is the lead agency pursuant to Section 21067 of the Public Resources Code, the executive officer shall determine within 30 days of receiving an application whether the application is complete and acceptable for filing or whether the application is incomplete.

(e) The executive officer shall not accept an application for filing and issue a certificate of filing for at least 20 days after giving the mailed notice required by subdivision (b).

The executive officer shall not be required to comply with this subdivision in the case of an application which meets the requirements of Section 56663 or in the case of an application for which a local agency has already given notice pursuant to subdivision (b) of Section 56654.

(f) If the appropriate fees have been paid, an application shall be deemed accepted for filing if no determination has been made by the executive officer within the 30-day period. An executive officer shall accept for filing, and file, any application submitted in the form prescribed by the commission and containing all of the information and data required pursuant to Section 56652.

Certificate of filing

(g) When an application is accepted for filing, the executive officer shall immediately issue a certificate of filing to the applicant. A certificate of filing shall be in the form prescribed by the executive officer and shall specify the date upon which the proposal shall be heard by the commission. From the date of issuance of a certificate of filing, or the date upon which an application is deemed to have been accepted, whichever is earlier, an application shall be deemed filed pursuant to this division.

Notification of incomplete filing

(h) If an application is determined not to be complete, the executive officer shall immediately transmit that determination to the applicant specifying those parts of the application which are incomplete and the manner in which they can be made complete.

Hearing within 90 days

(i) Following the issuance of the certificate of filing, the executive officer shall proceed to set the proposal for hearing and give published notice thereof as provided in this part. The date of the hearing shall be not more than 90 days after issuance of the certificate of filing or after the application is deemed to have been accepted, whichever is earlier. Notwithstanding Section 56106, the date for conducting the hearing, as determined pursuant to this subdivision, is mandatory.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56828].)

Notice of hearing; publication and posting

56660. The executive officer shall give notice of any hearing by the commission by publication, as provided in Sections 56153 and 56154, and by posting, as provided in Sections 56158 and 56159.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56834].)

Mailed notice of hearing

56661. To the extent that the commission maintains an Internet website, notice of all public hearings shall be made available in electronic format on that site. The executive officer shall also give mailed notice of any hearing by the commission, as provided in Sections 56155 to 56157, inclusive, by mailing notice of the hearing or transmitting by

Electronic notice

electronic mail, if available to the recipient, to all of the following persons and entities:

To whom given

(a) To each affected local agency by giving notice to each elected local official, each member of the governing body, and the executive officer of the agency.

(b) To the * * * proponents, if any.

(c) To each person who has filed a written request for special notice with the executive officer.

(d) If the proposal is for any annexation or detachment, or for a reorganization providing for the formation of a new district, to each city within three miles of the exterior boundaries of the territory proposed to be annexed, detached, or formed into a new district.

(e) If the proposal is to incorporate a new city or for the formation of a district, to the affected county.

(f) If the proposal includes the formation of, or annexation of territory to, a fire protection district formed pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code, and all or part of the affected territory has been classified as a state responsibility area, to the Director of Forestry and Fire Protection.

(g) If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), to the Director of Conservation.

(h) To all registered voters and owners of property, as shown on the most recent assessment roll being prepared by the county at the time the commission adopts a resolution of application, within 300 feet of the exterior boundary of the property that is the subject of the hearing at least 20 days prior to the hearing. In lieu of the assessment roll, the agency may use the records of the county assessor or tax collector or any other more current record. Notice shall also either be posted or published in one newspaper 20 days prior to the hearing. If this section would require more than 1,000 notices to be mailed, then notice may instead be provided pursuant to paragraph (1) of subdivision (b) of Section 65954.6.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56835].)

Determinations without notice and hearing

56662. (a) The commission may make either of of the following determinations without notice and hearing:

(1) Subject to the limitations of Section 56663, approval or disapproval of a proposal for an annexation, detachment, or reorganization which consists solely of annexations or detachments, or both.

(2) Subject to the limitations of Section 56663, approval or disapproval of the formation of a county service area.

(b) Except for the determinations authorized to be made by subdivision (a), the commission shall not make any determinations upon any proposal, plan of reorganization, or report and recommendation of a reorganization committee until after public hearing by the commission on that proposal, plan of reorganization, or report and recommendation of a reorganization committee.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56836].)

Proposals with consent of all owners of land

56663. (a) If a petition for an annexation, a detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area is signed by all of the owners of land within the affected territory of the proposed change of organization or reorganization, or if a resolution of application by a legislative body of an affected district, affected county, or affected city making a proposal for an annexation or detachment, or for a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area is accompanied by proof, satisfactory to the commission, that all the owners of land within the affected territory have given their written consent to that change of organization or reorganization, the commission may approve or disapprove the change of organization or reorganization, without notice and hearing by the commission. In those cases, the commission may also approve and authorize the conducting authority to conduct proceedings for the change of organization or reorganization under any of the following conditions:

(1) Without notice and hearing.

(2) Without an election.

(3) Without notice, hearing, or an election.

(b) The executive officer shall give any affected agency mailed notice of the filing of the petition or resolution of application initiating proceedings by the commission. The commission shall not, without the written consent of the subject agency, take any further action on the petition or resolution of application for 10 days following that mailing.

Written demand of affected agency

Upon written demand by an affected local agency, filed with the executive officer during that 10-day period, the commission shall make determinations upon the petition or resolution of application only after notice and hearing on the petition or resolution of application. If no written demand is filed, the commission may make those determinations without notice and hearing. By written consent, which may be filed with the executive officer at any time, a subject agency may do any of the following:

(1) Waive the requirement of mailed notice.

(2) Consent to the commission making determinations without notice and hearing.

(3) Waive the requirement of mailed notice and consent to the commission making determinations without notice and hearing.

Protest proceeding waived entirely, conditions

(c) In the case of uninhabited territory, the commission may waive * * * protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely if all of the following conditions apply:

(1) All the owners of land within the affected territory have given their written consent to the change of organization or reorganization.

(2) All affected local agencies that will gain or lose territory as a result of the change of organization or reorganization have consented in writing to a waiver of * * * protest proceedings.

(3) The commission has provided written notice of commission proceedings to all property owners and registered voters within the subject territory and no opposition is received prior to or during the commission meeting.

(d) In the case of inhabited city and district annexations or detachments, or both, the commission may waive protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely if both of the following conditions apply:

(1) The commission has provided written notice of commission proceedings to all registered voters and landowners within the affected territory and no opposition from registered voters or landowners within the affected territory is received prior to or during the commission meeting. The written notice shall disclose to the registered voters and landowners that unless opposition is expressed regarding the proposal or the commission's intention to waive protest proceedings, that there will be no subsequent protest and election proceedings.

(2) All affected local agencies that will gain or lose territory as a result of the change of organization or reorganization have consented in writing to a waiver of protest proceedings.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56837].)

Voluntary notice and hearing

56664. Where the commission desires to provide for notice and hearing prior to making a determination on a matter which the commission is authorized, but not required, to determine without notice and hearing, the commission shall order a public hearing on that matter and set a date, time, and place for the hearing. The date of hearing shall not be more than 90 days after the date of the order.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56838].)

Executive officer's report; to whom copies furnished

56665. The executive officer shall review each application which is filed with the executive officer and shall

prepare a report, including his or her recommendations, on the application. The report shall be completed not less than five days prior to the date specified in the notice of hearing. Upon completion, the executive officer shall furnish copies of the report to each of the following:

(a) The officers or persons designated in the application.

(b) Each local agency whose boundaries or sphere of influence would be changed by the proposal or recommendation.

(c) Each affected local agency which has filed a request for a report with the executive officer.

(d)The executive officer of another affected county when a district is or will be located in that other county.

(e) Each affected city.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56833].)

Commission hearing

56666. (a) The hearing shall be held by the commission upon the date and at the time and place specified. The hearing may be continued from time to time but not to exceed 70 days from the date specified in the original notice.

(b) At the hearing, the commission shall hear and receive any oral or written protests, objections, or evidence which shall be made, presented, or filed, and consider the report of the executive officer and the plan for providing services to the territory prepared pursuant to Section 56653.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56840].)

Executive officer's report; revenue loss for land owned by a city or county

56667. If the report filed pursuant to Section 56665 indicates that more than 50 percent of the land proposed for incorporation is owned by or dedicated to the use of a city or county and that the proposed incorporation would result in a revenue loss to that city or county, and at the hearing held pursuant to Section 56666 the board of supervisors of the county or city council of the city presents a resolution objecting to the incorporation, no further proceedings shall be conducted by the commission and no new proposal involving incorporation of substantially the same territory shall be initiated for one year.

In the absence of a resolution of objection from a city or county, the commission may approve the proposal only if it imposes as a condition thereto that the newly incorporated city may not adopt any regulation or policy which would have a negative fiscal impact on any contract existing at the time of the incorporation which is related to the publicly owned land.

This section shall not preclude the completion of proceedings to incorporate territory which is the subject of incorporation proceedings filed with the executive officer of the commission prior to February 15, 1986.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56840.5].)

Factors to be considered in review of proposal

56668. Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

(a) Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

"Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

(g) Consistency with city or county general and specific plans.

(h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

(i) The comments of any affected local agency.

(j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

(k)Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.

(l) The extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the appropriate council of governments.

(m) Any information or comments from the landowner or owners.

(n) Any information relating to existing land use designations.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56841].)

District annexation; factors to consider and adoption of resolution

56668.3. * * * If the proposed change of organization * * * or reorganization includes a city detachment or district annexation, except a special reorganization, and the proceeding has not been terminated based upon receipt of a resolution requesting termination pursuant to either Section 56751 or Section 56857, factors to be considered by the * * * commission shall include all of the following:

(1) Whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.

(2) The commission's resolution making determinations.

(3) Any factors which may be considered by the commission as provided in Section 56668.

(4) Any resolution objecting to the action which may be filed by an affected agency.

(5) Any other matters which the * * * commission deems material.

(b) The commission shall give great weight to any resolution objecting to the action that is filed by a city or a district. The commission's consideration shall be based only on financial or service related concerns expressed in the protest. Except for findings regarding the value of written protests, the * * * commission is not required to make any express findings concerning any of the factors considered by the * * * commission.

* * *

(Renumbered and added by Stats. 2000, Ch. 761 [formerly Sec. 57079.5].)

Consideration of regional growth goals and policies

56668.5. The commission may, but is not required to, consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or subregional basis. This section does not grant any new powers or authority to the commission or any other body to establish regional growth goals and policies independent of the powers granted by other laws.

(Added by Stats. 2000, Ch. 761.)

CHAPTER 2. FORM, FILING, AND CERTIFICATION OF PETITION

Proposal by petition; petition contents

56700. A proposal for a change of organization or a reorganization may be made by petition. The petition shall do all of the following:

(a) State that the proposal is made pursuant to this part.

(b) State the nature of the proposal and list all proposed changes of organization.

(c) Set forth a description of the boundaries of the affected territory accompanied by a map showing the boundaries.

(d) Set forth any proposed terms and conditions.

(e) State the reason or reasons for the proposal.

(f) State whether the petition is signed by registered voters or owners of land.

(g) Designate not to exceed three persons as chief petitioners, setting forth their names and mailing addresses.

(h) Request that proceedings be taken for the proposal pursuant to this part.

(i) State whether the proposal is consistent with the sphere of influence of any affected city or affected district.

Disclosure of expenditures and contributions

56700.1. Expenditures for political purposes related to a change of organization or reorganization proposal that has been submitted to a commission, and contributions in support of or in opposition to such measures, shall be disclosed and reported to the same extent and subject to the same requirements as provided for local initiative measures to be presented to the electorate.
(Added by Stats. 2000, Ch. 761.)

Notice of intent to circulate petition

56700.4. (a) Before circulating any petition for change of organization, the proponent shall file with the executive officer * * * a notice of intention that shall include the name and mailing address of the proponent and a written statement, not to exceed 500 words in length, setting forth the reasons for the proposal. The notice shall be signed by a representative of the proponent, and shall be in substantially the following form:

Form

Notice of Intent to Circulate Petition

Notice is hereby given of the intention to circulate a petition proposing to _____. * * *

The reasons for the proposal are:

(b) * * * After the filing required pursuant to subdivision (a), the petition may be circulated for signatures.

(c) * * * Upon receiving the notice, the executive officer shall notify any affected jurisdictions.

(d) The notice requirements of this section shall apply in addition to any other applicable notice requirements. (Added to Stats. 2000, Ch. 761 [formerly Sec. 56700.5].)

Petition and all counterparts filed at the same time

56703. A petition may consist of a single instrument or separate counterparts. All petitions shall be filed with the executive officer. All counterparts of a petition or of any supplemental petition, shall be filed at the same time.

Petition signature and date

56704. (a) Each person signing a petition shall, at the time he or she signs the petition, affix after his or her signature the date upon which he or she signs the petition.

Registered voter petition

(b) If a petition is signed by registered voters, each person signing the petition shall, in addition to his or her signature, affix the date upon which he or she signs the petition and indicate on the petition his or her place of residence, giving street and number or other designation sufficient to enable the place of residence to be readily ascertained.

Landowner petition

(c) If a petition is signed by owners of land, each person signing the petition shall, in addition to the signature and the date on which he or she signs the petition, include a written description sufficient to identify the location of the land owned by each person signing the petition.

Signatures; time limits

56705. (a) Except as otherwise provided in subdivision (b), no petition shall be accepted for filing unless the signatures on the petition are secured within six months of the date on which the first signature on the petition was affixed and the petition is submitted to the executive officer for filing within 60 days after the last signature is affixed. If the elapsed time between the date on which the last signature is affixed and the date on which the petition is submitted for filing is more than 60 days, the executive officer shall file the petition in accordance with Section 56709.

Special time limits

(b) (1) Notwithstanding subdivision (a), in cities with a population of more than 100,000 residents that are located in a county with a population of over 4,000,000, no petition shall be accepted for filing unless the signatures thereon have been secured within 90 days of the publication of the notice required pursuant to Section 56760 and the petition is submitted to the executive officer for filing within 60 days after the last signature is affixed. If the elapsed time between the date on which the last signature is affixed and the date on which the petition is submitted for filing is more than 60 days, the executive officer shall file the petition in accordance with Section 56709.

(2) This subdivision shall not apply to a petition for a special reorganization, as defined in Section 56075.5.

Subdivision (a) shall apply to a special reorganization, as defined in Section 56075.5, regardless of the number of residents in the city or county in which signatures have been secured on the petition. This paragraph is declaratory of existing law.
(Amended by Stats. 2000, Ch. 761.)

Certificate of sufficiency

56706. (a) Within 30 days after the date of receiving a petition, the executive officer shall * * * cause the petition to be examined by the county elections official, in accordance with Sections 9113 to 9115, inclusive, of the Elections Code and shall prepare a certificate of sufficiency indicating whether the petition is signed by the requisite number of signers.

Notice of insufficiency

(b) (1) Except as provided in paragraph (2), if the certificate of the executive officer shows the petition to be insufficient, the executive officer shall immediately give notice by certified mail of the insufficiency to the * * * proponents, if any. That mailed notice shall state in what amount the petition is insufficient. Within 15 days after the date of the notice of insufficiency, a supplemental petition bearing additional signatures may be filed with the executive officer.

(2) Notwithstanding paragraph (1), the proponents of the petition may, at their option, collect signatures for an additional 15 days immediately following the statutory period allowed for collecting signatures without waiting for notice of insufficiency. Any proponent choosing to exercise this option may not file a supplemental petition as provided in paragraph (1).

Supplemental petition

(c)Within 10 days after the date of filing a supplemental petition, the executive officer shall examine the supplemental petition and certify in writing the results of his or her examination.

Certificate of sufficiency; contents

(d) A certificate of sufficiency shall be signed by the executive officer and dated. That certificate shall also state the minimum signature requirements for a sufficient petition and show the results of the executive officer's examination. The executive officer shall mail a copy of the certificate of sufficiency to the * * * proponents, if any.
(Amended by Stats. 2000, Ch. 761.)

Validation of signatures; registered voter petition

56707. If a petition is signed by registered voters, the executive officer shall cause the names of the signers on the petition to be compared with the voters' register in the office of the county clerk or registrar of voters and ascertain both of the following:

(a) The number of registered voters in the affected territory.

(b) The number of qualified signers appearing upon the petition.

Validation of signatures; landowner petition; most recent equalized assessment roll

56708. If a petition is signed by owners of land, the executive officer shall cause the names of the signers on the petition to be compared with the names of the persons shown as owners of land on the * * * most recent assessment roll * * * being prepared by the county at the time the commission adopts a resolution of application of the county and ascertain, to the extent possible, both of the following:

(a) The total number of landowners within the territory and the total assessed valuation of all land within the affected territory.

(b) The total number of landowners represented by qualified signers and the total assessed valuation of land owned by qualified signers.

(Amended by Stats. 2000, Ch. 761.)

Insufficient petition filed as public record; notice

56709. If the petition, including any supplemental petition, is certified to be insufficient, it shall be filed with the executive officer as a public record, without prejudice to the filing of a new petition. The executive officer shall give mailed notice to the chief petitioners, if any, stating that the petition has been found to be insufficient.

Assessed value

Tax exempt land

56710. For purposes of evaluating the sufficiency of any petition signed by owners of land:

(a) The assessed value to be given land exempt from taxation or owned by a public agency shall be determined by the county assessor, at the request of the executive officer, in the same amount as the county assessor would assess that land, if the land were not exempt from taxation or owned by a public agency.

Joint tenancy

(b) The value given land held in joint tenancy or tenancy in common shall be determined in proportion to the proportionate interest of the petitioner in that land.

(c) The executive officer shall disregard the signature of any person not shown as owner on the * * * most recent assessment roll being prepared by the county at the time the commission adopts a resolution of application unless prior to certification the executive officer is furnished with written evidence, satisfactory to the executive officer, that the signer meets any of the following requirements:

Legal representative

(1) Is a legal representative of the owner.

(2) Is entitled to be shown as owner of land on the next assessment roll.

New purchaser

(3) Is a purchaser of land under a recorded written agreement of sale.

(4) Is authorized to sign for, and on behalf of, any public agency owning land.
(Amended by Stats. 2000, Ch. 761.)

Signature for federal agency land

56711. Any public or federal agency owning land within the territory which is the subject of the proposed change of organization or reorganization shall be deemed a landowner for the purpose of the signing and certification of a petition for the change of organization or reorganization. That agency may authorize the petition to be signed for the agency, and on behalf of the agency, by any duly authorized officer or employee.

CHAPTER 3. PROCEEDINGS FOR CITIES

Article 1. Incorporation

Necessary findings; proposed incorporation

56720. The commission shall not approve or conditionally approve any proposal that includes an incorporation, unless the commission finds, based on the entire record, that:

(a) The proposed incorporation is consistent with the intent of this division, including, but not limited to, the policies of Sections 56001, 56300, 56301, and 56377.

(b) It has reviewed the spheres of influence of the affected local agencies and the incorporation is consistent with those spheres of influence.

(c) It has reviewed the comprehensive fiscal analysis prepared pursuant to Section 56800 and the Controller's report prepared pursuant to Section 56801.

(d) It has reviewed the executive officer's report and recommendation prepared pursuant to Section 56665, and the testimony presented at its public hearing.

(e) The proposed city is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56375.1].)

Proposed name for new or consolidated city

56722. If a petition is for incorporation of a new city, or consolidation of cities, the petition may propose a name for the new or consolidated city.

The proposed name for the new or consolidated city may contain the word "town."
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56701].)

Petition; provision for appointment of city manager/elective city officials

56723. If the petition is for incorporation, it may also include provisions for appointment of a city manager and

appointment of elective city officials, except city council members.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56702].)

Election of city officers after election

56724. (a) If the commission approves a proposal that includes the incorporation of a city, the resolution making determinations shall, upon the incorporation applicant's request, specify that the first election of city officers is to be held after voter approval of the proposal.

(b) If the applicant has submitted an application to the commission prior to the effective date of this section, the applicant may request that the election of city officers be held after the vote on the incorporation proposal.

(c) If the election of city officers is to be conducted after the vote on the incorporation proposal, the commission shall not set the effective date to be sooner than the election date of the city officers.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56852.5].)

Article 2. Special Reorganization

Special reorganization proceedings

56730. Proceedings for a special reorganization shall be conducted in accordance with the procedures otherwise prescribed for incorporation of a city, including, but not limited to, the provisions specified in Sections 56720, 56800, 56810, and 56815. Notwithstanding any other provision of this division, an election, if required, shall be conducted in accordance with Sections 57119 and 57132.5.
(Added by Stats. 2000, Ch. 761.)

Article 3. Annexation and Other Changes of Organization

To require election both in the city and in annexing territory where assessed value of land and number of voters in annexing territory are equal or in excess of 50% of city's assessed value and voters

56737. When a change of organization or a reorganization includes the annexation of inhabited territory to a city and the assessed value of land within the territory equals one-half or more of the assessed value of land within the city, or the number of registered voters residing within the territory equals one-half or more of the number of registered voters residing within the city, the commission may * * * determine as a condition of the proposal that the change of organization or reorganization shall also be subject to confirmation by the voters in an election to be called, held, and conducted within the territory of the city to which annexation is proposed.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56375(g)].)

Annexation to a city; succession to Williamson Act contracts

56738. If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), then the petition shall state

Section 51200) of Division 1), then the petition shall state whether the city shall succeed to the contract pursuant to Section 51243 or whether the city intends to exercise its option to not succeed to the contract pursuant to Section 51243.5.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56700.3].)

Tidelands or submerged lands owned by state; procedures

56740. (a) No tidelands or submerged lands, as defined in subdivision (g), which are owned by the state or by its grantees in trust shall be incorporated into, or annexed to, a city, except lands which may be approved by the State Lands Commission.

(b) If those tidelands or submerged lands are included within the boundaries of any territory proposed to be incorporated into, or annexed to, a city, a description of the boundaries, together with a map showing the boundaries, shall be filed with the State Lands Commission by the proponents of the incorporation or annexation. The filing with the State Lands Commission shall be made prior to the executive officer issuing a certificate of filing for the proposal.

Filed with State Lands Commission

(c) The State Lands Commission shall approve or disapprove all portions of the boundaries located upon the tidelands or submerged lands. In making that determination, it shall, where feasible and appropriate, require any extensions of land boundaries of the city or proposed city to be at right angles to the general direction of the shoreline at each point of intersection of the shoreline with the land boundaries of the city or proposed city. However, in the interest of ensuring an orderly and equitable pattern of offshore boundaries, the State Lands Commission may establish angles and other courses for each offshore boundary it deems necessary considering any irregularity of the shoreline, other geographical features, the effect of incorporation or annexation of the offshore or submerged lands on the uplands of the city, or proposed city, and adjoining territory, and the existing and potential boundaries of other cities and of unincorporated communities.

State Lands Commission determination

(d) Within 45 days after the filing of the boundary description and map with the State Lands Commission, the State Lands Commission shall make a determination of the proper offshore or submerged lands boundaries. That determination shall be final and conclusive. If the State Lands Commission does not make the determination within that time, the proposed offshore or submerged lands boundaries shall be deemed approved.

(e) The State Lands Commission shall report its determination to the executive officer and to each affected city, affected county, affected district, or person, if any,

that has filed the boundary description and map. Thereafter, filings and action may be taken pursuant to this part.

(f) The local agency formation commission may review and make determinations as to all portions of the boundaries, other than those offshore or submerged lands boundaries.

(g) "Submerged lands," as used in this section, includes, but is not limited to, lands underlying navigable waters which are in sovereign ownership of the state whether or not those waters are subject to tidal influences.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56108].)

City annexations in same county and contiguous

56741. Territory may not be annexed to a city unless it is located in the same county. Unless otherwise provided in this division, territory may not be annexed to a city unless it is contiguous to the city at the time the proposal is initiated pursuant to this part. Territory incorporated as a city shall be located within one county and, except as otherwise provided in Section 56742, shall be contiguous with all other territory being incorporated as a city.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56110].)

City annexation of noncontiguous territory

56742. Notwithstanding Section 56741, upon approval of the commission a city may annex noncontiguous territory not exceeding 300 acres in area, which is located in the same county as that in which the city is situated, and which is owned by the city and is being used for municipal purposes at the time commission proceedings are initiated. If, after the completion of the annexation, the city sells that territory or any part of that territory, all of the territory which is no longer owned by the city shall cease to be a part of the city. Territory which is used by a city for reclamation, disposal, and storage of treated wastewater may be annexed to the city pursuant to this section without limitation as to the size of the area encompassed within the territory so annexed.

City ownership required

If territory is annexed pursuant to this section, the annexing city may not annex any territory not owned by the city and not contiguous to the city, although the territory is contiguous to the territory annexed pursuant to this section.

Notwithstanding any other provision of this section, a city which annexes territory pursuant to this section may annex additional territory in the same county as that in which the city is situated which is owned by the United States government or the State of California and which is contiguous to the first-annexed territory if the total acreage of the first-annexed and the subsequently annexed territory together does not exceed 300 acres in area. If after the completion of the subsequent annexation, the city sells all or

any part of the first-annexed territory, the subsequently annexed territory shall cease to be part of the city if the subsequently annexed territory is no longer contiguous to territory owned by the city.

Detached, if sold

When territory ceases to be part of a city pursuant to this section, the legislative body of the city shall adopt a resolution confirming the detachment. The resolution shall describe the detached territory and shall be accompanied by a map indicating the territory. Immediately upon adoption of the resolution, the city clerk shall make any filing required by Chapter 8 (commencing with Section 57200) of Part 4.

If territory annexed to a city pursuant to this section becomes contiguous to the city, the limitations imposed by this section shall cease to apply.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56111].)

Annexation of state correctional facilities

56742.5. (a) Notwithstanding Section 56741, upon approval of the commission any city may annex noncontiguous territory which constitutes a state correctional facility or a state correctional training facility. If, after the completion of the annexation, the State of California sells that territory or any part thereof, all of the territory which is no longer owned by the state shall cease to be a part of the city which annexed the territory.

(b) If territory is annexed pursuant to this section, the city may not annex any territory not owned by the State of California and not contiguous to the city although that territory is contiguous to the territory annexed pursuant to this section.

(c) When territory ceases to be part of the city pursuant to this section, the legislative body of the city shall adopt a resolution confirming the detachment of that territory from the city. The resolution shall describe the detached territory and shall be accompanied by a map indicating the territory. Immediately upon adoption of the resolution, the city clerk shall make any filing provided for by Chapter 8 (commencing with Section 57200) of Part 4 of Division 3.

(d) If territory annexed pursuant to this section becomes contiguous to the city, the limitations imposed by this section shall cease to apply.

(e) A city may enter into an agreement with any other city under which the city apportions any increase in state subventions resulting from the annexation of territory pursuant to this section.

(Added by Stats. 2000, Ch. 761 [formerly Sections 56111.1, 56111.6, 56111.7, 56111.9, 56111.10, 56111.11, 56111.12, 56111.13, 56111.14].)

City of Willits; annexation of noncontiguous area

56743. (a) Notwithstanding Section 56741, upon approval of the commission a city may annex noncontiguous territory not exceeding 3,100 acres in area, which is located in the same county as that in which the city is situated, and which is owned by the city and is being used for municipal water purposes at the time preliminary proceedings are initiated pursuant to * * * this part. If, after the completion of the annexation, the city sells that territory or any part thereof, all of that territory which is no longer owned by the city shall cease to be a part of the city.

(b) If territory is annexed pursuant to this section, the annexing city may not annex any territory not owned by it and not contiguous to it although that territory is contiguous to the territory annexed pursuant to this section.

(c) When territory ceases to be part of a city pursuant to this section, the legislative body of the city shall adopt a resolution confirming the detachment of that territory from the city. The resolution shall describe the detached territory and shall be accompanied by a map indicating the territory. Immediately upon adoption of the resolution, the city clerk shall make any filing provided for by Chapter 8 (commencing with Section 57200) of Part 4.

(d) If territory annexed to a city pursuant to this section becomes contiguous to the city, the limitations imposed by this section shall cease to apply.

(e) If territory is annexed pursuant to this section, it shall be used only for municipal water purposes. The city may, however, enter into agreements to lease the land for timber production or grazing by animals. If the territory is used by the city for any other purpose at any time, it shall cease to be a part of the city.

(f) This section applies only to the City of Willits.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56111.5].)

Islands from annexations or incorporations

56744. Unless otherwise determined by the commission pursuant to subdivision (l) of Section 56375, territory shall not be incorporated into, or annexed to, a city pursuant to this division if, as a result of that incorporation or annexation, unincorporated territory is completely surrounded by that city or by territory of that city on one or more sides and the Pacific Ocean on the remaining sides.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56109].)

"Island" proceedings; annexation without election

56745. If authorized pursuant to Section 56375.3, the commission may order annexation of the territory without an election.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56112].)

Limitation on "island" proceedings

56746. (a) The authority to initiate, conduct, and complete any proceeding pursuant to Section 56745 does not apply to

any territory which, after January 1, 2000, became surrounded or substantially surrounded by the city to which annexation is proposed. The authority to initiate, conduct, and complete any proceeding pursuant to Section 56745 shall expire January 1, 2007. The period of time between January 1, 2000, and January 1, 2007, shall not include any period of time during which, in an action pending in any court, a local agency is enjoined from conducting proceedings pursuant to Section 56745. Upon final disposition of that case, the previously enjoined local agency may initiate, conduct, and complete proceedings pursuant to Section 56745 for the same period of time as was remaining under that seven-year limit at the time the injunction commenced. However, if the remaining time is less than six months, that authority shall continue for six months following final disposition of the action.

(b) Between January 1, 2000, and January 1, 2007, no new proposal involving the same or substantially the same territory as a proposal initiated pursuant to Section 56745 after January 1, 2000, shall be initiated for two years after the date of adoption by the commission of a resolution terminating proceedings.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56113].)

Annexations to City of Cupertino

56747. (a) Notwithstanding Section 56031, unincorporated territory consisting of property abutting on a street, highway, or road, and the street, highway, or road, to the extent that it abuts that property, together with the road strip may be annexed to a city pursuant to this division under the following conditions:

(1) The annexation may be made only if the property to be annexed is within the sphere of influence of the annexing city, as adopted by the commission, and lies within an unincorporated area wholly surrounded by the annexing city or the annexing city and the county line or the annexing city and the Pacific Ocean or the annexing city and a boundary of another city.

(2) The property to be annexed shall not be annexed if the distance between the boundary of the annexing city and the point closest to the annexing city at which the road strip connects with the abutting property, as measured by the road strip, is more than one-half mile.

(b) Subsequent annexations to the road strip and abutting territory shall not be made unless both of the following conditions are met:

(1) The distance between the point at which the original road strip abuts the boundary of the annexing city and the point closest to the city at which the road strip connects with the abutting property to be annexed, as measured by the road strip, is one-half mile or less.

(2) The annexation is contiguous to the road strip.

(c) As used in this section:

(1) "Property to be annexed" means the property abutting on a street, highway, or road, and the street, highway, or road, to the extent it abuts the property.

(2) "Road strip" means the street, highway, or road which connects the territory of the property to be annexed to the annexing city.

(d) This section applies only to the City of Cupertino.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56114].)

Farmland security zones; landowner petitions

56749. (a) The commission shall not approve or conditionally approve a change of organization or reorganization that would result in the annexation to a city of territory that is within a farmland security zone created pursuant to Article 7 (commencing with Section 51296) of Chapter 7 of Division 1. However, this subdivision shall not apply under any of the following circumstances:

(1) If the farmland security zone is located within a designated, delineated area that has been approved by the voters as a limit for existing and future urban facilities, utilities, and services.

(2) If annexation of a parcel or a portion of a parcel is necessary for the location of a public improvement, as defined in Section 51290.5, except as provided in subdivision (f) or (g) of Section 51296.

(3) If the landowner consents to the annexation.

* * *

(b) This section shall not apply during the three-year period preceding the termination of a farmland security zone contract under Article 7 (commencing with Section 51296) of Chapter 7 of Division 1.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56375.4].)

Farmland security zones; improper disapproval

56750. Notwithstanding Sections 56300 and 56301, the commission shall not disapprove a change of organization or reorganization where the reason for disapproval is that the farmland security zone is excluded from the affected territory.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56375.45].)

City detachment pre-hearing

56751. (a) Upon receipt by the commission of a proposed change of organization or reorganization, except a special reorganization, that includes the detachment of territory from any city, the commission shall place the proposal on the agenda for the next commission meeting for information purposes only and shall transmit a copy of the proposal to any city from which the detachment of territory is requested.

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subsection (a), an affected city may adopt and transmit to the commission a resolution requesting termination of the proceedings.

Termination

(c) If an affected city has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by this section, then the commission shall terminate the proceedings upon receipt of the resolution from the city.
(Repealed and added by Stats. 2000, Ch. 761.)

District proceedings (See 56765)

Annexation to a city; succession to Williamson Act contracts

56752. If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), then the resolution shall state whether the city shall succeed to the contract pursuant to Section 51243 or whether the city intends to exercise its option to not succeed to the contract pursuant to Section 51243.5.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56800.3].)

City annexation of land subject to Williamson Act; notice to Director of Conservation; requirements

56753. The executive officer shall give mailed notice of any hearing by the commission, as provided in Sections 56155 to 56157, inclusive, by mailing notice of the hearing * * * to the Director of Conservation * * * if the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1) * * *.
(Repealed and added by Stats. 2000, Ch. 761 [similar provisions formerly in Sec. 56835].)

City annexation of land subject to Williamson Act; notice to Director of Conservation

56753.5. Within 10 days after receiving a proposal that would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), the executive officer shall notify the Director of Conservation of the proposal. The notice shall include the contract number, the date of the contract's execution, and a copy of any protest that the city had filed pursuant to Section 51243.5.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56828.5].)

Annexation to a city; succession to Williamson Act contracts

56754. If a change of organization or reorganization would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), the commission shall determine one of the following:

(a) That the city shall succeed to the rights, duties, and powers of the county pursuant to Section 51243, or

(b) That the city may exercise its option to not succeed to the rights, duties, and powers of the county pursuant to Section 51243.5.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56842.7].)

Resolution of application; hearing; "island" provisions only

56755. Prior to submitting a resolution of application for the annexation of territory described in * * * Section 56375.3 to the commission, the legislative body adopting the resolution shall conduct a public hearing on the resolution. Notice of the hearing shall be published pursuant to Sections 56153 and 56154. At the hearing, any landowner shall be given an opportunity to present his or her views on the resolution.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56801].)

Resolution of application filed with executive officer

56756. The clerk of the legislative body adopting a resolution of application shall file a certified copy of that resolution with the executive officer.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56802].)

Reorganization in Santa Clara County; special provisions

56757. (a) The commission shall not review a reorganization that includes an annexation to any city in Santa Clara County of unincorporated territory that is within the urban service area of the city if the reorganization is initiated by resolution of the legislative body of the city.

(b) The city council shall be the conducting authority for the reorganization and the proceedings for the reorganization shall be initiated and conducted as nearly as may be practicable in accordance with Part 4 (commencing with Section 57000).

(c) The city council, in adopting the resolution approving the reorganization, shall make all of the following findings:

(1) That the unincorporated territory is within the urban service area of the city as adopted by the commission.

(2) That the county surveyor has determined the boundaries of the proposal to be definite and certain, and in compliance with the road annexation policies of the commission. The city shall reimburse the county for the actual costs incurred by the county surveyor in making this determination.

(3) That the proposal does not split lines of assessment or ownership.

(4) That the proposal does not create islands or areas in which it would be difficult to provide municipal services.

(5) That the proposal is consistent with the adopted general plan of the city.

(6) That the territory is contiguous to existing city limits.

(7) That the city has complied with all conditions imposed by the commission for inclusion of the territory in the urban service area of the city.

(d) All reorganizations which involve territory for which the land use designation in the general plan of the city has changed from the time that the urban service area of the city was last adopted by the commission, and which are processed by a city pursuant to this section shall be subject to an appeal to the commission upon submission of a petition of appeal, signed by at least 50 registered voters in the county.

(e) An appeal to the commission may also be made by submission of a resolution of appeal adopted by the legislative body of a special district solely for the purpose of determining whether some or all of the territory contained in the reorganization proposal should also be annexed or detached from that special district.

(f) Any petition submitted under subdivision (d) or resolution submitted under subdivision (e) shall be submitted to the executive officer within 15 days of the adoption by the city council of the resolution approving the annexation. The executive officer shall schedule the hearing for the next regular meeting of the commission as is practicable. The commission may set a reasonable appeal fee.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56826].)

City consistency with sphere in Los Angeles County

56758. If the proposal includes the annexation of inhabited territory to a city with over 100,000 residents which is located in a county with a population of over 4,000,000, no proceedings shall be initiated either by petition or by application of a legislative body unless the proposal is consistent with the sphere of influence of any affected city or affected district.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56848.5].)

City annexation exceeding 50% of city; elections in both territory and city

56759. In any order approving a proposal for an annexation or a reorganization that includes annexation of inhabited territory to a city when the assessed value of land within that territory proposed to be annexed equals one-half, or more, of that within the city, as shown by the last equalized assessment rolls, or the number of registered voters of the territory equals one-half, or more, of the number of registered voters within the city, as shown by the county register of voters, the commission shall require that an election called upon the question of confirming the

annexation or reorganization shall also be called, held, and conducted within the territory of the city to which territory is proposed to be annexed.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56850].)

Article 4. Initiation by Petition

Los Angeles County notice of intent; published

56760. (a) Before circulating any petition for change of organization for a city with a population of more than 100,000 which is located in a county with a population of over 4,000,000, the proponents shall publish a notice of intention which shall include a written statement not to exceed 500 words in length, setting forth the reasons for the proposal. The notice shall be published pursuant to Section 56153. The notice shall be signed by at least one, but not more than three, chief petitioners and shall be in substantially the following form:

Contents

Notice of Intent to Circulate Petition

Notice is hereby given of the intention to circulate a petition proposing to ____ territory to the City of ____.

The reasons for the proposal are:

Filing

(b) Within five days after the date of publication, the chief petitioners shall file with the clerk of the city and the executive officer a copy of the notice together with an affidavit made by a representative of the newspaper in which the notice was published certifying to the fact of publication.

(c) After the filing required pursuant to subdivision (b), the petition may be circulated for signatures.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56700.5].)

Incorporation; signatures

56764. A petition for the incorporation of a city shall be signed by either of the following:

(a) Not less than 25 percent of the registered voters residing in the area to be incorporated, as determined by the commission pursuant to subdivision (f) of Section 56375.

(b) Not less than 25 percent of the number of owners of land within the territory proposed to be incorporated who also own not less than 25 percent of the assessed value of land within the territory proposed to be incorporated, as shown on the last equalized assessment roll of the county.
(Added by Stat. 2000, Ch. 761 [formerly Sec. 56750].)

Disincorporation; signatures

56765. A petition for the disincorporation of a city shall be signed by not less than 25 percent of the registered voters residing in the city proposed to be disincorporated as shown on the county register of voters.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56751].)

Consolidation of cities; signatures

56766. A petition for the consolidation of two or more cities shall be signed by not less than 5 percent of the registered voters of each affected city as shown on the county register of voters.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56752].)

City annexation; signatures

56767. (a) Except as otherwise provided in subdivision (b), a petition for annexation of territory to a city shall be signed by either of the following:

(1) Not less than 5 percent of the number of registered voters residing within the territory proposed to be annexed as shown on the county register of voters.

(2) Not less than 5 percent of the number of owners of land within the territory proposed to be annexed who also own 5 percent of the assessed value of land within the territory as shown on the last equalized assessment roll.

(b) Notwithstanding subdivision (a), a petition for the annexation of territory to a city with more than 100,000 residents which is located in a county with a population of over 4,000,000, shall be signed by either of the following:

(1) Not less than 5 percent of the number of registered voters residing within the territory proposed to be annexed as shown on the county register of voters.

(2) Not less than 5 percent of the number of owners of land within the territory proposed to be annexed who also own 5 percent of the assessed value of land within the territory as shown on the last equalized assessment roll.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56753].)

City detachment; signatures

56768. A petition for detachment of territory from a city shall be signed by either of the following:

(a) Not less than 25 percent of the registered voters residing within the territory proposed to be detached, as shown on the county register of voters.

(b) Not less than 25 percent of the number of owners of land within the territory proposed to be detached who also own 25 percent of the assessed value of land within the territory, as shown on the last equalized assessment roll.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56754].)

CHAPTER 4. FISCAL PROVISIONS

Article 1. Comprehensive Fiscal Analysis

Comprehensive fiscal analysis; contents

56800. For any proposal, which includes an incorporation, the executive officer shall prepare, or cause to be prepared by contract, a comprehensive fiscal analysis. This analysis shall become part of the report required pursuant to Section 56665. Data used for the analysis shall be from the most recent fiscal year for which data are available, provided that the data are not more than one fiscal year old. When data from the most recent fiscal year are unavailable, * * * the executive officer may request supplemental data. * * * The analysis shall review and document each of the following:

(a) The costs to the proposed city of providing public services and facilities during the three fiscal years following incorporation.

(b) The revenues of the proposed city during the three fiscal years following incorporation.

(c) The effects on the costs and revenues of any affected local agency during the three fiscal years of incorporation.

(d) Any other information and analysis needed to make the findings required by Section 56720.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56833.1].)

Review of comprehensive fiscal analysis by controller, requests; costs

56801. (a) For any proposal that includes an incorporation, the executive officer shall, at the request of an interested party, which request is submitted pursuant to subdivision (b), and prior to issuing his or her report and recommendation pursuant to Section 56665, request the Controller to review the comprehensive fiscal analysis prepared pursuant to Section 56800. The request by an interested party shall specify in writing any element * * * of the comprehensive fiscal analysis that the Controller is requested to review and the reasons the Controller is requested to review * * * each element.

(b) The commission may adopt written procedures for the acceptance, referral, and payment for a request for the Controller's review, which shall include setting a time period during which an interested party is permitted to submit a request pursuant to subdivision (a). The time period for accepting a request shall not be less than 30 days following notice given in the same manner as specified in Section 56153.

(c) Within 45 days of receiving the analysis, the Controller shall issue a report to the executive officer regarding the accuracy and reliability of the information, methodologies, and documentation used in the analysis. The times within which the executive officer or commission is required to act

pursuant to this chapter shall be tolled for the time required by the Controller for completion of the report. The executive officer shall include the results of the Controller's report into his or her own report and recommendation issued pursuant to Section 56665.

Cost of Controller's review

(d) Notwithstanding Sections 56378 and 56386, the Controller may charge the commission for the actual costs incurred pursuant to this section. The commission may recover these costs by charging the person who requested the Controller's review.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56833.3].)

Funds for incorporation within Mountain House Community Services District; San Joaquin County

56802. (a) For any proposal for incorporation of the territory within the Mountain House Community Services District, San Joaquin County shall provide the required funds to those petitioners filing the incorporation application for all costs involved in filing the application for incorporation pursuant to this division, including the preparation of the comprehensive fiscal analysis pursuant to Section 56800.

(b) The funds provided by the county pursuant to this section shall not be construed to be a gift of public funds and may only be granted to a quasi-public or nonprofit organization formed for the purpose of pursuing incorporation of the Mountain House area.

(c) San Joaquin County shall provide the funds required in subdivision (a) only one time, upon the first filing of application for incorporation.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56833.5].)

Acceptance or rejection of incorporation findings; executive officer report; fiscal analysis

56803. If the commission approves a proposal which includes the incorporation of a city, the resolution making determinations shall accept or reject each of the findings and recommendations made in the executive officer's report prepared pursuant to Section 56665, and the fiscal analysis prepared pursuant to Section 56800. If the commission rejects a finding or recommendation, the resolution making determinations shall include findings by the commission which present the basis for any rejection.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56852.3].)

Article 2. Property Tax Exchange

Property tax exchange for incorporation or formation

56810. (a) (1) If the proposal includes the incorporation of a city, as defined in Section 56043, the commission shall determine the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section and Section 56815.

Commission determination

(2) If the proposal includes the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, the commission shall determine the amount of property tax to be exchanged by the affected local agency pursuant to this section.

Notice to auditor

(b) The commission shall notify the county auditor of the proposal and the services which the new jurisdiction proposes to assume within the area, and identify for the auditor the existing service providers within the area subject to the proposal.

(c) If the proposal would not transfer all of an affected agency's service responsibilities to the proposed city or district, the commission and the county auditor shall do all of the following:

Auditor's determination

(1) The county auditor shall determine the proportion that the amount of property tax revenue derived by each affected local agency pursuant to subdivision (b) of Section 93 of the Revenue and Taxation Code bears to the total amount of revenue from all sources, available for general purposes, received by each affected local agency in the prior fiscal year. For purposes of making this determination and the determination required by paragraph (3), "total amount of revenue from all sources available for general purposes" means the total amount of revenue which an affected local agency may use on a discretionary basis for any purpose and does not include any of the following:

(A) Revenue which, by statute, is required to be used for a specific purpose.

(B) Revenue from fees, charges, or assessments which are levied to specifically offset the cost of particular services and do not exceed the cost reasonably borne in providing these services.

(C) Revenue received from the federal government which is required to be used for a specific purpose.

Commission determination of total net cost; definition

(2) The commission shall determine, based on information submitted by each affected local agency, an amount equal to the total net cost to each affected local agency during the prior fiscal year of providing those services which the new jurisdiction will assume within the area subject to the proposal. For purposes of this paragraph, "total net cost" means the total direct and indirect costs which were funded by general purpose revenues of the affected local agency and excludes any portion of the total cost which was funded by any revenues of that agency which are specified in subparagraphs (A), (B), and (C) of paragraph (1).

Calculation

(3) The commission shall multiply the amount determined pursuant to paragraph (2) for each affected local agency by the corresponding proportion determined pursuant to paragraph (1) to derive the amount of property tax revenue used to provide services by each affected local agency during

the prior fiscal year within the area subject to the proposal. The county auditor shall adjust the amount described in the previous sentence by the annual tax increment according to the procedures set forth in Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code, to the fiscal year in which the new city or district receives its initial allocation of property taxes.

Separate county fund(s)

(4) For purposes of this subdivision, in any county in which, prior to the adoption of Article XIII A of the California Constitution, and continuing thereafter, a separate fund or funds were established consisting of revenues derived from the unincorporated area of the county and from which fund or funds services rendered in the unincorporated area have been paid, the amount of property tax revenues derived pursuant to paragraph (3), may, at the discretion of the commission, be transferred to the proposed city over a period not to exceed 12 fiscal years following its incorporation. In determining whether the transfer of the amount of property tax revenues determined pursuant to paragraph (3) shall occur entirely within the fiscal year immediately following the incorporation of the proposed city or shall be phased in over a period not to exceed 12 full fiscal years following the incorporation, the commission shall consider each of the following:

(A) The total amount of revenue from all sources available to the proposed city.

(B) The fiscal impact of the proposed transfer on the transferring agency.

(C) Any other relevant facts which interested parties to the exchange may present to the commission in written form.

The decision of the commission shall be supported by written findings setting forth the basis for its decision.

Auditor's determination

(d) If the proposal would transfer all of an affected agency's service responsibilities to the proposed city or district, the commission shall request the auditor to determine the property tax revenue generated for the affected service providers by tax rate area, or portion thereof, and transmit that information to the commission.

(e) The executive officer shall notify the auditor of the amount determined pursuant to paragraph (3) of subdivision (c) or subdivision (d), as the case may be, and, where applicable, the period of time within which and the procedure by which the transfer of property tax revenues will be effected pursuant to paragraph (4) of subdivision (c), at the time the executive officer records a certificate of completion pursuant to Section 57203 for any proposal described in subdivision (a), and the auditor shall transfer that amount to the new jurisdiction.

(f) The amendments to this section enacted during the 1985-86 Regular Session of the Legislature shall apply to any

proposal described in subdivision (a) for which a certificate of completion is recorded with the county recorder on or after January 1, 1987.

Prior fiscal year defined

(g) For purposes of this section, "prior fiscal year" means the most recent fiscal year for which data on actual direct and indirect costs and revenues needed to perform the calculations required by this section are available preceding the fiscal year in which the commission approves by resolution the city's proposal to incorporate or the district's proposal to form.

Action to contest

(h) An action brought by a city or district to contest any determinations of the county auditor or the commission with regard to the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section shall be commenced within three years of the effective date of the city's incorporation or the district's formation. These actions may be brought by any city that incorporated or by any district that formed on or after January 1, 1986.

(i) This section applies to any city that incorporated or district that formed on or after January 1, 1986.

(j) The calculations and procedures specified in this section shall be made prior to and shall be incorporated into the calculations specified in Section 56815.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56842].)

Commission determination of Article XIII B limitation

56811. If a proposal includes the formation of a district, the commission shall determine the appropriations limit of the district in accordance with Section 7902.7 and Article XIIIB of the California Constitution.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56842.5].)

Incorporation of city; determination of provisional and permanent appropriations limit

56812. (a) If a proposal includes the incorporation of a city, the commission shall determine the provisional appropriations limit of the city in accordance with Section 7902.7 and Article XIII B of the California Constitution. The commission shall determine the provisional appropriations limit of the city in the following manner:

(1) Estimate the amount of revenue anticipated to be received by the city from the proceeds of taxes for the first full fiscal year of operation.

(2) Adjust the amount determined in paragraph (1) for the estimated change in the cost of living and population in the next full fiscal year of operation and such other changes as may be required or permitted by Article XIII B of the California Constitution.

(b) The governing body of the city shall determine the proposed permanent appropriations limit of the city to be submitted to the voters in the following manner:

(1) Determine the amount of revenue actually received by the city from the proceeds of taxes for the first full fiscal year of operation.

(2) Adjust the amount determined in paragraph (1) for the estimated change in the cost of living and population in the next full fiscal year of operation and such other changes as may be required or permitted by Article XIII B of the California Constitution.

Permanent appropriation limit

(c) The permanent appropriations limit of the city shall be set at the first municipal election which is held following the first full fiscal year of operation and shall not be considered to be a change in the appropriations limit of the city pursuant to Section 4 of Article XIII B of the California Constitution. (Added by Stats. 2000, Ch. 761 [formerly Sec. 56842.6].)

Article 3. Revenue Neutrality

Intent

56815. (a) It is the intent of the Legislature that any proposal that includes an incorporation should result in a similar exchange of both revenue and responsibility for service delivery among the county, the proposed city, and other subject agencies. It is the further intent of the Legislature that an incorporation should not occur primarily for financial reasons.

Findings for an incorporation

(b) The commission shall not approve a proposal that includes an incorporation unless it finds that the following two quantities are substantially equal:

(1) Revenues currently received by the local agency transferring the affected territory which, but for the operation of this section, would accrue to the local agency receiving the affected territory.

(2) Expenditures currently made by the local agency transferring the affected territory for those services which will be assumed by the local agency receiving the affected territory.

Alternative findings

(c) Notwithstanding subdivision (b), the commission may approve a proposal that includes an incorporation if it finds either of the following:

(1) The county and all of the subject agencies agree to the proposed transfer.

(2) The negative fiscal effect has been adequately mitigated by tax sharing agreements, lump-sum payments, payments over a fixed period of time, or any other terms and conditions pursuant to Section 56886.

(d) Nothing in this section is intended to change the distribution of growth on the revenues within the affected territory unless otherwise provided in the agreement or agreements specified in paragraph (2) of subdivision (c).

Resolution; fiscal terms and conditions

(e) Any terms and conditions that mitigate the negative fiscal effect of a proposal that contains an incorporation shall

be included in the commission resolution making determinations adopted pursuant to Section 56880 and the terms and conditions specified in the questions pursuant to Section 57134.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56845].)

Task Force; state guidelines

56815.2. By July 1, 2001, the Governor's Office of Planning and Research, in consultation with the Controller, shall convene a task force composed of representatives of cities, counties, special districts, and local agency formation commissions, as nominated by their statewide organizations and associations, with expertise in local government fiscal issues for the purpose of creating statewide guidelines for the incorporation process. The guidelines shall be completed by January 1, 2002, by the Office of Planning and Research and shall serve as minimum statewide guidelines for the incorporation process. The guidelines shall include, but not be limited to, information to assist incorporation proponents to understand the incorporation process, its timelines, and likely costs. They shall also provide direction to affected agencies regarding the type of information that should be included in the comprehensive fiscal analysis of an incorporation, as well as suggestions for alternative ways to achieve fiscally neutral incorporations. The guidelines shall be advisory to the commissions in the review of incorporation proposals.
(Added by Stats. 2000, Ch. 761.)

CHAPTER 5. PROCEEDINGS FOR SPECIAL DISTRICTS

Article 1. Representation and Functions

District regulations; proceedings for adoption, amendment or repeal; "latent powers"

56820. The commission may take proceedings pursuant to this chapter for the adoption, amendment, or repeal of regulations affecting the functions and services of special districts within the county * * *. Those proceedings may be initiated either by the commission or by independent special districts within the county. If * * * the commission has representation from special districts prior to January 1, 2001, and if the commission has previously adopted regulations limiting the exercise of powers by its special districts as a condition of that representation, those regulations shall be repealed upon the request of a majority of independent special districts within the county.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56450].)

Regulations; authority; adoption

56820.5. The commission may adopt, amend, or repeal regulations affecting the functions and services of special districts within the county. The regulations shall designate the special districts, by type and by principal act, to which

of the records or copies and shall be returned to that officer immediately after the canvass of the election returns. All other election records, documents, instruments, and election supplies, including, but not limited to, rosters, ballots, and tally sheets, shall be retained or disposed of by the * * * elections official in the manner provided by law.
(Amended by Stats. 2000, Ch. 761.)

Notice of election by elections official

57130. The * * * elections official shall cause notice each change of organization or reorganization election to be given by publication, posting, and mailing as provided in Chapter 1 (commencing with Section 57025) of Part 4.
(Amended by Stats. 2000, Ch. 761.)

Notice of election; contents

57131. The notice of election required to be given by Section 57130 shall contain all of the matters specified in Section 57115.
(Amended by Stats. 2000, Ch. 761.)

Election date

57132. The election on the question of the change of organization or reorganization shall be called and held on the next regular election date occurring at least 88 days after the date upon which the resolution calling the election was adopted. This section does not apply to any election conducted solely by mailed ballot pursuant to Chapter 1 (commencing with Section 4000) of Division 4 of the Elections Code.

Special reorganization elections; when held

57132.5. Notwithstanding Section 57132, the election on the question of a special reorganization shall be called and held at the next regular primary or general election occurring in an even-numbered year at least 88 days after the date on which the resolution calling the election was adopted.

Form for questions to be submitted at special elections

57133. The question or questions to be submitted at any special election or elections called pursuant to this part shall be in substantially the following form:

Incorporation

(a) For an incorporation: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of _____ County ordering the incorporation of the territory described in the order and designated in the order as _____ (insert the distinct short form designation previously assigned by the commission) be confirmed?"

Annexation

(b) For an annexation: "Shall the order adopted on _____, 20 _____, by the _____ (insert * * * Local Agency Formation Commission) ordering the annexation to _____ (insert city or district) of the territory described in that order and designated as _____ (insert the short form designation previously assigned by the commission) be confirmed?"

Detachment

(c) For a detachment: "Shall the order adopted on _____, 20 _____, by the _____ (insert * * * Local Agency Formation Commission) ordering the detachment from the _____ (insert city or district) of the territory described in the order and designated in the order as _____ (insert the short form designation previously assigned by the commission) be confirmed?"

City consolidation

(d) For a city consolidation: "Shall the order adopted on _____, 20 _____, by the _____ (insert * * * Local Agency Formation Commission) of the County of _____ (insert name of county) ordering the consolidation of the Cities of _____ (insert names of all cities ordered consolidated) into a single city known as the City of _____ be confirmed?"

Disincorporation

(e) For a disincorporation: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of the County of _____ ordering the disincorporation of the City of _____ be confirmed?"

Reorganization

(f) For a reorganization: "Shall the order adopted on _____, 20 _____, by the _____ (insert * * * Local Agency Formation Commission) ordering a reorganization affecting the _____ (insert names of all affected cities or districts) and providing for _____ (insert list of all changes of organization or new cities proposed to be incorporated or districts to be formed) be confirmed?"

District dissolution

(g) For a district dissolution: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of the County of _____ ordering the dissolution of the _____ district be confirmed?"

District consolidation

(h) For a district consolidation: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of the County of _____ ordering the consolidation of _____ (insert the names of all districts ordered consolidated) into a single district known as the _____ District be confirmed?"

Subsidiary district

(i) For a merger: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of the County of _____ ordering the merger of the _____ District with the City of _____ be confirmed?"

Subsidiary district

(j) For establishment of a subsidiary district: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of the County of _____ ordering the _____ District established as a subsidiary district of the City of _____ be confirmed?"

District formation

(k) For a district formation, use form of question under principal act of district being formed. If none, use substantially the following form: "Shall the order adopted on _____, 20 _____, by the * * * Local Agency Formation Commission of _____ County ordering the formation of a

district in the territory described, known as _____, be approved?"
(Amended by Stats. 2000, Ch. 761.)

Terms and conditions in ballot question

57134. If the change of organization or reorganization has been ordered subject to any terms and conditions, there shall be added to the end of the questions set forth in Section 57133 words substantially as follows:

"Subject to the terms and conditions specified in the order."

Effect of terms and conditiions included in ballot question

57135. (a) If any of the terms and conditions have the effect of imposing or increasing liability for payment of (1) taxes or assessments to be levied and collected, (2) service charges, rentals, or rates to be fixed and collected, or (3) both, upon or within all or any part of the territory affected by the proposed change of organization or reorganization, the question shall contain a very brief summary of the purpose, nature, and extent of the liability and shall refer to the order ordering the change of organization or reorganization for particulars. The legislative body may include in the question a summary of any of the other terms and conditions. (b) No reference need be made to any liability for payment of any of the following to be imposed for the usual and ordinary support, management, and operation of any district:

(1) Annual taxes or assessments.

(2) Ordinary service charges, rentals, or rates.

(3) Both taxes or assessments and service charges, rentals, or rates.

Summary of forms

(c) Where a summary is included in a question, there shall be added to the clause set forth in Section 57134 words substantially as follows:

"Such terms and conditions including (set forth very brief summary), all as more particularly described and set forth in the order."

Member district; ballot question on non-receipt or termination of service

57136. This section shall apply only to changes of organization and reorganizations made by, or with respect to, a member district. If a change of organization or reorganization adding territory to a member district will not result in the additional territory being entitled to receive or be furnished with any new or additional governmental or proprietary service or commodity by the parent district, the question submitted to the voters shall so indicate. If a change of organization or a reorganization removing territory from a member district will result in the termination of any existing entitlement of the territory to receive, or be furnished with, any governmental or proprietary service or commodity from

the parent district, the question submitted to the voters shall so indicate.

Voting squares; "yes" and "no"

57137. On the ballot opposite each question and to its right, the words "Yes" and "No" shall be printed on separate lines with voting squares.

Merger and establishment of subsidiary district; form of questions

57138. If the * * * commission orders both a merger and the establishment of a subsidiary district, questions on each * * * matter shall be printed on the ballot, one above the other. Immediately preceding the first question, there shall be printed in the words "Vote on both questions." (Amended by Stats. 2000, Ch. 761.)

Consolidation and district formation election; legislative body and officers per principal act

57139. If a special election or elections is called upon an order of reorganization which provides for a consolidation or the formation of a new district, or both, or upon an order of consolidation, members of the legislative body and other officers of the consolidated district or the new district, as the case may be, shall be selected in the manner provided by the principal act. If the principal act or the terms and conditions of the reorganization or consolidation provide for the election of the officers or members, they shall be nominated in the manner provided in the principal act and shall be voted upon at the special election or elections upon the question of confirming the order of reorganization or consolidation. If the order of reorganization or consolidation is confirmed at the special election or elections, the officers or members of the legislative body of the consolidated district or the new district, as the case may be, who are elected at the election or elections shall become the officers or members of the legislative body of the consolidated district or new district.

Voter entitlements at election

57140. Where a special election is called upon the question of confirming an order for a change of organization or a reorganization, each person entitled to vote as a result of residing or owning land within the territory in which the election is called shall be entitled to ballots and votes as follows:

(a) In the case of cities or registered-voter districts, to one ballot and one vote.

(b) In the case of landowner-voter districts, to the number of ballots and votes authorized by the principal act of the district.

Voter entitlements; merger or subsidiary district election

57141. Where a special election or elections are called upon the question of confirming an order for a merger or the establishment of a subsidiary district, or both, each person entitled to vote as a result of residing or owning land within

the territory within which the election is called shall be entitled to ballots and votes as follows:

(a) Where the election is called only within the district:

(1) In the case of a registered-voter district, each registered voter shall be entitled to one ballot and one vote.

(2) In the case of a landowner-voter district, each landowner-voter shall be entitled to the number of ballots and votes authorized by the principal act of the district.

(b) Where one election is called within the district and another election is called within the territory of the city outside the boundaries of the agency:

(1) In the case of the city, each registered voter within the territory of the city outside the boundaries of the district shall be entitled to one city ballot and one vote on the question.

(2) In the case of the district, each person entitled to vote as a result of residing or owning land within the district shall be entitled to the number of district ballots and votes authorized by the principal act of the district.

Where separate elections are called within both the district and the territory of the city outside the boundaries of the district, separate forms of city and district ballots, printed on different colors of paper, shall be provided. The city and district ballots shall be separately canvassed.

Voter entitlements; reorganization election

57142. Where a special election is called upon the question of confirming an order of reorganization, each person entitled to vote as a result of residing or owning land within the territory within which the election is called shall be entitled to ballots and votes as follows:

(a) Each person who qualifies only as a registered voter of any city or registered voter district, regardless of the number of registered voters, is entitled to one ballot and one vote.

(b) Each person who qualifies only as a landowner-voter of any subject district, regardless of the number of landowner voters, is entitled to the number of ballots and votes authorized by the principal act for one such district; if there is more than one such district, that person upon declaration made to the precinct or election officers shall be furnished with a ballot or ballots for the particular district designated by that person.

(c) Each person who qualifies both as a registered voter and as a landowner-voter of any of the subject agencies, may at his or her option vote either as a registered voter or as a landowner-voter, but not both. That person, upon declaration made to the precinct or election officers, shall be furnished with a ballot or ballots for the particular city or district designated by that person.

Computation of votes determined from election by landowner-voters and registered voters; merger, subsidiary district, or reorganization

57143. In any special election or elections called upon the question of confirmation of an order for merger or the establishment of a subsidiary district or for a reorganization, where the results of the election or elections are to be determined from votes of both landowner-voters and registered voters, the votes of the landowner-voters shall be computed and equated with the votes of the registered voters in the following manner:

(a) First, the per capita assessed value of land for each registered voter within the county within which the elections are held shall be determined to the nearest even dollar by dividing the total assessed value of land within the county, as shown on the last equalized assessment roll of the county, by the total number of voters who were registered in the county at the close of registration, as provided in the Elections Code, next preceding the date of the election. If any landowner-voter district is located in more than one county, the per capita assessed value for each county shall be multiplied by a percentage, to the nearest one-tenth of 1 percent, those percentages being determined by dividing the total area of the district into the area of those portions of the district located within that county; the resulting products of those multiplications shall then be added and the total, to the nearest even dollar, shall be deemed to be the per capita assessed value for all the counties.

(b) Second, if any such landowner-voter district does not use the county assessment roll for the purposes of levying and collecting district assessments or taxes, the per capita assessed value of land for each registered voter within the county shall be corrected by multiplying the per capita assessed value by a correction factor determined as follows: The total assessed valuation of all lands within the district, as shown upon the last equalized assessment roll or book of the district, shall be divided by the corresponding total assessed valuation of all lands within the district, as shown upon the last equalized assessment roll of the county, and the quotient, expressed to the nearest of two decimal places, shall represent the correction factor. If any landowner-voter district is located in more than one county, a correction factor shall be determined, in the manner above provided, for each such county covering all those portions of the district which are located within the county; the correction factor for each county shall then be multiplied by a percentage, to the nearest one-tenth of 1 percent, that percentage being determined by dividing the total area of the district into the area of those portions of the district located within that county; the resulting products of those multiplications shall then be added and the total, to the nearest of two decimal places, shall be deemed to be the correction factor for all the counties.

(c) Third, the corrected per capita assessed value, determined to the nearest even dollar, shall then be adjusted by dividing it by the number of dollars required for a single vote by a landowner-voter, as specified in the principal act determining the landowner-voter's right to vote.

(d) Fourth, the total number of votes cast by landowner-voters for and against the question shall be divided by the corrected and adjusted per capita assessed value and the quotients, to the nearest whole figures, shall be deemed to be the number of votes of landowner-voters which shall be equated with the votes of the registered-voters of any city or registered voter district, cast for and against the question.

Written notification of election call; transmission by certified mail; contents; analysis of proposed changes; notice of availability of copy of proposition

57144. Within five days after a special election is called pursuant to this part, the * * * executive officer shall submit to the commission, for its approval or modification, an impartial analysis of the proposed incorporation or change of organization.

The impartial analysis shall not exceed 500 words in length in addition to a general description of the boundaries of the territory affected.

The commission shall approve or modify the analysis and submit the analysis to the * * * elections official no later than the last day for submission of rebuttal arguments.

Immediately below the impartial analysis there shall be printed in no less than 10-point bold type a legend substantially as follows:

"The above statement is an impartial analysis of Proposition ____. If you desire a copy of the proposition, please call the elections official's office at (insert telephone number) and a copy will be mailed at no cost to you."

(Amended by Stats. 2000, Ch. 761.)

Written argument for or against question to be submitted to voters; form; filing; selection of arguments for printing and distribution to voters

57145. (a) The * * * legislative body of any affected agency, or any member or members of the * * * legislative body of an affected agency authorized by it, or any individual voter or association of citizens entitled to vote on the change of organization or reorganization, or any combination of those voters and association of citizens may file a written argument for, or a written argument against, the question to be submitted to the voters.

Arguments shall not exceed 300 words in length and shall be filed with the * * * elections official no later than the last day for submission of arguments specified by Section 57146.

(b) If more than one argument for or more than one argument against the proposal is filed with the * * * elections official within the time prescribed in Section 57145, the * * * elections official shall select one of the arguments for printing and distribution to the voters.

In selecting the arguments, the * * * elections official shall give preference and priority in the order named to the following arguments:

(1) The * * * legislative body of an affected agency or any authorized member or members of the * * * legislative body.

(2) Individual voters or association of citizens or a combination of voters and associations.

(Amended by Stats. 2000, Ch. 761.)

Deadline for submission of arguments for or against measure; notice; contents

57146. (a) On the basis of the time reasonably necessary to prepare and print the arguments, analysis, and sample ballots for the election, the * * * elections official shall fix and determine a reasonable date prior to the election after which no arguments for or against the measure may be submitted for printing and distribution to the voters. Notice of the date fixed shall be published in accordance with Section 56153 in a newspaper of general circulation which is circulated in the affected territory. Arguments may be changed until and including the date fixed by the * * * elections official.

(b) The notice shall contain all of the following information:

(1) A statement of the proposition to be voted on and a general description of the boundaries of the affected territory.

(2) An invitation to any registered voter or association of citizens entitled to vote on the proposal to submit and file with the * * * elections official for printing and distribution in the ballot pamphlet, an argument for or an argument against the proposal.

(3) The date of the election.

(4) A statement that only one argument for and one argument against will be selected and printed in the ballot pamphlet.

(5) A statement that arguments shall not exceed 300 words in length and shall be accompanied by not more than five signatures.

(Amended by Stats. 2000, Ch. 761.)

Rebuttal arguments

57147. Section 9167 of the Elections Code applies to the preparation and submittal of rebuttal arguments.

Ballot pamphlet; printing and mailing to each voter entitled to vote on question; contents; availability of copy of proposal on request of voter

57148. (a) The * * * elections official shall cause a ballot pamphlet concerning the proposal to be printed and mailed to each voter entitled to vote on the question.

The ballot pamphlet shall contain all of the following information in the order prescribed:

(1) The impartial analysis of the proposition prepared by the commission.

(2) One argument for the proposal, if any.
(3) One rebuttal to the argument for the proposal, if any.
(4) One argument against the proposal, if any.
(5) One rebuttal to the argument against the proposal, if any.

A copy of the complete text of the proposition shall be made available by the * * * **elections official**, to any voter upon request.

(b) The * * * **elections official** shall mail a ballot pamphlet to each voter entitled to vote in the election at least 10 days prior to the date of the election. The ballot pamphlet is "official matter" within the meaning of Section 13303 of the Elections Code.

(Amended by Stats. 2000, Ch. 761.)

Canvass of ballots

57149. The canvass of ballots cast at any election held pursuant to this division shall be conducted pursuant to Sections 15300 to 15309, inclusive, of the Elections Code. The * * * **elections official** shall immediately, upon the completion of any canvass, report the results to * * * the * * * **executive officer** of the local agency formation commission.

(Amended by Stats. 2000, Ch. 761.)

Payment of expenses

57150. All proper expenses incurred in conducting elections for a change of organization or reorganization pursuant to this chapter shall be paid, unless otherwise provided by agreement between the * * * **commission** and the proponents, as follows:

Annexation; detachment

(a) In the case of annexation or detachment proceedings, by the local agency to or from which territory is annexed, or from which territory is detached, or was proposed to be annexed or detached.

Incorporation

(b) In the case of incorporation or formation proceedings, by the newly incorporated city or the newly formed district, if successful, or by the county within which the proposed city or district is located if the incorporation proceedings are terminated. In the case of a separate election for city officers held following the election for incorporation pursuant to Section 56825.5, by the newly incorporated city.

Dissolution

(c) In the case of disincorporation or dissolution proceedings, from the remaining assets of the disincorporated city or dissolved district or by the city proposed to be disincorporated or the district proposed to be dissolved if disincorporation or dissolution proceedings are terminated.

Consolidation

(d) In the case of consolidation proceedings, by the successor city or district or by the local agencies proposed to be consolidated, to be paid by those local agencies in

proportion to their respective assessed values, if proceedings are terminated.

Reorganization

(e) In the case of a reorganization:

(1) If the reorganization is ordered, by the affected local agencies or successor local agencies, as the case may be, for any of the above-enumerated changes of organization which may be included in the particular reorganization, to be paid by those local agencies in proportion to their assessed value.

(2) If the reorganization proceedings are terminated or the proposal is defeated, by the county within which the city is located.

(Amended by Stats. 2000, Ch. 761.)

CHAPTER 7. RESOLUTION CONFIRMING ELECTION RESULTS

Certificate of completion confirming change

57176. * * * The * * * commission shall execute, within 30 days of the canvass of the election, a * * * certificate of completion confirming the order of the change of organization or reorganization if a majority of votes cast upon the question are in favor of the change of organization or reorganization in any of the following circumstances:

(a) At an election called in the territory ordered to be organized or reorganized.

(b) At an election called within the territory ordered to be organized or reorganized and within the territory of the affected agency * * *.

(c) At both an election called within the area to be organized or reorganized and an election called within the territory of an affected city, when required by the commission pursuant to Section 56759.

* * *

(Amended by Stats. 2000, Ch. 761.)

Special reorganization

57176.1. Notwithstanding * * * Section 57176, the * * * commission shall execute, within 30 days of the canvass of the election, a * * * certificate of completion confirming a special reorganization if a majority of votes cast upon the question are in favor of the special reorganization in both of the following circumstances:

(a) An election called in the territory ordered to be detached from the city.

(b) An election called in the entire territory of the city from which the detachment is ordered to occur.

(Amended by Stats. 2000, Ch. 761.)

Merger or establishment of subsidiary district

57177. The * * * commission shall * * * execute a certificate of completion confirming either the order of a merger or the order for the establishment of a subsidiary district in the following manner:

(a) Where the question submitted to the voters was only upon merger or only upon establishment of a subsidiary district, the * * * commission shall * * * execute a certificate of completion confirming the order if a majority of the votes cast on the question favored the order either:

(1) At an election called only within the district.

(2) At each election, where one election was called within the district and another election was called within the territory of the city outside the boundaries of the district.

(b) Where both the question of merger and the question of establishment of a subsidiary district were submitted to the voters within the district only and both questions were favored by a majority of the voters, the * * * commission shall order that change of organization favored by the greater number of voters. Where the number of votes was the same on both questions, the merger shall be ordered.

(c) Where both the question of merger and the question of establishment of a subsidiary district were submitted at an election called both within the district and at an election within the territory of the city outside the district boundaries, and both questions were favored by a majority of the voters in both areas, that change of organization receiving the greater number of votes in both elections shall be completed. Where the number of votes was the same, or where the question of merger received the greater number of votes in one of the elections, a merger shall be completed.
(Amended by Stats. 2000, Ch. 761.)

Consolidation of cities or districts

57177.5. In the case of elections on an order of consolidation of cities or districts, the * * * commission shall take one of the following actions:

(a) * * * Execute a certificate of completion confirming the order of consolidation if, within the territory of each city or district ordered to be consolidated, a majority of the votes cast on the question favored the consolidation.

(b) * * * Execute a certificate of completion terminating proceedings if, in one of the cities or districts ordered to be consolidated, the votes cast in favor of consolidation did not constitute a majority * * *.
(Amended by Stats. 2000, Ch. 761.)

Incorporation or consolidation of cities; additional requirements

57178. In addition to any other requirements, the * * * certificate of completion confirming an order of incorporation or consolidation of cities shall do all of the following:

(a) Give the name of the new or successor city favored by the electors.

(b) Declare the persons receiving the highest number of votes for the several offices of the new or successor city to be elected to those offices. If the incorporation applicant requested that the first election for city officers was to occur after the election on the proposal which included incorporation, the resolution shall call an election at which city officers shall be elected.

(c) In the case of an incorporation, declare which system of electing council members was favored, that is, election by district or election at large; and declare whether the city manager form of government was favored by the electors.
(Amended by Stats. 2000, Ch. 761.)

Certificate of termination of proceedings

57179. If the majority of the votes cast is against the change of organization or reorganization, the * * * commission shall * * * execute a certificate of termination of proceedings.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 8. COMPLETION AND EFFECTIVE DATE OF CHANGE OF ORGANIZATION OR REORGANIZATION

Certificate of completion; filings; notice

57200. (a) Immediately after completion of proceedings ordering a change of organization or reorganization without election or * * * confirming an order for a change of organization or reorganization after confirmation by the voters, the * * * executive officer shall * * * prepare and execute a certificate of completion and shall make the filings required by * * * this division.
* * *

(b) Whenever the commission approves the inclusion of any territory of a landscape and lighting assessment district within a city, the executive officer shall * * * notify the clerk of the landscape and lighting assessment district or other person designated by the district to receive notification.
(Amended by Stats. 2000, Ch. 761.)

Certificate of completion; contents

57201. The certificate of completion prepared and executed by the executive officer shall contain all of the following information:

(a) The name of each newly incorporated city, each new district, and the name of each existing local agency for which a change of organization or reorganization was ordered and the name of the county within which any new or existing local agencies are located.

they apply and the regulations shall not apply to, or affect the functions and services of, any special districts not so designated. The regulations may do any of the following:

Types of service

(a) Classify the various types of service which customarily are, or can be, provided within a single function of a special district. A class may be based upon the type of service, the purpose or use of the service, the facilities used to provide the service, the type of consumers or users of the service, the extent of territory provided with the service, and any other factors which, in the opinion of the commission, are necessary or convenient to group persons, properties, or activities into a class having common characteristics distinct from those of other classes.

Written statements

(b) Require existing districts to file written statements with the commission specifying the functions or classes of service provided by those districts.

(c) Establish the nature, location, and extent of any functions or classes of service provided by existing districts.

(d) Determine that, except as otherwise authorized by the regulations, no new or different function or class of service shall be provided by any existing district.

The regulations shall not apply to the extension or enlargement, within the boundaries of an existing special district, of any function or service which the commission, pursuant to this section, has established is currently being provided by that special district.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56451].)

Application for district formation; conditional approval subject to regulations

56820.7. In any county where regulations have been adopted, an application for the formation of a special district shall set forth the functions and services proposed to be provided by the district. If, in the opinion of the commission, approval of the application will necessitate adoption of any new regulations or the amendment or repeal of any existing regulations, the commission may condition approval of the application upon the adoption, amendment, or repeal of the regulations and shall initiate and conduct proceedings pursuant to this chapter for the adoption, amendment, or repeal of those regulations.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56452].)

Resolution initiating representation; regulations

56821. Either the commission or the legislative body of any independent special district within a county may adopt a resolution initiating proceedings, as follows:

(a) * * * It may propose representation of special districts upon the commission.

(b) * * * It may propose the adoption, amendment, or repeal of regulations affecting the functions and services of special districts, in which case it shall request that the commission do either of the following:

Advisory committee

(1) Consider the proposal without reference to a special district advisory committee, in which case the resolution shall contain the text of the regulations proposed to be adopted, amended, or repealed.

(2) Refer the proposal to a special district advisory committee for study, report, and recommendation, in which case the resolution shall generally describe the nature of the regulations proposed to be amended, adopted, or repealed and, if then available, shall refer to a text on file with the clerk of the district for a detailed description of the regulations.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56453].)

Consideration of commission's resolution by independent special district selection committee; procedures following approval or disapproval

56821.1. If the commission adopts a resolution pursuant to subdivision (a) of Section 56821, the executive officer shall immediately call a meeting of the independent special district selection committee referred to in Section 56332. The meeting shall be held not less than 15, or more than 35, days from the adoption of the resolution by the commission. The independent special district selection committee shall meet at the time and place designated by the executive officer and shall consider the resolution adopted by the commission. By majority vote of those district representatives voting on the issue, the selection committee shall either approve or disapprove the resolution adopted by the commission. If the selection committee approves the resolution adopted by the commission, it shall immediately inform the executive officer of that action, and the commission at its next meeting shall adopt a resolution of intention pursuant to Section 56822. If the selection committee disapproves the resolution adopted by the commission, it shall immediately inform the executive officer of this action and all further proceedings under this chapter shall cease.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56454].)

Resolutions adopted by independent special districts

56821.3. If an independent special district adopts a resolution pursuant to subdivision (a) of Section 56821, it shall immediately forward a copy of the resolution to the executive officer. Upon receipt of those resolutions from a majority of independent special districts within a county, adopted by the districts within one year from the date that the first resolution was adopted, the commission, at its next regular meeting, shall adopt a resolution of intention pursuant to Section 56822.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56455].)

Certified copy of resolution and text of regulations to be filed

56821.5. A certified copy of any resolution which has been adopted by an independent special district pursuant to subdivision (b) of Section 56821 and a copy of the text, if any, of proposed regulations referred to in the resolution

shall be filed with the executive officer. If a resolution, or substantially identical resolution, has been filed by a majority of independent special districts within the county, then, not later than 35 days after the filing, the commission shall adopt a resolution of intention in accordance with the filed resolution or resolutions.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56456].)

Minor changes in existing rules and regulations

56821.7. Minor changes in any existing regulation affecting special districts may be ordered by the commission, without adoption of a resolution of intention, notice, and hearing, or reference to a special district advisory committee, if the commission makes a determination that those changes will not substantially affect the functions and services of any special district subject to those regulations and that determination is concurred in by both of the commission members appointed to represent the special districts.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56457].)

Resolution of intention; contents

56822. Whenever the commission, or the independent special districts, as the case may be, have complied with the applicable provisions of Sections 56821, 56821.1, 56821.3, and 56821.5, the commission shall adopt a resolution of intention pursuant to this section. The resolution of intention shall do all of the following:

(a) State whether the proceedings are initiated by the commission or by an independent special district or districts, in which case, the names of those districts shall be set forth.

(b) If the resolution of intention proposes only the adoption, amendment, or repeal of regulations affecting the functions and services of special districts, it shall state that the commission proposes either of the following:

(1) To consider the proposal without reference to a special district advisory committee, in which case the resolution shall contain the text of the regulations proposed to be adopted, amended, or repealed.

(2) To refer the proposal to a special district advisory committee for study, report, and recommendation, in which case the resolution shall generally describe the nature of the regulations proposed to be amended, adopted, or repealed and, if then available, shall refer to a text on file with the executive officer for a detailed description of the regulations. In addition, the resolution of intention adopted pursuant to this subdivision shall also fix a time, not less than 15 or more than 35 days after the adoption of the resolution of intention, and the place of hearing by the commission on the question of whether the proposal made by the resolution should be disapproved, approved, and ordered without reference to a special district advisory committee, or referred to a special

district advisory committee for study, report, and recommendation to the commission.

(c) If the resolution of intention proposes representation of special districts on the commission, it shall state that the commission proposes to refer the proposal to a special district advisory committee and the commission shall immediately order the proposal referred to that committee pursuant to Section 56823.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56458].)

Hearing on resolution of intention; notice

56822.3. If a hearing is called pursuant to subdivision (b) of Section 56822, the executive officer shall give notice of the hearing by publication, as provided in Sections 56153 and 56154, by posting, as provided in Sections 56158 and 56159, and by mailing to the clerk of the county and each local agency within the county, as provided in Sections 56155, 56156, and 56157.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56459].)

Hearing on resolution of intention; time and place; approval or disapproval

56822.5. The hearing referred to in Section 56822.3 shall be held by the commission at the time and place specified or to which the hearing may be continued. After the conclusion of the hearing, the commission shall adopt a resolution disapproving the proposal made by the resolution of intention, approving and ordering the proposal without reference to a special district advisory committee, or ordering the proposal referred to a special district advisory committee for study, report, and recommendation.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56460].)

Advisory committee; appointment; proceedings; definition

56823. If the commission orders a proposal referred to a special district advisory committee for study, report, and recommendation, the appointment of, and proceedings by, the advisory committee shall be made and taken substantially in accordance with the provisions of Chapter 6 (commencing with Section 56826), pertaining to reorganization committees, except that the advisory committee shall not be terminated until after the commission acts upon the report and recommendation of the advisory committee. When applied to proceedings taken pursuant to this chapter:

(a) "Plan of reorganization" means a plan containing the text of regulations affecting the functions and services of special districts.

(b) "Proposal of reorganization," "reorganization," or "change of organization" means a proposal made pursuant to this chapter.

(c) "Reorganization committee" means the special district advisory committee.

(d) "Subject district" means an independent special district affected by a proposal made pursuant to this chapter.

If the commission is of the opinion that special districts, other than independent special districts, may be affected by the proposal, then, in addition to the appointment of voting members to the advisory committee to represent independent special districts, the commission may authorize the legislative bodies of special districts, other than independent special districts, to appoint nonvoting members to the advisory committee. Any nonvoting member shall have all of the rights of a voting member except the right to vote.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56461].)

Advisory committee; executive committee; membership; duties and powers

56824. Where a special district advisory committee consists of voting members representing more than five independent special districts, the advisory committee may appoint an executive committee to undertake all or part of the study and may authorize the executive committee to prepare a tentative report and recommendation for submission to and approval by the full advisory committee. The executive committee shall consist of the number of voting members as the advisory committee may determine. If the commission authorizes the appointment of nonvoting members to the advisory committee, those nonvoting members may appoint members to the executive committee in numbers not exceeding those appointed by the voting members and any nonvoting member appointed to the executive committee shall have all of the rights of a voting member on the committee, except the right to vote.

Upon completion of the studies of the executive committee, the executive committee shall report to the full advisory committee and submit any tentative report and recommendation prepared by the executive committee. Thereafter, the advisory committee may reject any tentative report and recommendation submitted, may adopt any tentative report and recommendation submitted, either as submitted by the executive committee or as changed by the full advisory committee, or the advisory committee may prepare its own report and recommendation.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56462].)

Action of commission on report and recommendation of advisory committee

56824.1. Not later than 35 days after the filing with the executive officer of the report and recommendation of a special district advisory committee, the commission shall take one of the following actions:

(a) If the report concerns only the adoption, amendment, or repeal of regulations affecting the functions and services of special districts, the commission may do either of the following:

(1) Disapprove the report without further notice and hearing.

(2) Adopt a resolution of intention to hold a hearing on the report pursuant to subdivision (c).

(b) If the report concerns a request for special district representation on the commission, * * * the commission shall adopt a resolution declaring its intention to approve the report and recommendation * * *.

(c) A resolution of intention shall do all of the following:

(1) Refer to the report and recommendation of the special district advisory committee, generally describe the nature and contents of the report and recommendation, and refer to the report and recommendation on file with the executive officer for a detailed description report and recommendation.

(2) Declare the intention of the commission to approve the recommendation and report, as filed or as those regulations may be changed by the commission after notice and hearing.

(3) Fix a time, not less than 15 days, or more than 35 days, after the adoption of the resolution of intention, and the place of hearing by the commission, on the question of whether the report and recommendation filed by the special district advisory committee should be approved, either as filed or as ordered changed by the commission after notice and hearing.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56463].)

Hearing on approval of report and recommendation of advisory committee; notice

56824.3. The executive officer shall give notice of the hearing by publication, as provided in Sections 56153 and 56154, by posting, as provided in Sections 56158 and 56159, and by mailing to the clerk of the county and each local agency within the county, as provided in Sections 56155, 56156, and 56157.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56464].)

Hearing on approval of report and recommendation of advisory committee; time and place; proposal for changes

56824.5. The hearing shall be held by the commission at the time and place specified or to which the hearing may be continued. During the course of the hearing, the commission may propose changes in the report and recommendations. Any proposed changes shall be referred, for review, to the special district advisory committee, or if the advisory committee has appointed an executive committee, to that executive committee. The advisory committee, or the executive committee, shall have 60 days to report back to the commission. If no report is received by the commission within 60 days, the advisory committee shall be deemed to have approved the proposed changes in the report and recommendation.

Within 30 days after the conclusion of the hearing, the commission shall adopt a resolution approving the report and recommendation, either as filed or as those regulations may be changed by the commission.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56465].)

Resolution approving report and recommendation of advisory committee; orders

56824.7. Any resolution approving the report and recommendation of a special district advisory committee, either as filed or as changed by the commission, shall order both of the following:

(a) The adoption, amendment, or repeal of regulations, in accordance with the recommendations of the approved report.

(b) The chairperson of the commission to call and give notice of a meeting of the independent special district selection committee to be held within 15 days after the adoption of the resolution if special district representatives on the commission are to be selected pursuant to Section 56332.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56466].)

Article 2. Reorganization

Provisions; one or more changes

56826. A reorganization or a plan of reorganization shall provide for one or more changes of organization of any type for each of the subject districts and may provide for the formation of one or more new districts pursuant to the principal act or acts designated in the reorganization or plan of reorganization and Section 56100.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56475].)

With or without reorganization committee

56827. (a) Except as provided in subdivision (b), upon the presentation of any petition or applications making a proposal for a reorganization, the commission may take proceedings pursuant to Part 3 (commencing with Section 56650) without referring the proposal to a reorganization committee, as provided in this part.

(b) The commission may refer to a reorganization committee any incorporation proposal that includes, or may be modified to include, any of the following changes of organization affecting an independent special district: consolidation, dissolution, formation, merger, or establishment of a subsidiary district.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56476].)

Hearing on disapproval or referral to committee

56828. Before any proposal for reorganization is referred to any reorganization committee, the commission may provide for a public hearing on the question of whether the proposal should be disapproved or referred to a reorganization committee and set a time and place for that hearing.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56477].)

Notice of hearing on disapproval or referral; publication and posting

56829. The executive officer shall give notice of that hearing by publication, as provided in Sections 56153 and

56154, and by posting, as provided in Sections 56158 and 56159.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56478].)

Notice of hearing on disapproval or referral; mailed notice

56830. The executive officer shall also give mailed notice of any hearing, as provided in Sections 56155 to 56157, inclusive, by mailing notice of hearing to all of the following persons and entities:
(a) Each affected city and affected district.
(b) The chief petitioners, if any.
(c) Each person who has filed a written request for special notice with the executive officer.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56479].)

Hearing; time and place; disapproval or referral to committee

56831. The hearing shall be held by the commission on the date and at the time and place specified in the notice. After the conclusion of the hearing, the commission shall adopt a resolution doing either of the following:
(a) Disapproving the proposal of reorganization.
(b) Ordering the proposal referred to a reorganization committee for study, report, and recommendation.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56480].)

Contributions; facilities for use of committee

56832. The commission may accept contributions from any source for the purpose of paying the expenses of a reorganization committee in the conduct of its study, report, and recommendation. Any affected county, affected city, or affected district may make contributions for that purpose. The commission and any affected county, affected city, or affected district may make any of its facilities available for the use of a reorganization committee and may authorize any of its officers and employees to furnish advice, assistance, or services to the committee.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56481].)

Resolution contents; proposal referred to committee

56833. Any resolution adopted by the commission ordering a proposal of reorganization referred to a reorganization committee shall do all of the following:
(a) Describe the proposed reorganization and designate the subject districts (the description and designation may be by reference to the proposal).
(b) Specify the maximum number of members, not to exceed three, to represent each subject district on the committee.
(c) Fix a time and place for the first meeting of the reorganization committee.

(d) Designate a date, not less than 60 days from the date of the first meeting of the committee, for the completion and submission to the commission of the report and recommendation of the committee.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56482].)

Commission's powers during study by reorganization committee

56834. From time to time during the course of study upon a proposed plan of reorganization, the commission may do any of the following:
(a) Extend the time for completion and submission of the report and recommendation of a reorganization committee.
(b) Change the scope of the study by the addition or deletion of territory or of subject districts.
(c) Authorize the committee to develop, study, report, and make recommendations upon alternative plans of reorganization.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56483].)

Mailing copies of commission's resolution; time

56835. At least 15 days before the date of the first meeting of a reorganization committee, the executive officer shall mail a copy of the resolution adopted by the commission to each subject district designated in the resolution.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56484].)

Reorganization committee; eligibility for membership

56836. Any person, including, but not limited to, a member of the legislative body of a subject district and an officer or employee of the district, may be appointed as a member to represent the district upon a reorganization committee.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56485].)

Reorganization committee; appointment; removals; vacancies

56837. (a) The legislative body of each affected district shall appoint one or more members, not to exceed the maximum number specified by the commission, to represent the district on the reorganization committee. That legislative body may remove and replace any member previously appointed by it, and may fill any vacancy in its membership upon the committee.
(b) In the case of a reorganization committee created pursuant to subdivision (b) of Section 56827, the county board of supervisors shall appoint one or more members, not to exceed the maximum number specified by the commission, to represent the county on the reorganization committee. The county board of supervisors may appoint any person, including, but not limited to, an officer or employee of the county to represent the county on the reorganization

committee. The county board of supervisors may remove and replace any member previously appointed by it, and may fill any vacancy in its membership on the committee.

(c) In the case of a reorganization committee created pursuant to subdivision (b) of Section 56827, the commission shall appoint one or more members to represent the general public on the reorganization committee. The number of members appointed to represent the general public shall not exceed the maximum number specified by the commission to represent the county or each subject district. A member appointed pursuant to this subdivision shall not be an officer or employee of any local agency. The commission may remove and replace any member previously appointed by it, and may fill any vacancy in its membership on the committee.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56486].)

Reorganization committee; notice of appointments and removals

56838. The clerk of a subject district shall give immediate notice to the executive officer of all appointments and removals made by the legislative body to a reorganization committee.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56487].)

Reorganization committee; appointments by commission

56839. At any time after the date fixed for the first meeting of a reorganization committee or during the course of the study by the committee, if the legislative body of any subject district, after written request by the executive officer, does not appoint any members to the committee, those members may be appointed by the commission.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56488].)

Reorganization committee; change in scope of study; change in personnel

56840. If, during the course of study upon a proposed plan of reorganization, the commission authorizes a change in the scope of the study, the membership of the reorganization committee shall be immediately changed to exclude representatives of each district or city for which a change of organization is no longer proposed and to include representatives of each district or city for which a new change of organization is proposed.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56489].)

Reorganization committee; officers; standards and procedures; meetings

56841. Subject to any standards and procedures adopted by regulation by the commission, a reorganization committee shall provide for the selection of a presiding officer and secretary either of whom may but are not required to be members of the committee, adopt the standards and

procedures which it deems advisable, fix the time and place for meetings of the committee, and determine the manner and method to be followed by the committee in its study, report, and recommendation.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56490].)

Reorganization committee; quorum; voting rights

56842. A quorum shall be deemed to be present at a meeting of a reorganization committee if members representing one-half or more of the subject districts are present. Each subject district shall be entitled to one vote at any reorganization committee meeting, which vote shall be determined by a majority of the members of the district present at the meeting.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56491].)

Reorganization committee; disagreement or failure to report; discharge or appointment of public members

56843. If a reorganization committee does not complete and submit its report and recommendation before the date specified by the commission or, prior to that date, if members of the committee representing one-half or more of the subject districts report to the commission that the committee is unable to agree upon the report and recommendation, the commission may either order the discharge of the committee, or appoint additional members to the committee, not to exceed the maximum number authorized for a single subject district, to represent the public and order the committee, as so enlarged, to continue its study.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56492].)

Commission's study, report and recommendation in place of that of disorganized reorganization committee

56844. If the commission orders the discharge of a reorganization committee, the commission may make a study, report, and recommendation upon a plan of reorganization in the place of the reorganization committee.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56493].)

Reorganization committee; rights of of additional public members

56845. If the commission appoints additional members to the reorganization committee to represent the public and orders the reorganization committee, as so enlarged, to continue its study, the additional members shall have all of the rights and powers of members representing a single subject district, including participation in all studies, reports, and recommendations, attendance at all meetings, and the casting of a single vote on behalf of all of the additional members on any matter before the committee.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56494].)

Reorganization committee; cooperation of officers of affected county, city or District

56846. Every officer of any affected county, affected city, or affected district shall make available to a reorganization committee any records, reports, maps, data, or other documents which in any way affect or pertain to the committee's study, report, and recommendation and shall confer with the committee concerning the problems and affairs of that county, city, or district.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56495].)

Reorganization committee; report and recommendation

56847. Upon completion of the study of a reorganization committee, the committee shall prepare and submit to the commission a report and recommendation containing all of the following:

(a) A brief summary of the nature and extent of the study of the committee.

(b) A full and complete description of the plan of reorganization and any alternative plans of reorganization which were studied by the committee.

(c) The recommendation of the committee for the approval or disapproval of all or any part of the plan of reorganization and of any alternative plans of reorganization.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56496].)

Reorganization committee; approval of Report and recommendation; vote required

56848. Approval by a reorganization committee of the report and recommendation shall require the affirmative vote of more than one-half of the subject districts represented on the reorganization committee.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56497].)

Reorganization committee; filing report and recommendation; termination; reconvening committee; purposes

56849. The reorganization committee shall file the original of its report and recommendation with the executive officer and a copy of the report and recommendation with the clerk of each subject district. Upon filing that report and recommendation with the executive officer, the reorganization committee shall be terminated. However, the commission may cause the committee to be reconvened at any time for the sole purpose of correcting or clarifying any error, omission, or uncertainty appearing in the report and recommendation, as determined by the commission.
(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56498].)

Special reorganization; incorporation of city with population of 1,000,000 or more

56852.7. If the commission approves a proposal for a special reorganization that includes the incorporation of a city with a population of more than 1,000,000, the commission shall do both of the following:

(a) Specify in the resolution making determinations that, notwithstanding Section 36501, the legislative body of the

city shall consist of an even number of members, with at least 12 elected by districts, as defined in Section 34871. The commission shall establish the initial boundaries of a sufficient number of districts of approximately equal populations, consistent with state and federal law, not to exceed more than 100,000 residents per district.

(b) Specify in the resolution that the mayor, who shall be a voting member of the council, shall be elected on a citywide basis.

(Added by Stats. 2000, Ch. 762.)

Consolidation or reorganization without election; similar resolutions

56853. (a) If a majority of the members of each of the legislative bodies of two or more local agencies adopt substantially similar resolutions of application making proposals either for the consolidation of districts or for the reorganization of all or any part of the districts into a single local agency, the commission shall approve, or conditionally approve, the proposal. The commission shall * * * order the consolidation or reorganization without an election, except as otherwise provided in subdivision (b) of Section 57081.

(b) Before ordering any material change in the provisions or the terms and conditions of the consolidation or reorganization, as set forth in the proposals of the local agencies, the commission shall direct the executive officer to give each subject agency mailed notice of that change. The commission shall not, without the written consent of all subject agencies, take any further action on the consolidation or reorganization for 30 days following that mailing. Upon written demand by any subject agency, filed with the executive officer during that 30-day period, the commission shall make determinations upon the proposals only after notice and hearing proposals. If no written demand is filed, the commission may make those determinations without notice and hearing. Application of any provision of this subdivision may be waived by consent of all of the subject agencies.

(c) Where the commission has initiated a change of organization or reorganization affecting more than one special district, the commission may utilize and is encouraged to utilize a reorganization committee to review the proposal.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56839].)

Authorization of reorganization of districts without election

56854. (a) Notwithstanding Sections 57077 and 57107, the commission shall * * * order (1) the consolidation of districts, (2) dissolution, (3) merger, or (4) the establishment of a subsidiary district, or (5) a reorganization that includes any of these changes of organization without an election, except that an election shall be held in each affected city or district if there are written protests as follows:

Exceptions

(1) Where the proposal was not initiated by the commission, and where an affected city or district has not objected by resolution to the proposal, a written protest has been submitted that meets the requirements specified in subdivisions (b) and (c) of Section 57081.

(2) Where the proposal was not initiated by the commission, and where an affected city or district has objected by resolution to the proposal, a written protest has been submitted that meets the requirements specified in paragraphs (1) and (2) of subdivision (a) and subdivision (b) of Section 57114.

Written protests

(3) Where the proposal was initiated by the commission, and regardless of whether an affected city or district has objected to the proposal by resolution, a written protest has been submitted that meets the requirements of Section 57113.

City consent, merger, subsidiary district

(b) Notwithstanding subdivision (a), the commission shall not order a merger or establishment of a subsidiary district without the consent of the affected city.

Goleta provisions

(c) This section shall not apply to any proposal for a change of organization or reorganization that is submitted to the commission before January 1, 2003, where the Goleta Sanitary District or the Goleta West Sanitary District is an affected district. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the following special circumstances:

The voters of the Goleta Sanitary District previously voted against a proposed consolidation with the Goleta West Sanitary District by a margin of two to one. More recently, a reorganization proposal was submitted to the commission in Santa Barbara County that would have combined the Goleta Sanitary District and the Goleta West Sanitary District under circumstances where no opportunity for confirmation by the Goleta Sanitary District voters would be available. In light of the issues that were raised in connection with these earlier consolidation and reorganization proposals, a five-year moratorium on the application of Section 56854 to proposals affecting the Goleta Sanitary District or the Goleta West Sanitary District is necessary to ensure an opportunity for voter confirmation.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56839.1].)

Annexation to fire protection districts; contracts with city

56855. (a) This section shall apply to any proposal which contains the annexation of territory to a fire protection district which is organized pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code, and the

affected territory is or is proposed to be all or part of a city which is within the fire protection district.

(b) Prior to the adoption by the local agency formation commission of a resolution making determinations, the district may request and the commission shall impose, as a term and condition, a requirement that the legislative body of the city shall enter into a contract with the district. The contract shall require:

(1) That the affected territory shall remain part of the district for a period of at least 10 years.

(2) That the city shall pay the cost of services provided by the district. This payment shall be in amounts and on terms specified in the contract.

(3) Any other conditions to which the city and the district mutually agree.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56848.3].)

Farmland security zones; restrictions for district annexation

56856. (a) The commission shall not approve or conditionally approve a change of organization or reorganization that would result in the annexation to a special district of territory that is within a farmland security zone created pursuant to Article 7 (commencing with Section 51296) of Chapter 7 of Division 1 if that special district provides or would provide facilities or services related to sewers, nonagricultural water, or streets and roads, unless the facilities or services benefit land uses that are allowed under the farmland security zone contract and the landowner consents to the change of organization or reorganization.

Exclusion

(b) This section shall not apply during the three-year period preceding the termination of a farmland security zone contract under Article 7 (commencing with Section 51296) of Chapter 7 of Division 1.

(Repealed and added by Stats. 2000, Ch. 761 [formerly Sec. 56375.4].)

District annexation

56857. (a) Upon receipt by the commission of a proposed change of organization or reorganization that includes the annexation of territory to any district, if the proposal is not filed by the affected district the commission shall place the proposal on the agenda for the next commission meeting for information purposes only and shall transmit a copy of the proposal to any district to which an annexation of territory is requested.

Pre-hearing

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subsection (a), an affected district may adopt and transmit to the commission a resolution requesting termination of the proceedings.

Termination

(c)If an affected district has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by this section, then the commission shall terminate the proceedings upon receipt of the resolution from the district. (Repealed and added by Stats. 2000, Ch. 761.)

Article 3. Formation

Formation proceedings per principal act

56859. Proceedings for the formation of a district shall be conducted as authorized in the principal act of the district proposed to be formed and Section 56100. (Repealed and added by Stats. 2000, Ch. 761.)

By petition

56860. If a proposal for formation of a new district is made by petition, the petition shall comply with the signature requirements and content of a petition for formation of the district as set forth in the principal act under which the new district is proposed to be formed.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56756].)

Proposed name for new or consolidated district

56860.5. If a petition is for * * * consolidation of * * * districts or formation of a new district, the petition may propose a name for the new or consolidated * * * district.
* * *
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56701].)

Proposal to form subsidiary district notice

56861. (a) Within 10 days after receiving a proposal to form a subsidiary district, the executive officer shall notify by certified mail the district or districts which are the subject of the proposal.

(b) Within 35 days after receiving the notice from the executive officer, the board of directors of the subject district or districts may do either of the following:

(1) Adopt a resolution consenting to the subsidiary district proposal, with or without requesting additional terms and conditions.

Alternative proposal

(2) Adopt a resolution of intention to file an alternative proposal to the subsidiary district proposal.

(c) Any resolution adopted under paragraph (1) or (2) of subdivision (b) shall immediately be filed with the executive officer.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56829].)

Resolution of intention to file alternative proposal

56862. (a) If a district files a resolution of intention to file an alternative proposal pursuant to paragraph (2) of subdivision (b) of Section 56861, the executive officer shall take no further action on the original proposal to form a subsidiary district for a period of 70 days. During this period, the district which has filed a resolution of intention

shall prepare and submit a completed application for the alternative proposal in a form similar to the original proposal, as prescribed by the commission.

(b) A district which has filed a resolution of intention to file an alternative proposal but which does not file a completed application within the prescribed time period, shall be deemed to have consented to the original proposal to form a subsidiary district.

(c) After receiving an alternative proposal, the executive officer shall analyze and report on both the original proposal and the alternative proposal concurrently and set both for hearing by the commission in order that both proposals may be considered simultaneously at a single hearing.

(d) "Alternative proposal," as used in this section, means an alternative proposal to a subsidiary district proposal as provided for in Section 56861.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56830].)

Determination on proposal and alternative

56863. (a) Within 35 days following the conclusion of a hearing on an original and an alternative proposal to form a subsidiary district, the commission shall adopt its resolution of determination, which shall do one of the following:

(1) Deny both the original proposal and the alternative proposal.

(2) Approve both the original proposal and the alternative proposal.

(3) Approve one proposal and deny the other.

(b) If the commission approves both proposals, it shall adopt an order directing the board of supervisors to consider both proposals at a single hearing and to do one of the following:

(1) Deny both the original proposal and the alternative proposal.

(2) Approve both the original proposal and the alternative proposal.

(3) Approve one proposal and deny the other.

(c) "Alternative proposal," as used in this section, means an alternative proposal to a subsidiary district proposal as provided for in Section 56861.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56831].)

Article 4. Initiation by Petition

Annexation or detachment from district; signatures

56864. Petitions for the annexation of territory to, or detachment of territory from, a district shall be signed as follows:

(a) For a registered voter district, by any of the following:

(1) Not less than 25 percent of the registered voters within the territory proposed to be annexed or detached.

(2) Not less than 25 percent of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25 percent of the assessed value of land within the territory.

(b) For a landowner-voter district, by not less than 25 percent of the number of landowners owning land within the territory proposed to be annexed * * * who also own not less than 25 percent of the assessed value of land within the territory.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56755].)

Reorganization; signatures

56864.1. (a) A petition for reorganization shall be signed so as to comply with the applicable signature requirements of this article with respect to each of the various changes proposed in the petition.

(b) If a proposal for reorganization includes a proposal for the formation of a new district, the petition shall comply with the signature requirements, if any, of a petition for formation of the district, as set forth in the principal act designated in the petition for formation, and if there are no such requirements, then the requirements of this part pertaining to dissolution.

(c) If a proposal for reorganization includes incorporation, the petition shall comply with the signature requirements for incorporation.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56761].)

Two or more changes proposed signatures

56864.3. If a person is qualified to sign for two or more of the changes of organization proposed by the petition, that person need sign the petition only once and his or her signature shall be counted as if that person had signed and requested each change of organization.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56762].)

Consolidation of districts; signatures

56865. Petitions for the consolidation of two or more districts shall be signed as follows:

(a) For registered voter districts, by not less than 5 percent of the registered voters within each of the several districts.

(b) For landowner-voter districts, by landowner-voters within each of the several districts constituting not less than 5 percent of the number of landowner-voters owning land within each of the several districts and who also own not less than 5 percent of the assessed value of land within each of the several districts.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56757].)

Merger or subsidiary district of a city; signatures

56866. Petitions for a merger of a district of limited powers which overlaps a city, or for the establishment of the district as a subsidiary district of the city, shall be signed as follows:

(a) For a resident voter district, by either of the following:

(1) Five percent of the registered voters of the district.

(2) Five percent of the registered voters residing within the territory of the city outside the boundaries of the district.

(b) For a landowner-voter district, by either of the following:

(1) Five percent of the number of landowner-voters within the district who also own not less than 5 percent of assessed value of land within the district.

(2) Five percent of the registered voters residing within the territory of the city outside the boundaries of the district.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56760].)

Dissolution of a district; signatures

56870. Except as otherwise provided in Section 56871, petitions for the dissolution of a district shall be signed as follows:

(a) For resident voter districts, by either of the following:

(1) Not less than 10 percent of the registered voters within the district.

(2) Not less than 10 percent of the number of landowners within the district who also own not less than 10 percent of the assessed value of land within the district.

(b) For landowner-voter districts, by not less than 10 percent of the number of landowner-voters within the district who also own not less than 10 percent of the assessed value of land within the district.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56758].)

Dissolution of a registered voter or landowner voter district; signatures requirements

56871. A petition for the dissolution of a registered voter district, signed by three or more registered voters within the district or by three or more landowners within a landowner-voter district, shall be deemed to be a sufficient petition, if, in addition to the matters required by Section 56700, the petition recites that the district has been in existence for at least three years and states, on information and belief, that the corporate powers of the district have not been used and that one or more of the following conditions have existed or now exist:

(a) That during the three-year period preceding the date of the first signature upon the petition any of the following events have not occurred:

(1) There has not been a duly selected and acting quorum of the board of directors of the district.

(2) The board of directors has not furnished or provided services or facilities of substantial benefit to residents, landowners, or property within the district.

(3) The board of directors has not levied or fixed and collected any taxes, assessments, service charges, rentals, or rates or expended the proceeds of those levies or collections for district purposes.

(b) That during the one-year period preceding the date of the first signature upon the petition a quorum of the duly selected and acting board of directors has not met for the purpose of transacting district business.

(c) That, upon the date of the first signature upon the petition, the district had no assets, other than money in the form of cash, investments, or deposits.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56759].)

Article 5. Miscellaneous

Report of Public Utilities Commission; gas or electric service

56875. If any sufficient petition or resolution of application shall propose, as a part of the petition or resolution of application, that the district shall furnish gas or electric service, as provided in Sections 56129 to 56131, inclusive, a certified copy of the report of the Public Utilities Commission shall be on file with the executive officer prior to setting that petition or resolution for public hearing by the commission.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56832].)

Annexation or detachment; election location; conditions

56876. In any order approving a proposal for an annexation to, or detachment from, a district, the commission may determine that any election called upon the question of confirming an order for the annexation or detachment shall be called, held, and conducted upon that question under either of the following conditions:

(a) Only within the territory ordered to be annexed or detached.

(b) Both within the territory ordered to be annexed or detached and within all or any part of the district which is outside of the territory.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56849].)

CHAPTER 6. COMMISSION DECISION

Article 1. Determinations

Adoption of resolution

56880. At any time not later than 35 days after the conclusion of the hearing, the commission shall adopt a resolution making determinations approving or disapproving the proposal, with or without conditions, the plan of reorganization, or any alternative plan of reorganization as set forth in the report and recommendation of a reorganization committee. If the commission disapproves the proposal, plan of reorganization, or any alternative plan of reorganization, no further proceedings shall be taken on those proposals or plans.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56851].)

Resolution making determinations

56881. The resolution making determinations shall also do all of the following:

Requirements

(a) Make any of the findings or determinations authorized or required pursuant to Section 56375.

(b) For any proposal initiated by the commission pursuant to subdivision (a) of Section 56375, make both of the following determinations:

(1) Public service costs of a proposal that the commission is authorizing are likely to be less than or substantially similar to the costs of alternative means of providing the service.

(2) A change or organization or reorganization that is authorized by the commission promotes public access and accountability for community services needs and financial resources.

Short-form designation

(c) If applicable, assign a distinctive short-term designation to the affected territory and a description of the territory.

Protest proceedings

(d) * * * Initiate protest proceedings pursuant to Part 4 (commencing with Section 57000) in compliance with the resolution.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56852].)

Mailed copy of resolution making determinations; recipients

56882. The executive officer shall mail a copy of the resolution adopted by the commission making determinations addressed to each of the following persons or entities:

(a) The * * * proponents, if any, where the proceedings for change of organization were initiated by petition.

(b) Each affected local agency whose boundaries would be changed by the proposal.

* * *

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56853].)

Correction of clerical errors or mistakes before completion

56883. * * * The executive officer may, before the completion of a proceeding, on good cause being shown, correct clerical errors or mistakes made through inadvertence, surprise, or excusable neglect that may be contained in the resolution adopted by the commission making determinations, * * * upon written request by any member of the commission, by the executive officer, or by any affected agency. A correction made pursuant to this section shall not be cause for filing a request pursuant to Section 56895.

Corrections and reconsideration

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56854].)

Disapproval of proposals by commission

56884. (a) Except as otherwise provided in subdivision (b), if the commission wholly disapproves any proposal:

Waiting time for new proposal

(1) No further proceedings shall be taken on that proposal.

(2) No similar proposal involving the same or substantially the same territory shall be initiated for one year after the date of adoption of the resolution terminating proceedings.

(b) The commission may waive the requirements of subdivision (a) if it finds those requirements are detrimental to the public interest.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56855].)

Article 2. Terms and Conditions

Approval conditions

56885. The commission may, at any time, authorize any legislative body holding a hearing pursuant to this division, to continue the hearing to a date or dates extending beyond the dates specified in this division.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56856].)

Conditional approval of change of organization or reorganization

56885.5. (a) In any commission order giving approval to any change of organization or reorganization, the commission may make that approval conditional upon any of the following factors:

(1) Any of the conditions set forth in Section 56886.

(2) The initiation, conduct, or completion of proceedings for another change of organization or a reorganization.

(3) The approval or disapproval, with or without election, as may be provided by this division, of any resolution or ordinance ordering that change of organization or reorganization.

(4) With respect to any commission determination to approve the disincorporation of a city, the dissolution of a district, or the reorganization or consolidation of agencies which results in the dissolution of one or more districts or the disincorporation of one or more cities, a condition prohibiting an agency being dissolved from taking any of the following actions, unless it first finds that an emergency situation exists as defined in Section 54956.5:

Prohibitions for agencies being dissolved

(A) Approving any increase in compensation or benefits for members of the governing board, its officers, or the executive officer of the agency.

(B) Appropriating, encumbering, expending, or otherwise obligating, any revenue of the agency beyond that provided in the current budget at the time the dissolution is approved by the commission.

(b) If the commission so conditions its approval, the commission may order that any further action pursuant to this division be continued and held in abeyance for the period of time designated by the commission, not to exceed six months from the date of that conditional approval.

(c) The commission order may also provide that any election called upon any change of organization or reorganization shall be called, held, and conducted before, upon the same date as, or after the date of any election to be called, held, and conducted upon any other change of organization or reorganization.

(d) The commission order may also provide that in any election at which the questions of annexation and district reorganization or incorporation and district reorganization are to be considered at the same time, there shall be a single question appearing on the ballot upon the issues of annexation and district reorganization or incorporation and district reorganization.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56843].)

No direct land use regulation

56886. Any change of organization or reorganization may provide for, or be made subject to one or more of, the following terms and conditions. However, none of the following terms and conditions shall directly regulate land use, property development, or subdivision requirements:

Payments

(a) The payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use or right of use of all or any part of the existing property, real or personal, of any city, county, or district.

(b) The levying or fixing and the collection of any of the following, for the purpose of providing for any payment required pursuant to subdivision (a):

Taxes, charges, assessments

(1) Special, extraordinary, or additional taxes or assessments.

(2) Special, extraordinary, or additional service charges, rentals, or rates.

(3) Both taxes or assessments and service charges, rentals, or rates.

Bonds, etc.

(c) The imposition, exemption, transfer, division, or apportionment, as among any affected cities, affected counties, affected districts, and affected territory of liability for payment of all or any part of principal, interest, and any other amounts which shall become due on account of all or any part of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of any city, county, district, or any improvement district within a local agency, and the levying or fixing and the collection of any (1) taxes or assessments, or (2) service charges, rentals, or rates, or (3) both taxes or assessments and service charges, rentals, or rates, in the same manner as provided in the original authorization of the bonds and in the amount necessary to provide for that payment.

(d) If, as a result of any term or condition made pursuant to subdivision (c), the liability of any affected city, affected county, or affected district for payment of the principal of any bonded indebtedness is increased or decreased, the term and condition may specify the amount, if any, of that increase or decrease which shall be included in, or excluded from, the outstanding bonded indebtedness of that entity for the purpose of the application of any statute or charter

provision imposing a limitation upon the principal amount of outstanding bonded indebtedness of the entity.

Improvement districts

(e) The formation of a new improvement district or districts or the annexation or detachment of territory to, or from, any existing improvement district or districts.

New indebtedness

(f) The incurring of new indebtedness or liability by, or on behalf of, all or any part of any local agency, including territory being annexed to any local agency, or of any existing or proposed new improvement district within that local agency. The new indebtedness may be the obligation solely of territory to be annexed if the local agency has the authority to establish zones for incurring indebtedness. The indebtedness or liability shall be incurred substantially in accordance with the laws otherwise applicable to the local agency.

Bonds

(g) The issuance and sale of any bonds, including authorized but unissued bonds of a local agency, either by that local agency or by a local agency designated as the successor to any local agency which is extinguished as a result of any change of organization or reorganization.

Property

(h) The acquisition, improvement, disposition, sale, transfer, or division of any property, real or personal.

Funds

(i) The disposition, transfer, or division of any moneys or funds, including cash on hand and moneys due but uncollected, and any other obligations.

Water

(j) The fixing and establishment of priorities of use, or right of use, of water, or capacity rights in any public improvements or facilities or of any other property, real or personal.

Office, department, boards

(k) The establishment, continuation, or termination of any office, department, or board, or the transfer, combining, consolidation, or separation of any offices, departments, or boards, or any of the functions of those offices, departments, or boards, if, and to the extent that, any of those matters is authorized by the principal act.

Employee benefits and rights

(l) The employment, transfer, or discharge of employees, the continuation, modification, or termination of existing employment contracts, civil service rights, seniority rights, retirement rights, and other employee benefits and rights.

Successor

(m) The designation of a city, county, or district, as the successor to any local agency which is extinguished as a result of any change of organization or reorganization, for the purpose of succeeding to all of the rights, duties, and obligations of the extinguished local agency with respect to enforcement, performance, or payment of any outstanding bonds, including revenue bonds, or other contracts and obligations of the extinguished local agency.

Designation of legislative body

(n) The designation of (1) of the method for the selection of members of the legislative body of a district or (2) the number of those members, or (3) both, where the

proceedings are for a consolidation, or a reorganization providing for a consolidation or formation of a new district and the principal act provides for alternative methods of that selection or for varying numbers of those members, or both.

Other proposal

(o) The initiation, conduct, or completion of proceedings on a proposal made under, and pursuant to, this division.

Effective date

(p) The fixing of the effective date of any change of organization, subject to the limitations of Section 57202.

Principal act conditions

(q) Any terms and conditions authorized or required by the principal act with respect to any change of organization.

Service

(r) The continuation or provision of any service provided at that time, or previously authorized to be provided by an official act of the local agency.

Levying charges

(s) The levying of assessments, including the imposition of a fee pursuant to Section 50029 or 66484.3 or the approval by the voters of general or special taxes. For the purposes of this section, imposition of a fee as a condition of the issuance of a building permit does not constitute direct regulation of land use, property development, or subdivision requirements.

Continuation of charges

(t) The extension or continuation of any previously authorized charge, fee, assessment, or tax by the local agency or a successor local agency in the affected territory.

Transfer of authority for charges (Mello-Roos), etc.

(u) The transfer of authority and responsibility among any affected cities, affected counties, and affected districts for the administration of special tax and special assessment districts, including, but not limited to, the levying and collecting of special taxes and special assessments, including the determination of the annual special tax rate within authorized limits; the management of redemption, reserve, special reserve, and construction funds; the issuance of bonds which are authorized but not yet issued at the time of the transfer, including not yet issued portions or phases of bonds which are authorized; supervision of construction paid for with bond or special tax or assessment proceeds; administration of agreements to acquire public facilities and reimburse advances made to the district; and all other rights and responsibilities with respect to the levies, bonds, funds, and use of proceeds that would have applied to the local agency that created the special tax or special assessment district.

Any other matter

(v) Any other matters necessary or incidental to any of the terms and conditions specified in this section.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56844].)

Improvement districts; exclusion of land

56886.3. If the terms and conditions of any change of organization provide for the formation of a new improvement district, or the annexation or detachment of territory to, or from, an existing improvement district, the * * * commission shall do all of the following:

(a) Exclude any lands proposed to be formed into, or to be annexed to, the improvement district which the * * *

commission finds will not be benefited by becoming a part of the improvement district.

(b) Exclude any lands proposed to be detached from an improvement district which the * * * commission finds will be benefited by remaining a part of the improvement district.

* * *

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57053].)

Formation of new government; alternative existing agencies

56886.5. If a proposal includes the formation of a new government, the commission shall determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose agency is deemed necessary, the commission shall consider reorganization with other single-purpose agencies that provide related services.
(Added by Stats. 2000, Ch. 761.)

Local coastal programs; amendment

56887. Any change of organization or reorganization may be conditionally approved by a local agency formation commission subject to the certification by the California Coastal Commission of an amendment to the local coastal program of a city or a county.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56844.1].)

Application of terms and conditions to city or county; exception for indebtedness or liability

56887.5. If any change of organization or reorganization pertains to city or district territory which is located, in whole or in part, within the boundaries of any city or county, any terms and conditions authorized by Section 56886 may be made applicable to that city or county. However, no indebtedness or liability which is subject to the requirement of an election, under the provisions of Section 18 of Article XVI of the California Constitution, shall be incurred or assumed by any city or county, except as provided in Section 18 of Article XVI of the California Constitution.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56847].)

Special reorganizations; public employees; collective bargaining agreements; retiree benefits

56888. (a) This section shall only apply to a special reorganization.

(b) All public employees to which Chapter 10 (commencing with Section 3500) of Division 4 of Title 1 applies shall continue to be deemed public employees of the original local agency or of the newly incorporated local agency for all the purposes of that chapter, including, but not limited to, the continuation and application of any collective bargaining agreement that applies to these employees, and all representational and collective bargaining rights under that chapter.

(c) Any existing collective bargaining agreement shall remain in effect and be fully binding on the original local

agency or on the newly incorporated local agency, and on the employee organizations that are parties to the agreement for the balance of the term of the agreement, and until a subsequent agreement has been established.

(d) Any existing retiree benefits, including, but not limited to, health, dental, and vision care benefits, shall not be diminished.

(e) Notwithstanding any other provision of law, an employee organization that has been recognized as the exclusive representative of local agency **public employees affected by a special reorganization shall retain exclusive** representation of the unit employees of the original local agency, or of the newly incorporated local agency.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56844.2] (1).)

City annexation of Williamson Act land

56889. If any commission order approving or conditionally approving a change of organization or reorganization would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), for which the commission has determined pursuant to Section 56754 that the city shall succeed to the contract, the commission shall impose a condition that requires the city to adopt the rules and procedures required by the Williamson Act, including but not limited to the rules and procedures required by Sections 51231, 51237, and 51237.5.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56844.2] (2).)

Application of terms and conditions to districts within local agency

56890. Any of the terms and conditions authorized by Section 56886 may be made applicable to all or any part of any city or district or any improvement district within that local agency or any territory annexed to, or detached from, any city or district or improvement district within that local agency.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56846].)

Article 3. Reconsideration

Written requests for amendment or reconsideration of resolutions

56895. (a) **When a commission has adopted a resolution making determinations, a**ny person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of the resolution * * *. The request shall state the specific modification to the resolution being requested **and shall state what new or different facts that could not have been presented previously, or applicable new law, are claimed to warrant the reconsideration. If the request is filed by a school**

Reasons

School districts

district that received notification pursuant to Section 56658, the commission shall consider that request at a public hearing.

Time: 30 days

(b) Notwithstanding Section 56106, the deadlines set by this section are mandatory. The person or agency shall file the written request within 30 days of the adoption of the initial or superseding resolution by the commission making determinations * * *. If no person or agency files a timely request, the commission shall not take any action pursuant to this section.

(c) Upon receipt of a timely request, the executive officer shall * * * not take any further action until the commission acts on the request.

Time tolled

(d) Upon receipt of a timely request by the executive officer, the time to file any action, including, but not limited to, an action pursuant to Section 21167 of the Public Resources Code and any provisions of Part 4 (commencing with Section 57000) governing the time within which the commission is to act shall be tolled for the time that the commission takes to act on the request.

Next agenda

(e) The executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given pursuant to this subdivision. The executive officer shall give notice of the consideration of the request by the commission in the same manner as for the original proposal. The executive officer may give notice in any other manner as he or she deems necessary or desirable.

(f) At that meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time but not to exceed 70 days from the date specified in the notice. The

Withdrawal

person or agency which filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

(g) At the conclusion of its consideration, the commission may approve or disapprove with or without amendment, wholly, partially, or conditionally, the request. If the commission disapproves the request, it shall not adopt a new resolution making determinations * * *. If the commission approves the request, with or without amendment, wholly, partially, or conditionally, the commission shall adopt a resolution making determinations which shall supersede the resolution previously issued.

Final action

(h) The determinations of the commission shall be final and conclusive. No person or agency shall make any further request for the same change or a substantially similar change, as determined by the commission.

(i) Notwithstanding subdivision (h), clerical errors or mistakes may be corrected pursuant to Section 56854.

(Added by Stats. 2000, Ch. 761 [formerly Sec. 56857].)

Article 4. Amendment

Changes to resolution; further proceedings

56897. If pursuant to Section 56895, the commission approves any addition, deletion, amendment, or revision of its resolution making determinations, further proceedings for the change of organization or reorganization shall be taken in compliance with that addition, deletion, amendment, or revision. Any provision of this division requiring compliance with the resolution adopted by the commission making determinations shall be deemed to include any addition, deletion, amendment, or revision made to that resolution.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56858].)

Commission review of impartial analysis of ballot proposition; approval procedure

56898. Whenever the executive officer is required by law to prepare an impartial analysis of a ballot proposition for approval by the commission, the commission may, by regulation, provide a procedure for approval or modification of the executive officer's analysis.

Requirements

In any event, the analysis shall be prepared and submitted to the commission in sufficient time for the commission to consider and approve or modify the analysis, and submit the analysis to the officials conducting the election not later than the last day for submission of rebuttal arguments. The impartial analysis submitted by the commission shall not exceed 500 words in length and shall include a general description of the affected territory.
(Added by Stats. 2000, Ch. 761 [formerly Sec. 56859].)

PART 4. CONDUCTING AUTHORITY PROCEEDINGS FOR CHANGES OF ORGANIZATION OR REORGANIZATION

CHAPTER 1. GENERAL

Protest proceedings

57000. (a) After adoption of * * * a resolution making determinations by the commission pursuant to Part 3 (commencing with Section 56650), protest proceedings for a change of organization or reorganization shall be taken pursuant to this part.

By commission

(b) If a proposal is approved by the commission, with or without amendment, wholly, partially, or conditionally, the * * * commission shall conduct proceedings in accordance with this part. The proceedings shall be conducted and completed pursuant to those provisions which are applicable to the proposal and the territory contained in the proposal as it is approved by the commission. If the commission approves the proposal with modifications or conditions, proceedings shall be conducted and completed in compliance with those modifications or conditions.

Delegation of Executive Officer

(c) Any reference in this part to the commission also means the executive officer for any function which the executive officer will perform pursuant to a delegation of authority from the commission.

Election by city or county

(d) When the commission makes a determination pursuant to this division that will require an election to be conducted, it shall inform the board of supervisors or the city council of the affected city of that determination and request the board or the city council to direct the elections official to conduct the necessary election.

(e) When a board of supervisors or a city council is informed by the commission that a determination has been made which requires an election, it shall direct the elections official to conduct the necessary election. The board or council shall do all of the following:

Requirements

(1) Call, provide for, and give notice of a special election or elections upon that question.

(2) Fix a date of election.

(3) Designate precincts and polling places.

(4) Take any other action necessary to call, provide for, and give notice of the special election or elections and to provide for the conduct and the canvass of returns of the election, as determined by the commission.

(f) Any provision in this part which requires that an election be called, held, provided for, or conducted shall mean that the procedures specified in subdivisions (d) and (e) shall be followed.

(Amended by Stats. 2000, Ch. 761.)

Failure to complete proceedings; extension

57001. If * * * a * * * certificate of completion for a change of organization or reorganization has not been filed within one year after the commission approves a proposal for that proceeding, the proceeding shall be deemed abandoned unless prior to the expiration of that year the commission authorizes an extension of time for that completion. The extension * * * may be for any period deemed reasonable to the commission for completion of necessary prerequisite actions by any party. If a proceeding has not been completed because of the order or decree of a court of competent jurisdiction temporarily enjoining or restraining the proceedings, this shall not be deemed a failure of completion and the one-year period shall be tolled for the time that order or decree is in effect.
(Amended by Stats. 2000, Ch. 761.)

Notice and date of hearing

57002. (a) Within 35 days following the adoption of the commission' s resolution making determinations, and following the reconsideration period specified in subdivision (b) of Section 56895 the executive officer of the commission shall set the proposal for hearing and give notice of that hearing by mailing, publication, and posting, as provided in Chapter 4 (commencing with Section 56150) of Part 1. The date of that hearing shall not be less than 15 days, or more than 60 days, after the date the notice is given.

(b) Where the proceeding is for the establishment of a district of limited powers as a subsidiary district of a city, upon the request of the affected district, the date of the hearing shall be at least 90 days, but no more than 135 days, from the date the notice is given.

Waiver of protest proceedings

(c) If authorized by the commission pursuant to Section 56663, a change of organization or reorganization may be approved * * * without notice, hearing, and election.
(Amended by Stats. 2000, Ch. 761.)

Conflicting petitions and applications

57003. Once notice is given by the * * * executive officer of the * * * commission pursuant to this chapter, * * * and until * * * proceedings are completed or terminated pursuant to this part, no conflicting petition or resolution of application seeking the change of organization or reorganization of all or part of the territory described by the notice given by the * * * executive officer shall be filed with, or acted on, by the commission.
(Amended by Stats. 2000, Ch. 761.)

Formation proceedings; principal act

57007. Except when a district formation is part of a reorganization, protest proceedings shall be conducted as set forth in the principal act of the district to be formed, and

* * * commission protest proceedings shall not apply, except for the provisions relating to the completion and effective date of a change of organization or reorganization contained in Chapter 3 (commencing with Section 57200). When the district formation is part of a reorganization, all of the proceedings shall be conducted pursuant to this part and Section 56100.
(Amended by Stats. 2000, Ch. 761.)

Hearings; location

57008. For any proposal initiated by the commission pursuant to subdivision (a) of Section 56375, the * * * commission shall hold a public protest hearing in the affected territory.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 2. NOTICE OF HEARING

Notice of hearing on proposal by publication, posting, and mailing

57025. (a) * * * The executive officer of * * * the * * * commission shall give notice of the protest hearing to be held on the proposal by publication pursuant to Sections 56153 and 56154 and by posting pursuant to Sections 56158 and 56159.

(b) The * * * executive officer shall also give mailed notice to each affected city, affected district, or affected county, the * * * proponents, if any, all landowners owning land within any territory proposed to be formed into, or to be annexed to, or detached from, an improvement district within any city or district, and to persons requesting special notice, in accordance with the provisions of Sections 56155 to 56157, inclusive.

(c) In the case of a proposed annexation to a city of affected territory consisting of 75 acres or less, the * * * executive officer of the * * * commission shall give mailed notice to each landowner within the affected territory.

(d) In the case of a proposed change of organization or reorganization that would result in the extension of any previously authorized special tax or benefit assessment to the affected territory, the * * * executive officer of the * * * commission shall give mailed notice to each landowner within the affected territory.
(Amended by Stats. 2000, Ch. 761.)

Notice; required contents

57026. The mailed notice required to be given by Section 57025 shall contain all of the following information:

(a) A statement of the distinctive short form designation assigned by the commission to the proposal.

(b) A statement of the manner in which, and by whom, proceedings were initiated. However, a reference to the

* * * proponents, if any, shall be sufficient where proceedings were initiated by a petition.

(c) A description of the exterior boundaries of the subject territory.

(d) A description of the particular change or changes of organization proposed for each of the subject districts or cities and new districts or new cities proposed to be formed, and any terms and conditions to be applicable. The description may include a reference to the commission's resolution making determinations for a full and complete description of the change of organization or reorganization, and the terms and conditions.

(e) A statement of the reason or reasons for the change of organization or reorganization as set forth in the proposal submitted to the commission.

(f) (1) Except as otherwise provided in paragraph (2), a statement of the time, date, and place of the protest hearing on the proposed change of organization or reorganization.

(2) Notwithstanding paragraph (1), if inhabited territory is proposed to be annexed to a city with more than 100,000 residents which is located in a county with a population of over 4,000,000 the date shall be at least 90 days, but not more than 105 days, after the date of adoption of the resolution initiating the proceedings. The resolution shall specify a date 90 days prior to the hearing when registered voters may begin to file protests.

Inhabited

(g) If the subject territory is inhabited and the change of organization or reorganization provides for the submission of written protests, a statement that any owner of land within the territory, or any registered voter residing within the territory, may file a written protest against the proposal with the * * * executive officer of the * * * commission at any time prior to the conclusion of the hearing by the * * * commission on the proposal.

Uninhabited

(h) If the subject territory is uninhabited and the change of organization or reorganization provides for submission of written protests, a statement that any owner of land within the territory may file a written protest against the proposal with the * * * executive officer of the * * * commission at any time prior to the conclusion of the hearing by the * * * commission on the proposal.

(Amended by Stats. 2000, Ch. 761.)

CHAPTER 3. CONDUCT OF HEARING

Date and time of hearing; continuance; summary of resolution; protest, objections, or evidence

57050. (a) The protest hearing on the proposal shall be held by the * * * commission on the date and at the time specified in the notice given by the * * * executive officer. The hearing may be continued from time to time but not to

exceed 60 days from the date specified for the hearing in the notice.

(b) At the **protest** hearing, prior to consideration of protests, the commission's resolution making determinations shall be summarized. At that hearing, the * * * **commission** shall hear and receive any oral or written protests, objections, or evidence which is made, presented, or filed. Any person who has filed a written protest may withdraw that protest at any time prior to the conclusion of the hearing.
(Amended by Stats. 2000, Ch. 761.)

Written protests; requirements

57051. At any time prior to the conclusion of the **protest** hearing in the notice given by the * * * **executive officer**, but not thereafter, any owner of land or any registered voter within inhabited territory proposed to be annexed or detached, or any owner of land within uninhabited territory proposed to be annexed or detached, may file a written protest against the annexation or detachment. Each written protest shall state whether it is made by a landowner or registered voter and the name and address of the owner of the land affected and the street address or other description sufficient to identify the location of the land or the name and address of the registered voter as it appears on the affidavit of registration. Protests may be made on behalf of an owner of land by an agent authorized in writing by the owner to act as agent with respect to that land. Protests may be made on behalf of a private corporation which is an owner of land by any officer or employee of the corporation without written authorization by the corporation to act as agent in making that protest.

Each written protest shall show the date that each signature was affixed to the protest. All signatures without a date or bearing a date prior to the date of publication of the notice shall be disregarded for purposes of ascertaining the value of any written protests.
(Amended by Stats. 2000, Ch. 761.)

Conclusion of hearing; value of written protests filed and not withdrawn

57052. Upon conclusion of the **protest** hearing, the * * * **commission** shall determine the value of written protests filed and not withdrawn. The value of written protests shall be determined in the same manner prescribed in Sections 56707, 56708, and 56710 for determining the sufficiency of petitions filed with the commission.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 4. RESOLUTION OF CONDUCTING AUTHORITY

Findings and actions by conducting authority

57075. In the case of registered voter districts or cities, where a change of organization or reorganization consists solely of annexations, detachments, or formation of county service areas, or any combination of those proposals, the * * * commission, not more than 30 days after the conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions, except as provided in subdivision (b) of Section 57002.

(a) In the case of inhabited territory, take one of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the change of organization or reorganization subject to confirmation by the registered voters residing within the affected territory if written protests have been filed and not withdrawn by either of the following:

(A) At least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory.

(B) At least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory.

(3) Order the change of organization or reorganization without an election if written protests have been filed and not withdrawn by less than 25 percent of the registered voters or less than 25 percent of the number of owners of land owning less than 25 percent of the assessed value of land within the affected territory.

(b) In the case of uninhabited territory, take either of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the change of organization or reorganization if written protests have been filed and not withdrawn by owners of land who own less than 50 percent of the total assessed value of land within the affected territory.

(Amended by Stats. 2000, Ch. 761.)

Los Angeles County; written protests; adoption of resolution

57075.5. Notwithstanding Section 57075, if territory proposed to be annexed to a city with more than 100,000 residents is inhabited and is located in a county with a population of over 4,000,000, the * * * commission, not more than 30 days after conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn and shall take one of the following actions:

(a) Terminate proceedings if written protests have been filed and not withdrawn by 50 percent or more of the registered voters within the affected territory.

(b) Order the territory annexed subject to the confirmation by the voters on the question, and call a special election and submit to the voters residing within the affected territory the question of whether it shall be annexed to the city, if written protests have been filed and not withdrawn by either 15 percent or more of the registered voters within the territory, or 15 percent or more of the number of owners of land who also own not less than 15 percent of the total assessed value of land within the territory.

(c) Order the territory annexed without an election if written protests have been filed and not withdrawn by less than 15 percent of the registered voters within the territory and less than 15 percent of the owners of land who own less than 15 percent of the total assessed value of land within the territory.

(Amended by Stats. 2000, Ch. 761.)

Land owner-voter districts; findings and actions by conducting authority

57076. In the case of landowner-voter districts, where a change of organization or reorganization consists solely of annexations or detachments, or any combination of those proposals, the * * * commission, not more than 30 days after the conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions, except as provided in subdivision (b) of Section 57002:

(a) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(b) Order the change of organization or reorganization subject to an election within the affected territory if written protests have been filed and not withdrawn represent either of the following:

(1) Twenty-five percent or more of the number of owners of land who also own 25 percent or more of the assessed value of land within the territory.

(2) Twenty-five percent or more of the voting power of landowner voters entitled to vote as a result of owning property within the territory.

(c) Order the change of organization or reorganization without an election if written protests have been filed and not withdrawn by less than 25 percent of the number of owners of land who own less than 25 percent of the assessed value of land within the affected territory.

(Amended by Stats. 2000, Ch. 761.)

Dissolutions, incorporations, formations, disincorporations, mergers, establish-

57077. (a) Where a change of organization consists of a dissolution, disincorporation, incorporation, establishment of

ments of subsidiary districts, consolidations, or combination; actions by conducting authority

a subsidiary district, consolidation, or merger, the * * * commission, not more than 30 days after the conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the change of organization subject to confirmation of the voters, or in the case of a landowner-voter district, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district.

(3) Order the change of organization without election if it is a change of organization that meets the requirements of Section 57081, 57102, or 57107; otherwise, the * * * commission shall take the action specified in paragraph (2).

(b) Where a reorganization consists of one or more dissolutions, incorporations, formations, disincorporations, mergers, establishments of subsidiary districts, consolidations, or any combination of those proposals, the * * * commission, not more than 30 days after the conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn and take one of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the reorganization subject to confirmation of the voters, or in the case of landowner-voter districts, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district.

(3) Order the reorganization without election if it is a reorganization which meets the requirements of Section 57081, 57102, 57107, or 57111; otherwise, the * * * commission shall take the action specified in paragraph (2). (Amended by Stats. 2000, Ch. 761.)

Majority protest; abandonment of proposed changes

57078. In the case of any reorganization or change of organization, a majority protest shall be deemed to exist and the proposed change of organization or reorganization shall be abandoned if the * * * commission finds that written protests filed and not withdrawn prior to the conclusion of the hearing represent any of the following:

(a) In the case of uninhabited territory, landowners owning 50 percent or more of the assessed value of the land within the territory.

(b) In the case of inhabited territory, 50 percent or more of the voters residing in the territory.

(c) In the case of a landowner-voter district, 50 percent or more of the voting power of the voters entitled to vote as a result of owning land within the district.
(Amended by Stats. 2000, Ch. 761.)

Annexation of district communities

57078.5. If a proposed annexation consists of two or more distinct communities, as defined in the county general plan, census unincorporated places listing, or other commonly recognized community designation, as determined by the commission, and any one community has more than 250 registered voters, any protest filed pursuant to Section 57078 shall be accounted separately for that community, unless the annexation is proposed pursuant to Section 56375.3.
(Added by Stats. 2000, Ch. 761.)

Sacramento City/County

57079.3. If a proposed reorganization includes a detachment of territory from the City-County of Sacramento where the governments of the City of Sacramento and County of Sacramento are consolidated in one city-county legislative body pursuant to Chapter 5 (commencing with Section 51900), of Part 2 of Division 1 of Title 5, the proceedings shall not terminate if the City-County of Sacramento files a written protest to a detachment from the City-County of Sacramento and simultaneous annexation to any of the Cities of Folsom, Isleton, and Galt, and if the proposed detachment and simultaneous annexation includes territory within the sphere of influence of any of the Cities of Folsom, Isleton, or Galt. "Sphere of influence" means for this purpose, the sphere of influence, which has been approved in principle by the City-County of Sacramento by July 1, 1991, and adopted or amended by the local agency formation commission pursuant to Chapter 4 (commencing with Section 56425) of Part 4 prior to or as of July 1, 1992.

Island proceedings initiated on or after January 1, 2000, or January 1, 2007

57080. (a) With respect to a proceeding initiated on or after January 1, 2000, when approved and authorized by the commission pursuant * * * to Section 56745, the * * * commission shall, not later than 35 days after conclusion of the hearing, adopt a resolution ordering the annexation without an election or shall * * * terminate the proceedings. Sections 57050, 57051, 57052, subdivision (a) of 57075, and Section 57078 do not apply to any annexation subject to this subdivision.

(b) With respect to a proceeding initiated on or after January 1, 2007, when approved and authorized by the commission pursuant to * * * Section 56375.3, Sections 57050, 57051, and 57052, shall apply and subdivision (a) of Section 57075 does not apply.

(1) If the territory proposed to be annexed is inhabited territory, the * * * commission, not more than 30 days after conclusion of the hearing, shall * * * make a finding regarding the value of written protests filed and not withdrawn and shall do either of the following:

(A) Terminate proceedings if written protests have been filed and not withdrawn by 50 percent or more of the registered voters within the affected territory.

(B) Order the territory annexed without an election.

(2) If the territory proposed to be annexed is uninhabited, the * * * commission, not more than 30 days after conclusion of the hearing, shall adopt a resolution which does either of the following:

(A) Terminates proceedings.

(B) Orders the territory annexed.

(Amended by Stats. 2000, Ch. 761.)

Consolidation or reorganization of districts into single agency; similar resolutions, without election

57081. (a) If authorized by the commission pursuant to Section 56853, the * * * protest proceedings shall be conducted for the consolidation of districts or the reorganization of all or any part of those districts into a single local agency pursuant to this section. The * * * commission shall hold at least one noticed public hearing on the proposal within 30 days after approval of the application by the commission. After the conclusion of the hearing, the * * * commission shall order the consolidation or reorganization without an election, except as otherwise provided in subdivision (b).

Exception

(b) An election shall only be held if the * * * commission finds either of the following:

(1) In the case of inhabited territory, that a petition requesting that the proposal be submitted to confirmation by the voters has been signed by either of the following:

(A) At least 25 percent of the number of landowners within the territory subject to the consolidation or reorganization who own at least 25 percent of the assessed value of land within the territory.

(B) At least 25 percent of the voters entitled to vote as a result of residing within, or owning land within, the territory.

(2) In the case of a landowner-voter district, that the territory is uninhabited and a petition requesting that the proposal be submitted to confirmation by the voters has been signed by at least 25 percent of the number of landowners within the territory subject to the consolidation or reorganization, owning at least 25 percent of the assessed value of land within the territory.

(c) The petition shall be filed with the * * * commission prior to the conclusion of the protest hearing.

(Amended by Stats. 2000, Ch. 761.)

Merger of subsidiary districts: exemption from Revenue and Taxation 99/99.01

57087.3. The merger of a subsidiary district with a city, of which the city council is also the governing board of that subsidiary district, shall not be subject to Sections 99 and 99.01 of the Revenue and Taxation Code if the city council adopts a resolution that states that the city shall do all of the following.

(a) Continue providing the services of the subsidiary district at the same level to those areas outside the city's boundaries, but within the territory of the subsidiary district, as the services provided for territory within the city limits.

(b) Assume all assets of the subsidiary district.

(c) Assume all liabilities of the subsidiary district.

(d) Assume all ad valorem taxes, other accounts receivable, and other revenues of the subsidiary district.

Termination of proceedings; new proposal, waiting period

57090. (a) Except as otherwise provided in subdivision (b), if proceedings are terminated, either by majority protest as provided in Sections 57075, 57076, and 57077, or if a majority of voters do not confirm the change of organization or reorganization as provided in Section 57179, no substantially similar proposal for a change of organization or reorganization of the same or substantially the same territory may be filed with the commission within two years after the date of adopted of the * * * certificate of termination adopted by the * * * commission if the proposal included an incorporation or city consolidation and within one year for any other change of organization or reorganization.

Waiver of requirements

(b) The commission may waive the requirements of subdivision (a) if it finds these requirements are detrimental to the public interest.

(Amended by Stats. 2000, Ch. 761.)

CHAPTER 5. RESOLUTION FOR ORDER SUBJECT TO ELECTION

Contents of resolution

57100. Any commission resolution ordering a change of organization or a reorganization shall contain all of the following:

(a) A statement that the action is being taken pursuant to this division.

Type

(b) A statement of the type of change of organization or reorganization being acted on.

Description

(c) A description of the exterior boundaries of the territory for each change of organization or reorganization approved by the commission.

Names

(d) The name or names of any new or consolidated city or district.

(e) All of the terms and conditions upon the change of organization or reorganization approved by the commission.

Reasons

(f) The reasons for the change of organization or reorganization.

Roll utilized

(g) A statement as to whether the regular county assessment roll or another assessment roll will be utilized.

Bond indebtedness

(h) A statement that the affected territory will or will not be taxed for existing general bonded indebtedness of any agency whose boundaries are changed.

Other

(i) Any other matters that the * * * commission deems material.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57082].)

City annexation of Williamson Act land; finding regarding succession

57101. With respect to any proceeding that would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), for which the commission has determined pursuant to Section 56754 that the city may exercise its option to not succeed to the contract, the * * * commission shall include within its resolution ordering the annexation of the territory a finding regarding whether the city intends to not succeed to the contract.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57082.5].)

Resolution ordering dissolution; findings

57102 . (a) In any resolution ordering a dissolution, the * * * commission shall make findings upon one or more of the following matters:

(1) That the corporate powers have not been used, as specified in Section 56871, and that there is a reasonable probability that those powers will not be used in the future.

(2) That the district is a registered-voter district and is uninhabited.

(3) That the board of directors of the district has, by unanimous resolution, consented to the dissolution of the district.

Without election

(b) If the * * * commission makes any of the findings specified in subdivision (a), the * * * commission may, except as otherwise provided in Section 57103, order the dissolution of the district without election.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57083].)

Resolution ordering dissolution; hospital districts

57103. Any order in any resolution adopted by the * * * commission on or after January 1, 1986, ordering the dissolution of a local hospital district, organized pursuant to

Division 23 (commencing with Section 32000) of the Health and Safety Code, is subject to confirmation by the voters.
(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57083.5].)

Merger; all territory within city

57104. Any order of merger may be adopted for a district of limited powers, including any * * * district previously established as a subsidiary district, if the entire territory of the district is included within the boundaries of a city upon the date of the order.
(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57084].)

Subsidiary district; 70% land area and voters within city

57105. An order establishing a district of limited powers as a subsidiary district may be adopted if upon the date of that order the * * * commission determines that either of the following situations exists:

(a) The entire territory of the district is included within the boundaries of a city.

(b) A portion or portions of the territory of the district are included within the boundaries of a city and that portion or portions meet both of the following requirements:

(1) Represent 70 percent or more of the area of land within the district, as determined by reference to the statements and the maps or plats filed pursuant to Chapter 8 (commencing with Section 54900) of Division 2 of Title 5 for the current fiscal year.

(2) Contain 70 percent or more of the number of registered voters who reside within the district as shown on the voters' register in the office of the county clerk or registrar of voters.
(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57085].)

Date to determine boundaries for merger or subsidiary district

57106. For the purposes of Sections 57104 and 57105, the boundaries shall be determined as of the date of adoption of the order of the * * * commission. Any then pending but uncompleted proceedings for changes in the boundaries of the city or district shall be disregarded.
(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57086].)

Resolution ordering merger or subsidiary district

57107. In any resolution ordering a merger or establishment of a subsidiary district, the * * * commission shall take one of the following actions:

(a) Order the merger or establishment of the subsidiary district subject to confirmation of the voters upon the questions, as the case may be, of merger, the establishment

of a subsidiary district, or both merger and the establishment of a subsidiary district.

(b) Order the merger or establishment of the subsidiary district without election, if the legislative body of the city and the board of directors of the district have by resolution consented to the merger or the establishment of the subsidiary district.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57087].)

Petition requesting election on merger or subsidiary district

57108. At any time prior to the * * * conclusion of the protest hearing by the * * * commission ordering the district to be merged with or established as a subsidiary district of a city, a petition may be filed with the * * * executive officer referring, by date of adoption, to the commission's resolution making determinations and requesting that any election upon that question be called, held, and conducted only within that district. Any petition so filed shall be immediately examined and certified by the * * * executive officer by the same method and in the same manner as provided in Sections 56707 to 56711, inclusive, for the examination of petitions by the executive officer. The * * * commission shall * * * forward the proposal for an election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or established as a subsidiary district, if the * * * executive officer certifies that any petition so filed was signed by either of the following:

Signatures

(a) In the case of a registered voter district, by not less than 10 percent of the registered voters of the district.

(b) In the case of a landowner-voter district, by not less than 10 percent of the number of landowner-voters within the district who also own not less than 10 percent of the assessed value of land within the district.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57087.5].)

Election on establishment of subsidiary district or merger; petition

57109. At any time prior to the * * * completion of the protest hearing by the * * * commission and the adoption of a resolution ordering a reorganization that includes an incorporation and the establishment of a subsidiary district or a merger, a petition may be filed with the * * * executive officer referring, by date of adoption, to the commission's resolution making determinations and requesting that a separate election be called, held, and conducted only within that district on the establishment of the subsidiary district or the merger. That election shall be conducted at the same time as the election on the incorporation. Any petition so filed shall be immediately examined and certified by the

* * * executive officer by the same method and in the same manner as provided in Sections 56707 to 56711, inclusive, for the examination of petitions by the executive officer. The * * * commission shall call, hold, and conduct any election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or established as a subsidiary district, if the * * * executive officer certifies that any petition so filed was signed by either of the following:

Signatures

(a) In the case of a registered voter district, by not less than 10 percent of the registered voters of the district.

(b) In the case of a landowner-voter district, by not less than 10 percent of the number of landowner-voters within the district who also own not less than 10 percent of the assessed value of land within the district.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57087.7].)

Resolution ordering election on subsidiary district; ballot questions

57110. In any resolution approving, subject to the confirmation of the voters, both an original and an alternative proposal as determined by the commission pursuant to paragraph (2) of subdivision (a) of Section 56863, the ballot at the election shall enable those voting to do one of the following:

(a) Disapprove both proposals.

(b) Approve either the original proposal or the alternative proposal.

Resolution confirming election on subsidiary district

The board of supervisors shall adopt a resolution confirming the proposal which was favored by a majority of votes cast at the election. Where both proposals were favored by a majority of the votes cast, the board of supervisors shall adopt a resolution confirming the proposal which received the greater number of votes.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57088].)

Confirmation election

57111. In any reorganization proceeding where the component changes of organization would not individually require a confirmation election, no confirmation election shall be required to approve the reorganization.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57089].)

Termination by election; new proposal waiting period

57112 . (a) Except as otherwise provided in subdivision (b), if proceedings are terminated by failure of a majority of voters to confirm a resolution ordering merger or establishment of a subsidiary district, no new proposal for a merger or establishment of a subsidiary district involving the same district may be filed with the commission * * * within

two years of the date of the certification adopted by the * * * commission, pursuant to Section 57179.

(b) The commission may waive the requirements of subdivision (a) if it finds these requirements are detrimental to the public interest.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57091].)

Proposals initiated by commission

57113. (a) Notwithstanding Section 57081, 57102, 57107, 57108, or 57111, for any proposal that was initiated by the commission pursuant to subdivision (a) of Section 56375, the * * * commission shall forward the change of organization or reorganization * * * for confirmation by the voters if the * * * commission finds either of the following:

Voter approval requirement

(1) In the case of inhabited territory, that a petition requesting that the proposal be submitted to confirmation by the voters has been signed by either of the following:

(A) At least 10 percent of the number of landowners within any affected district within the affected territory who own at least 10 percent of the assessed value of land within the territory. However, if the number of landowners within an affected district is less than 300, the petition requesting the proposal to be submitted to the voters shall be signed by at least 25 percent of the landowners who own at least 25 percent of the assessed value of land within the territory of the affected district.

(B) At least 10 percent of the voters entitled to vote as a result of residing within, or owning land within, any affected district within the affected territory. However, if the number of voters entitled to vote within an affected district is less than 300, the petition requesting the proposal to be submitted to the voters shall be signed by at least 25 percent of the voters entitled to vote.

(2) In the case of a landowner-voter district, that the territory is uninhabited and a petition requesting that the proposal be submitted to confirmation by the voters has been signed by at least 10 percent of the number of landowners within any affected district within the affected territory, owning at least 10 percent of the assessed value of land within the territory. However, if the number of voters entitled to vote within an affected district is less than 300, the petition requesting the proposal to be submitted to the voters shall be signed by at least 25 percent of the voters entitled to vote.

(b) The petition shall be filed with the * * * commission prior to the conclusion of the protest hearing.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57092].)

Proposals for dissolution and annexation

57114. (a) Notwithstanding Section 56854 and Section 57089, for any proposal for the dissolution of one or more districts and the annexation of all or substantially all of their territory to another district, the * * * commission shall forward the change of organization or reorganization * * * for confirmation by the voters if the * * * commission finds either of the following:

Voter approval requirement

(1) In the case of inhabited territory, that a petition requesting that the proposal be submitted to confirmation by the voters has been signed by either of the following:

(A) At least 25 percent of the number of landowners within any affected district within the affected territory who own at least 25 percent of the assessed value of land within the territory.

(B) At least 25 percent of the voters entitled to vote as a result of residing within, or owning land within, any affected district within the affected territory.

(2) In the case of a landowner-voter district, that the territory is uninhabited and a petition requesting that the proposal be submitted to confirmation by the voters has been signed by at least 25 percent of the number of landowners within any affected district within the affected territory, owning at least 25 percent of the assessed value of land within the territory of that district.

* * *

(b) If a petition that meets the requirements of this section has been filed, the * * * commission shall approve the proposal subject to confirmation by the voters of each district that has filed such a petition. The voter confirmation requirements set forth in subdivision (a) shall not apply to any proposal initiated by the commission under Section 56375 or where each affected district has consented to the proposal by a resolution adopted by a majority vote of its board of directors.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57093].)

Resolution referred to election, requirements

57115. * * * Any resolution * * * of the commission forwarding a change of organization or a reorganization * * * for confirmation by the voters * * * shall, in addition to any applicable requirements contained in Sections 57100 to 57111, inclusive, do all of the following:

* * *

(a) Designate the affected territory within which the special election or elections shall be held.

* * *

(b) Provide for the question or questions to be submitted to the voters.

* * *

(c) Specify any terms or conditions provided for in the change of organization or reorganization.

(d) State the vote required for confirmation of the change of organization or reorganization.

* * *

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57100].)

Resolution calling for election on incorporation; contents

57116. In addition to any other requirements, any resolution of the * * * commission ordering an incorporation subject to an election shall do all of the following:

Officers

(a) Provide for the election of the officers of the proposed city required to be elected, except as provided in Section 56727 and except as to officers designated as appointive, pursuant to Section 56723.

(b) Provide for the election on the question of whether members of the city council in future elections are to be elected by district or at large.

Form of government

(c) If the petition so requests, state that the voters may express a preference as to whether or not the city shall operate under the city manager form of government, the ballot question being for or against the city manager form of government.

Names

(d) If the petition so requests, state that the voters may express their preference between names for the new city.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57101].)

Resolution calling for election on city consolidation; contents

57117. In addition to any other requirements, any resolution of the * * * commission ordering a consolidation of cities subject to an election shall do all of the following:

(a) Provide for the election of officers of the successor city required to be elected.

(b) State that the voters may express their preference as to the name of the successor city.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57102].)

Resolution calling for election; where election held

57118. In any resolution ordering a change of organization or reorganization subject to the confirmation of the voters, the * * * commission shall * * * determine that an election will be held:

(a) Within the territory of each city or district ordered to be incorporated, formed, disincorporated, dissolved or consolidated.

(b) Within the entire territory of each district ordered to be merged with or established as a subsidiary district of a city,

or both within the district and within the entire territory of the city outside the boundaries of the district.

(c) If the * * * executive officer certifies a petition pursuant to Section 57108 or 57109, within the territory of the district ordered to be merged with or established as a subsidiary district of a city.

(d) Within the territory ordered to be annexed or detached.

(e) If ordered by the commission pursuant to Section 56876 or 56759, both within the territory ordered to be annexed or detached and within all or the part of the city or district which is outside of the territory.

(f) If the election is required by Section 57114, separately within the territory of each affected district that has filed a petition meeting the requirements of Section 57114.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57103].)

Election; where held

57119. Notwithstanding Section 57118, in any resolution ordering a special reorganization, the * * * commission shall call an election in both of the following territories:

(a) The territory ordered to be detached from the city.

(b) The entire territory of the city from which the detachment is ordered to occur.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57103.1].)

Incorporation or formation appropriations limit

57120. In addition to any other requirements, any resolution of the * * * commission ordering an incorporation or a formation subject to an election shall provide for the establishment of the appropriations limit determined pursuant to Section 56811.

(Renumbered and amended by Stats. 2000, Ch. 761 [formerly Sec. 57104].)

CHAPTER 6. ELECTIONS

Special elections; subject to Elections Code

57125. Special elections called within all or any part of a city or registered-voter district shall be governed by the general election provisions and the local election provisions of the Elections Code, so far as they may be applicable, relating to the qualifications of voters, the manner of voting, the form of the ballot, the duties of precinct and election officers, the canvassing of returns, and all other particulars. If the * * * commission determines that there is any inconsistency:

(a) Between the general elections provisions and the local elections provisions of the Elections Code, the local elections provisions shall control.

(b) A statement of each type of change of organization or reorganization ordered.

(c) A description of the boundaries of the new city ordered incorporated, the new district ordered formed or of any territory affected by the change of organization or reorganization, which description may be made by reference to a map and legal description showing the boundaries attached to the certificate.

(d) Any terms and conditions of the change of organization or reorganization. **The terms and conditions shall provide public utilities, as defined in Section 216 of the Public Utilities Code, 90 days following the recording of the certificate of completion to make the necessary changes to impacted utility customer accounts.**

* * *

(Amended by Stats. 2000, Ch. 761.)

Effective date; restrictions

57202. (a) If an effective date is fixed in the terms and conditions of the commission resolution, that date shall be the effective date. An effective date shall not be fixed which is either of the following:

(1) Earlier than the date of execution of the certificate of completion.

(2) Later than nine months after the date of the election in which a majority voted in favor of the change of organization or reorganization.

(b) The change of organization or reorganization shall be complete from the date of execution of the certificate of completion and effective from the dates specified in the terms and conditions of the commission resolution, unless no effective date has been fixed in those terms and conditions.

Date or recordation

(c) If no effective date has been fixed in any of the terms and conditions, the effective date of a change of organization or a reorganization shall be the date of the recordation made with the county recorder and, if filed with the recorder of more than one county, the date of the last such recordation.

Incorporation

(d) The commission shall set an effective date for any incorporation. The authority of the commission to set the date of incorporation shall be exclusive, except as provided in Section 57203.

Certificate of completion recorded with each county

57203. The executive officer shall record, no later than 90 days after the election, a certified copy of the certificate of completion with the county recorder of each county in which all or any part of the territory included in the change of organization or reorganization is located, and shall file a certified copy of the certificate of completion, indicating the recording numbers affixed by the county recorder, with the clerk of the legislative body of each local agency subject to

Filed with each agency

the change of organization or reorganization. If the executive officer is for any reason unable to comply with this section, the Secretary of State, upon confirmation by the county recorder that the certificate of completion has not been recorded within the time period provided in this section, may perform the duties of the executive officer upon receiving notice of the failure of the executive officer to so perform. After recordation of the certificate of completion by the executive officer, the recorder shall file with the county surveyor a copy of the boundary description included in the certificate of completion as provided by subdivision (c) of Section 57201.

Secretary of State may file

Surveyor

Statement of boundary change filed with Assessor, Auditor, and Board of Equalization

57204. (a) The executive officer shall file the statement of boundary change or creation with the Board of Equalization, the county assessor, and the county auditor as may be provided for by Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5.

(b) The Board of Equalization shall distribute relevant information from the statements of boundary changes or creations to the Department of Finance, the Controller, and to the Secretary of State, as appropriate.

PART 5. TERMS AND CONDITIONS AND EFFECT OF A CHANGE OF ORGANIZATION OR REORGANIZATION

CHAPTER 1. GENERAL

No effect on Assembly or Senatorial districts

57300. Any proceeding completed pursuant to this division shall not alter or affect the boundaries of any Assembly or Senatorial district.

Effect on city council districts; adjustment of boundaries

57301. If at any time between each decennial federal census, a city annexes or detaches territory or consolidates with another city, the city council of the city annexing or detaching the territory or the city council of the successor city, shall reexamine the boundaries of its council districts, if any, after the first census is taken or after the population estimates are obtained, following the annexation, detachment, or consolidation.

If, upon reexamination, the city council finds that the population of any council districts have varied so that the districts no longer meet the criteria specified in Section 21601 of the Elections Code, the city council shall, within 60 days after the census is taken, or population estimate received, by ordinance or resolution, adjust the boundaries of any or all of the council districts of the city so that the districts are as nearly equal in population as may be possible.

Application of general conditions; specific conditions control over general conditions

57302. The general provisions of this part shall apply only if, and to the extent that, the terms and conditions of any change of organization or reorganization do not make specific provision for any of the matters referred to in this part. If a change of organization or a reorganization specifically provides for, and is made subject to any of, the terms and conditions authorized by Section 56886, the specific terms and conditions shall control over the general provisions of this part. Any of those terms and conditions may be provided for, and be made applicable to, any affected county, affected city, or affected district, to all or any part of the territory of the county, city, or district, to any territory proposed to be annexed to the county, city, or district and to the owner or owners of property within that territory. (Amended by Stats. 2000, Ch. 761.)

Effect on bonded indebtedness by change of organization

57303. If no determination is made pursuant to subdivision (d) of Section 56886, the principal amount of bonded indebtedness which may be incurred or assumed by any city, county, or district, under any statute or charter provision imposing a limitation on bonded indebtedness,

shall not be affected by any change of organization or reorganization.
(Amended by Stats. 2000, Ch. 761.)

CHAPTER 2. EFFECT OF ANNEXATION

Rights and duties of inhabitants of annexed area

57325. On and after the effective date of an annexation, the territory annexed to a city or district, all inhabitants of that territory, and all persons entitled to vote by reason of residing or owning land within that territory shall be subject to the jurisdiction of the city or district and, except as otherwise provided in this chapter, shall have the same rights and duties as if the territory had been a part of the city or district upon its original incorporation or formation.

Agreement to continue services to end of fiscal year by city and district

57326. As an alternative to any procedure prescribed by law for the division of taxes or assessments collected in a district lying partially or wholly in territory annexed by an incorporated city, the city and the district may enter into an agreement providing that the district shall continue to perform services for the annexed territory until the close of the fiscal year for which the district has levied taxes or assessments.

Restriction on payment for use of property

57327. No payment for the use, or right of use, of the existing property, real or personal, of any district or city shall be required by reason of the annexation of territory to that district or city.

Liability of annexed area for bonds, contracts, obligations of annexing city or district

57328. Any territory annexed to a city or district shall be liable for payment of principal, interest, and any other amounts which shall become due on account of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of the city or district, but not of any improvement district within the district. It shall be subject to the levying or fixing and collection of any of the following which may be necessary to provide for that payment:

(a) Taxes or assessments.

(b) Service charges, rentals, or rates.

(c) Both taxes or assessments and service charges, rentals, or rates.

Roads and highways

57329. (a) If unincorporated territory was, or is hereafter, annexed to a city, all roads and highways or portions of a road or highway in the territory which had been accepted into the county road system pursuant to Section 941 of the Streets and Highways Code are, or shall become, as the case may be, city streets on the effective date of the annexation.

Roads accepted; petition date

(b) Subdivision (a) does not apply to a road or highway which had been accepted into the county road system pursuant to Section 941 of the Streets and Highways Code after the date of the first signature on a petition for annexation or incorporation, the adoption of a resolution of application by an affected local agency, or a date mutually agreed upon by the city and the county.

(c) Nothing in subdivision (a) requires a city to improve the affected road or highway to city standards.

Previously authorized taxes, assessments, fees, or charges

57330. Any territory annexed to a city or district shall be subject to the levying or fixing and collection of any previously authorized taxes, benefit assessments, fees, or charges of the city or district.

Annexations to a City; succession to Williamson Act contracts

57330.5. (a) If a city annexes land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), and the city succeeds to the contract pursuant to either Section 51243 or Section 51243.5, then on an after the effective date of the annexation, the city has all of the rights, duties, and powers imposed by that contract.

(b) If a city annexes land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), and the city exercises its option to not succeed to the contract pursuant to Section 51243.5, then the city shall record a certificate of contract termination pursuant to that section.

CHAPTER 3. EFFECT OF DETACHMENT

Loss of jurisdiction of agency; rights and duties of inhabitants

57350. Except as otherwise provided in this chapter, on and after the effective date of a detachment, the territory detached from a city or district, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within the territory shall cease to be subject to the jurisdiction of the city or district and shall have none of the rights or duties of the remaining territory, inhabitants, or voters of the city or district.

Continued liability for debts contracted prior to detachment from city

57351. Unless otherwise provided in the terms and conditions of the detachment, the city from which territory is detached may from time to time levy and collect from the detached territory its just proportion of liability for payment of the interest and principal of debts of the city contracted prior to detachment.

Rights to tender amount of city liability

57352. At any time, the detached territory may tender to the city council of the city or the legislative body of the district the amount for which the detached territory is liable.

If tender is made, the authority of the city or district to levy taxes on the detached territory shall cease.

Restriction on rights and entitlements to city or district property or refund of moneys

57353. No inhabitant, property owner, taxpayer, consumer, or user within territory detached from a district or city shall be entitled to either of the following:

(a) All or any part or to any payment on account of the moneys or funds, including cash on hand and moneys due but uncollected, or any property, real or personal, of the city or district.

(b) Any refund by reason of any taxes, assessments, service charges, rentals, or rates collected prior to the effective date of the detachment.

Continued liability for payment of bonds, contracts, or obligations of agency

57354. Any territory detached from a city or district shall continue to be liable for the payment of principal, interest, and any other amounts which become due on account of any bonds, including revenue bonds, or other contracts or obligations of the district and any improvement district within which the detached territory has been situated, as are outstanding on the effective date of detachment. It shall be subject to the levying or fixing and collection of any of the following which may be necessary to provide for that payment:

(a) Taxes or assessments.

(b) Service charges, rentals, or rates.

(c) Both taxes or assessments and service charges, rentals, or rates.

CHAPTER 4. EFFECT OF INCORPORATION

Inhabitants of new city; jurisdiction, rights and duties

57375. Except as otherwise provided in this chapter, on and after the effective date of an incorporation, the territory incorporated, all inhabitants within the territory, and all persons entitled to vote within the newly incorporated city by reason of residing in the city are subject to the jurisdiction of the city and shall have the rights and duties conferred on them as inhabitants and voters of the incorporated city.

Continuation of county ordinances for 120 days

57376. (a) If the newly incorporated city comprises territory formerly unincorporated, the city council shall, immediately following its organization and prior to performing any other official act, adopt an ordinance providing that all county ordinances previously applicable shall remain in full force and effect as city ordinances for a period of 120 days after incorporation, or until the city council has enacted ordinances superseding the county ordinances, whichever occurs first. However, if the Board of Supervisors of the County of Orange has adopted an ordinance or resolution, or both, pursuant to Section 50029

Continuation of ordinances; Orange County

or 66484.3 prior to the effective date of an incorporation of a city within that county, that ordinance or resolution shall not be repealed or superseded by the city until the county ordinance or resolution has been repealed or superseded by the board of supervisors of that county. If the county ordinance or resolution is repealed or superseded, then within 30 days of the effective date of the ordinance or resolution repealing or superseding the county ordinance or resolution, the city council shall enact a new ordinance or resolution conforming in all respects to the action taken by the county. The ordinance enacted by the city council immediately following its organization also shall provide that no city ordinance enacted within that 120-day period of time be deemed to supersede any county ordinance unless the city ordinance specifically refers to the county ordinance, and states an intention to supersede it. Enforcement of the continuing county ordinances in the incorporated area shall be by the city, except insofar as enforcement services are furnished in accordance with Section 57384.

Orange County Joint Powers Agreement

(b) In the event that the County of Orange and any city within that county have entered into a joint powers agreement for the purpose of constructing the bridges and major thoroughfares referred to in Sections 50029 and 66484.3, and if a newly incorporated city within that county comprises territory formerly unincorporated but within an area of benefit established pursuant to Section 66484.3, then the city shall comply in all respects with the agreement, including any subsequent modifications thereof, as if the city were a party thereto.

Terms of office of city officers and council specified

57377. Officers, except members of the city council, shall hold office until the first succeeding general municipal election held in the city and until their successors are elected and qualified. Of the five elected members of the city council, the three receiving the lowest number of votes shall hold office until the first succeeding general municipal election held in the city and until their successors are elected and qualified, and the two receiving the highest number of votes shall hold office until the second succeeding general municipal election held in the city and until their successors are elected and qualified. If two or more members of the city council are elected by the same number of votes, the terms of each shall be determined by lot. The members of the city council elected to succeed the members elected at the incorporation election shall hold office for four years from the Tuesday succeeding their election, and until their successors are elected and qualified.

City Council districts; code sections which apply

57378. If the voters in the incorporation election determine that future city council members shall be elected

"by districts," or "from districts," the provisions of Article 2 (commencing with Section 34870) of Chapter 4 of Part 1 of Division 2 shall apply to those elections.

City council terms where general election less than one year after incorporation

57379. If the first general municipal election following an incorporation election will occur less than one year after the effective date of incorporation, or occurred on or after November 1, 1987, and less than one year after the incorporation election, of the five elected members of the city council, the three receiving the lowest number of votes shall hold office until the second general municipal election following the incorporation election and until their successors are elected and qualified, and the two receiving the highest number of votes shall hold office until the third general municipal election following the incorporation election and until their successors are elected and qualified.

The first general municipal election following the incorporation election shall not be held unless either a proposition is to be voted upon or offices other than city council member offices are to be filled.

In the event that, pursuant to Section 56727, the first election for city council members was held after the election on the incorporation proposal, the term "incorporation election" in this section means the first election for city council members.

(Amended by Stats. 2000, Ch. 761.)

Judicial notice of city incorporation

57380. Courts shall take judicial notice of the organization and existence of cities incorporated pursuant to this division.

Surrender of city offices upon qualification of new officers

57381. Immediately upon qualification of the elected officers, all persons in possession of the offices of the city shall surrender the possession of the offices, though the terms of the offices for which they were elected or appointed have not expired.

Conveyance of property to new city officers

57382. All officers, boards, and persons holding any property in trust for any city use shall convey that property to the city or officer entitled to the property.

Conveyance of parking lots; Los Angeles County

57383. The board of supervisors of Los Angeles County may, by a two-thirds vote, convey any parking lot owned by the county and situated within the boundaries of an incorporated city to the city for public parking purposes, without consideration other than the agreement by the city to continue to use and maintain the property as a public parking lot.

This section applies only to parking lots acquired principally from revenues raised through onstreet or offstreet

parking fees for the specific purpose of parking lot development, and does not apply to lots purchased through expenditures from the general fund or other means to serve as sites for other types of facilities.

The conveyance provided for by this section shall not occur until all liens or financial obligations attached to those lots have been satisfied.

Continuation of county services after incorporation

All Services

Remainder of fiscal year

Board of supervisors requests reimbursement

Within five years

Net cost of services

Additional time

57384. (a) Except as provided in subdivision (b), whenever a city has been incorporated from territory formerly unincorporated, the board of supervisors shall continue to furnish, without additional charge, to the area incorporated all services furnished to the area prior to the incorporation. Those services shall be furnished for the remainder of the fiscal year during which the incorporation became effective or until the city council requests discontinuance of the services, whichever occurs first.

(b) This subdivision applies only to incorporations for which the petition or resolution of application for incorporation is filed with the commission on or after January 1, 1987. Prior to the commission adopting a resolution making determinations, the board of supervisors may request that the city reimburse the county for the net cost of services provided pursuant to subdivision (a). The commission shall impose this requirement as a term and condition of its resolution. The city shall be obligated to reimburse the county within five years of the effective date of the incorporation or for a period in excess of five years, if the board of supervisors agrees to a longer period. As used in this subdivision, "net cost of services" means the total direct and indirect expense to the county of providing services, as determined pursuant to paragraph (2) of subdivision (c) of Section 56810, adjusted by any subsequent change in the California Consumer Price Index, less any revenues which the county retains that were generated from the formerly unincorporated territory during the period of time the services are furnished pursuant to subdivision (a). This subdivision applies only to those services which are to be assumed by the city.

(c) At the request of the city council, the board of supervisors, by resolution, may determine to furnish, without charge, to the area incorporated all or a portion of services furnished to the area prior to the incorporation for an additional period of time after the end of the fiscal year during which the incorporation became effective. The additional period of time after the end of the fiscal year during which the incorporation became effective for which the board of supervisors determines to provide services, without charge, and the specific services to be provided shall

be specifically stated in the resolution adopted by the board of supervisors.
(Amended by Stats. 2000, Ch. 761.)

Roads and highways; county road system

57385. (a) If unincorporated territory was, or hereafter becomes, incorporated, all roads and highways or portions of a road or highway in the territory which had been accepted into the county road system pursuant to Section 941 of the Streets and Highways Code are, or shall become, as the case may be, city streets on the effective date of the incorporation.

(b) Subdivision (a) does not apply to a road or highway which had been accepted into the county road system pursuant to Section 941 of the Streets and Highways Code after the date of the first signature on a petition for annexation or incorporation, the adoption of a resolution of application by an affected local agency, or a date mutually agreed upon by the city and the county.

(c) Nothing in subdivision (a) requires a city to improve the affected road or highway to city standards.

CHAPTER 5. EFFECT OF DISINCORPORATION

Termination of jurisdiction

57400. Except as otherwise provided in this chapter, on and after the effective date of a disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within the territory shall cease to be subject to the jurisdiction of the disincorporated city and shall have none of the rights or duties of inhabitants or voters of a city.

Transfer of public property

57401. Prior to the effective date of the disincorporation, every public officer of the city shall turn over to the board of supervisors the public property in his or her possession.

Financial statement of city

57402. After ascertaining that disincorporation has carried, the * * * commission shall determine and certify in a written statement to the board of supervisors the indebtedness of the city, the amount of money in its treasury, and the amount of any tax levy or other obligation due the city which is unpaid or has not been collected.
(Amended by Stats. 2000, Ch. 761.)

Transfer to county treasurer all moneys by city council

57403. Within 30 days after the disincorporation election but prior to the effective date of the disincorporation, the city council of the disincorporated city shall turn over to the county treasurer all city money in its possession.

Failure to certify financial statement

57404. If the * * * commission does not provide the board of supervisors with the certified statement required by

Section 57402, the board shall make the determinations provided for in that section.
(Amended by Stats. 2000, Ch. 761.)

Due but uncollected taxes of city

57405. If a tax has been levied by the disincorporated city and remains uncollected, the county tax collector shall collect it when due and pay it into the county treasury.

Redemption of property for delinquent city taxes

57406. All property upon which any tax levied by the disincorporated city has become delinquent, and all property sold for any tax levied by the disincorporated city, may be redeemed by any interested party, on payment to the county treasurer of the sum which the auditor estimates would have been necessary to redeem the property if there had been no disincorporation.

Special fund for disincorporated city

57407. All money paid into the county treasury pursuant to this chapter shall be placed to the credit of a special fund established for the purpose of settling the affairs of the disincorporated city.

Warrants for city indebtedness

57408. Warrants for city indebtedness shall be drawn by the board of supervisors on the special fund.

Levy of taxes to pay city indebtedness

57409. If there is not sufficient money in the treasury to the credit of the special fund to pay any city indebtedness, the board of supervisors shall cause to be levied, and there shall be collected from the territory formerly included within the city, taxes sufficient to pay the indebtedness as it becomes due.

Manner of assessment and collection of taxes for indebtedness

57410. Any taxes levied pursuant to Section 57409 shall be assessed, levied, and collected in the same manner and collected in the same manner and at the same time as other county taxes, and are additional taxes upon the property included within the territory of the disincorporated city.

Surplus in special fund; disposition by board of supervisors

57411. Any surplus remaining in the special fund after the payment of any debts shall be, at the discretion of the board of supervisors, transferred to the school districts, community college districts, or districts included in the former city or used for the improvement of streets within the territory of the former city.

Winding up of city affairs county officer duties

57412. The board of supervisors shall provide for collection of debts due the city and wind up its affairs. Upon an order by the board of supervisors, the appropriate county officer shall perform any act necessary for winding up the city affairs, with the same effect as if it had been performed by the proper city officer.

County successor to city in rights of debts

57413. The county succeeds to all of the rights of the city in the debts and may collect or sue for them in the name of the county.

Expenses for winding up affairs

57414. All costs and expenses incurred in winding up city affairs are part of the special fund.

Public utilities of city; assumptions of control by board of supervisors

57415. By ordinance, the board of supervisors may assume control of, and continue to administer, all electric, power, lighting, or gas plants and all systems of waterworks, street lighting, or any other public utility owned by the city at the time of its disincorporation.

Special tax levy for insufficient public utility revenue

57416. If the revenues from any public utility referred to in Section 57415 are not sufficient for its administration, conduct, or improvement, the board of supervisors shall levy a special tax upon all property within the disincorporated city. The special tax shall be levied upon the assessed value of the property as shown by the equalized assessment roll in effect on the first day of March of that year, and collected in the same manner and form of other county taxes.

Separate fund for public utility collection

57417. All sums collected shall be placed in a separate fund in the county treasury for the administration, conduct, and improvement of the public utility for which the tax is levied.

Assumption of public property of disincorporated city by newly incorporated city

57418. If any city has within its boundaries, at the time of incorporation, at least two-thirds of the assessed value of an assessable property formerly contained within a disincorporated city, it becomes the owner of all public property formerly belonging to the disincorporated city and that proportion of the debts, liabilities, and credits owned by or due to the disincorporated city as the value of the assessable property of the disincorporated city lying within the boundaries of the new city bears to the value of all assessable property formerly contained within the disincorporated city. The value is that shown by the equalized assessment roll in effect in the fiscal year in which the city was disincorporated.

Exclusion from tax on outside territory

57419. No tax shall be levied upon any territory not included within the former limits of the disincorporated city for any debt or liability of the disincorporated city.

Value of property within new city and disincorporated city; preparation of statement

57420. Upon written request by the legislative body of a newly incorporated city, the board of supervisors shall cause the county auditor to prepare, without cost, a statement of the value of the assessable property in the disincorporated city and the value of that property now contained in the

incorporated city. If the statement shows that at least two-thirds of the assessed value of all assessable property formerly contained within the disincorporated city is contained within the boundaries of the newly incorporated city, the board of supervisors shall fix the relative proportion by an order entered in the minutes, and the newly incorporated city is liable for that proportion of the debts and liabilities of the disincorporated city.

Transfer of public property to new city from disincorporated city

57421. The board of supervisors shall forward a certified copy of the order to the Secretary of State and the city clerk, and turn over to the city council all public property taken by the board of supervisors and the proportion of the special fund to which the city is entitled. Thereafter, ownership of, and title to, all public property formerly belonging to the disincorporated city is vested in the city as fully as if the property had been originally acquired by it.

Special tax for bonded indebtedness of disincorporated city by new city

57422. Annually, at the time other city taxes are levied and collected, the city council shall levy and collect a special tax on the territory of the disincorporated city within the limits of the city sufficient to pay its proportion of the bonded indebtedness as it becomes due.

Special tax for debt balance of disincorporated city outside new city

57423. Annually, at the time other county taxes are levied and collected, the board of supervisors shall levy and collect a special tax on the remainder of the territory sufficient to pay the balance of the debt, and pay this sum to the city treasurer.

Payment of bonded indebtedness

57424. With the proceeds of those taxes, the city treasurer shall pay the bonded indebtedness as it becomes due.

Redemption of property sold for taxes by disincorporated city

57425. If any property within the former limits of the disincorporated city was sold for taxes levied by that city, it may be redeemed or a tax bond issued as if the city had not disincorporated. Those proceedings shall be had and deeds issued in the name of the city in which the land is situated.

CHAPTER 6. EFFECT OF DISSOLUTION

Corporate powers to cease on effective date

57450. On and after the effective date of the dissolution of a district, the district shall be dissolved, disincorporated, and extinguished, its existence shall be terminated, and all of its corporate powers shall cease, except for the purpose of winding up the affairs of the district and as otherwise provided in this chapter.

Determination of successor district

57451. For the purpose of winding up the affairs of a dissolved district, the successor of the dissolved district shall be determined as follows:

(a) If the territory of a dissolved district is located entirely within the incorporated territory of a single city, the city is the successor.

(b) If the territory of a dissolved district is located entirely within the unincorporated territory of a single county, the county is the successor.

(c) If the territory of a dissolved district is located within the incorporated territory of more than one city or the unincorporated territory of more than one county, or any combination of the incorporated or unincorporated territory of two or more such cities and counties, the successor is that city whose incorporated territory or that county whose unincorporated territory shall, upon the effective date of dissolution, contain the greater assessed value of all taxable property within the territory of the dissolved district, as shown on the last equalized assessment roll or rolls of the county or counties.

(d) If the terms and conditions provide that all of the remaining assets of a dissolved district shall be distributed to a single existing district, the single existing district is the successor.

(e) If the terms and conditions provide that all of the remaining assets of a dissolved district shall be distributed to two or more existing districts, the successor is that existing district which, upon the effective date of dissolution, contains the greater assessed value of all taxable property within the territory of the dissolved district, as shown on the last equalized assessment roll or rolls of the county or counties.

Property or funds vested in successor

57452. Upon the effective date of dissolution control over all of the moneys or funds, including cash on hand and moneys due but uncollected, and all property, real or personal, of the dissolved district is vested in the successor for the purpose of winding up the affairs of the district.

Powers and duties of successor district

57453. For the sole and exclusive purpose of winding up the affairs of the dissolved district, the successor and the officers and legislative body of the successor have the same powers and duties as the dissolved district and the officers and legislative body of the dissolved district and all of the following additional powers and duties:

(a) To exchange, sell, or otherwise dispose of all property, real and personal, of the dissolved district.

(b) To compromise and settle claims of every kind and nature.

(c) To sue or be sued in the same manner and to the same extent as the dissolved district and the officers and legislative body of the dissolved district.

These powers and duties shall commence upon the effective date of dissolution and shall continue thereafter until the time when the affairs of the dissolved district have been completely wound up.

Inhabitants, owners, etc. not entitled

57454. No inhabitant, property owner, taxpayer, consumer, or user within the territory of a dissolved district shall be entitled to either of the following:

(a) All or any part, or to any payment on account of the moneys or funds, including cash on hand and moneys due but uncollected, or any property, real or personal, of the dissolved district.

(b) Any refund by reason of any taxes, assessments, service charges, rentals, or rates collected prior to the effective date of dissolution.

Moneys and funds used for obligations of dissolved district

57455. Any moneys and funds of the dissolved district and any moneys or funds received by the successor from the sale or other disposition of any property, real or personal, of the dissolved district shall be used to the extent necessary, for the payment of principal, interest and any other amounts then or thereafter due on account of any outstanding bonds, including revenue bonds, and other contracts or obligations of the dissolved district.

Distribution of remaining assets

57456. (a) When the successor determines that payment, or provision for payment, has been made of all short-term obligations of the dissolved district, the successor shall distribute any of the remaining assets of the dissolved district in the manner provided in Section 57457.

Short-term obligations; defined

(b) 'Short-term obligations,' as used in subdivision (a), includes all amounts which shall be due and payable, prior to the end of the fiscal year commencing next after the effective date of dissolution, upon any outstanding bonds, including revenue bonds, and other contracts or obligations of the dissolved district. All other obligations shall be long-term obligations.

Assets, to whom distributed

57457. Remaining assets of the dissolved district shall be distributed by the successor as follows:

(a) If the territory of the dissolved district is located entirely within the incorporated territory of a single city, all of the assets shall be distributed to that city.

(b) If the territory of the dissolved district is located entirely within the unincorporated territory of a single county, all the assets of the dissolved district shall be distributed to that county.

(c) If the territory of a dissolved district is located within the incorporated territory of more than one city, or the unincorporated territory of more than one county, or any combination of the incorporated or unincorporated territory of two or more such cities and counties, the assets of the dissolved district shall be apportioned between all such cities and counties and distributed as follows:

(1) All real property located within the incorporated territory of any city or within the unincorporated territory of any county, as the case may be, shall be distributed to that city or county.

(2) All moneys or funds including cash on hand and money due but uncollected and all personal property shall be divided among and distributed to each city or county in the proportion that the assessed value of the taxable property of the dissolved district within the incorporated territory of each city or within the unincorporated territory of each county shall bear to the total assessed value of all taxable property within the dissolved district, the assessed values being those shown upon the last equalized assessment roll or rolls of the county or counties upon the effective date of the dissolution.

Special tax levy to pay outstanding indebtedness

57458. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding long-term obligations, which are payable in whole or in part from taxes or assessments upon any property within all or any part of the territory of a dissolved district, the legislative body of the successor shall in each year provide for the levy and collection of taxes or assessments upon the property sufficient to pay any principal, interest, and any other amounts owing on account of such obligations, as they become due. Those taxes or assessments shall be levied and collected in the manner provided by the principal act of the dissolved district.

Restriction on assets until outstanding debts paid

57459. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding bonds, contracts, or other obligations which are payable in whole or in part from the revenues of a revenue-producing enterprise of the dissolved district, the successor shall not do either of the following:

(a) Sell, encumber, or otherwise dispose of all or any part of the revenue-producing enterprise or the revenues derived from that enterprise, except as expressly authorized by the ordinance, resolution, or indenture authorizing or providing for the issuance of any of the bonds, contracts, or other obligations.

(b) Distribute less than the whole of the revenue-producing enterprise to any city or county.

Retention of revenue enterprise until indebtedness paid

57460. If at the time of distribution more than one city or county or any combination of cities or counties are entitled to distribution of portions of a revenue-producing enterprise but the successor is unable to distribute the same because of Section 57459, the successor shall retain the revenue-producing enterprise and all revenues derived from that enterprise until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of outstanding bonds, contracts, or other obligations which are payable in whole or in part from the revenues of the enterprise, at which time the successor shall distribute the enterprise and any revenues derived therefrom in accordance with Section 57457.

Rights and liabilities of successor for obligations payable from revenue enterprise

57461. Where any bonds, contracts, or other obligations which are payable in whole or in part from the revenues of a revenue-producing enterprise are outstanding upon the effective date of dissolution, the successor, prior to distribution, or any city or county, after distribution, shall succeed to all rights and liabilities of the dissolved district under any ordinance, resolution, or indenture authorizing the bonds, contracts, or other obligations or providing for the issuance of the bonds, contracts, or other obligations and may sue or be sued upon those rights and liability in the same manner and to the same extent as the dissolved district.

Assets of district impressed with any public trust

57462. Any funds, money, or property of a dissolved district which have been impressed with any public trust, use, or purpose shall continue to be so impressed until that public trust, use, or purpose is vacated, abandoned, or terminated, in the manner provided by law.

Assets to be used for winding up affairs and for benefit of area

57463. Subject to the provisions of Section 57462, any funds, money, or property of a dissolved district may be used by the successor for the purpose of winding up the affairs of the district and, after distribution to any city, county, or district may be used for any lawful purpose of the city, county, or district to which the funds, money, or property have been distributed. So far as may be practicable, the funds, money, or property shall be used for the benefit of the lands, inhabitants, and taxpayers within the territory of the dissolved district.

CHAPTER 7. EFFECT OF CONSOLIDATION OF CITIES

Manner of governance of consolidated city; name of city; officers of new city

57475. If the successor city has a freeholder's charter, the successor city shall be governed as a new city under the freeholder's charter of the successor city. If the successor city was organized under former Part 2 (commencing with Section 35000) of Division 2 of Title 4, or its predecessors, the successor city shall be governed in the same manner as a new city. Except as otherwise provided in this chapter, the successor city shall be governed in the name of the successor city. If the electors have expressed a preference for the name of the successor city, the successor city is deemed to have the name favored by the electors. The predecessor cities are dissolved and disincorporated and if any of them has a freeholder's charter, it is deemed surrendered and annulled and they are merged into the successor city. Immediately upon qualifying, the officers of the successor city who have been elected shall enter upon the duties of their offices and hold office until the next general municipal election and until their successors are elected and qualified. All persons in possession of, or occupying, the offices in each of the predecessor cities shall surrender them immediately to the proper officers of the successor city.

Title to property of predecessor city

57476. Upon consolidation, the title to any property owned or held by, or in trust for, each predecessor city or by its officers or boards in trust for public use shall be vested in the successor city or its officers or boards.

Effect on liabilities by consolidation

57477. Except as otherwise provided in this division, consolidation does not affect any debts, demands, liabilities, or obligations of any kind existing in favor of or against the cities consolidated at the time of consolidation. Consolidation does not affect any pending action or proceeding involving any such debt, demand, liability, or obligation or any action or proceedings brought by or against any city prior to consolidation. The proceedings shall be continued and concluded by final judgment or otherwise as if consolidation had not been effected. Those rights or liabilities are the rights and liabilities of the successor city.

Repeal of ordinances of predecessor city

57478. Immediately upon consolidation, all ordinances of the predecessor cities are deemed repealed. That repeal shall not discharge any person from any existing civil or criminal liability nor affect any pending prosecution for violation of any of those ordinances.

Restrictions on repeal of ordinances

57479. The repeal of ordinances provided by Section 57478 shall not apply to any of the following:

(a) Ordinances under which vested rights have accrued.

(b) Ordinances relating to proceedings for street or other public improvements.

(c) Ordinances relating to zoning or land use regulation.

(d) Proceedings for opening, extending, widening, straightening, or changing the grade of streets or other public places.

These proceedings shall be continued and conducted by the successor city with the same effect as if continued and conducted by the city which commenced them.

Effective date of ordinances of successor city

57480. On and after the effective date of the consolidation, all ordinances, if any, of the successor city shall have full effect throughout the successor city.

Restriction on liability of other city's indebtedness

57481. Unless otherwise provided in the terms and conditions of the consolidation, the property in cities consolidated pursuant to this chapter shall not be taxed to pay any indebtedness or liability of any other city contracted or incurred prior to, or existing at, the time of consolidation.

Separate levy for each city's indebtedness

57482. The city council of the successor city shall separately levy and collect the taxes necessary to pay the indebtedness or liability of each predecessor city within the territory of each predecessor city.

Charter city status

57483. Where the successor city is, or becomes, a chartered city, under a freeholder's charter providing that boroughs may be established in territories or cities annexed to or consolidated with it, this division does not prevent a predecessor city, or any part of it, from becoming a borough.

CHAPTER 8. EFFECT OF CONSOLIDATION OF DISTRICTS

Powers and duties of consolidated district; rights of inhabitants and voters

57500. On and after the effective date of a consolidation, the consolidated district succeeds to all of the powers, rights, duties, obligations, functions, and properties of all predecessor districts which have been united or joined into the consolidated district. The territory of a consolidated district, all inhabitants within that territory, and all persons entitled to vote by reason of residing or owning land within the territory are subject to the jurisdiction of the consolidated district and, except as otherwise provided in this chapter, have the same rights and duties as if the consolidated district had been originally formed under the principal act.

No payment for use of property of predecessor district

57501. No payment for the use, or right of use, of any property, real or personal, acquired or constructed by

any predecessor district shall be required by reason of the consolidation of the district with other predecessor districts.

Liability for payment of bonds and obligations of predecessor district; restriction on area

57502. The territory of a consolidated district shall be liable for payment of principal, interest, and any other amounts which become due on account of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of all predecessor districts, and are subject to the levying or fixing and collection of any of the following which may be necessary to provide for payment:

(a) Taxes or assessments.

(b) Service charges, rentals, or rates.

(c) Both taxes or assessments and service charges, rentals, or rates.

However, only the territory within an improvement district shall be liable for any payment required on account of any bonds, including revenue bonds, or other contracts previously authorized or issued by, or on behalf of, the improvement district.

CHAPTER 9. MERGERS AND THE ESTABLISHMENT OF SUBSIDIARY DISTRICTS

Termination of district by merger

57525. On and after the effective date of a merger of a district of limited powers with a city, the district is extinguished, terminated, and its existence ceases, except as otherwise provided in this chapter.

Assets vested in city

57526. Upon the effective date of a merger, all of the moneys or funds, including cash on hand and moneys due but uncollected and all property, real or personal, of the merged district is vested in the city.

Inhabitants, owners, etc. not entitled

57527. No inhabitant, property owner, taxpayer, consumer, or user within the territory of a merged district shall be entitled to either of the following:

(a) All or any part, or to any payment on account of the moneys or funds, including cash on hand and moneys due but uncollected, and any property, real or personal, of the merged district.

(b) Any refund by reason of any taxes, assessments, service charges, rentals, or rates collected prior to the effective date of merger.

Remaining moneys to pay outstanding indebtedness

57528. Any moneys and funds of the merged district and any moneys or funds received by the city from the sale or other disposition of any property, real or personal, of the merged district shall be used, to the extent necessary, for the payment of principal, interest, and any other amounts then or

thereafter due on account of any outstanding bonds, including revenue bonds, and other contracts and obligations of the merged district.

Special tax to pay indebtedness of merged district

57529. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding obligations, which are payable in whole or in part from taxes or assessments upon any property within all or any part of the territory of a merged district, the city council shall in each year provide for the levy and collection of taxes and assessments upon the property sufficient to pay any principal, interest, and any other amounts owing on account of such obligations, as they become due. Those taxes and assessments shall be levied and collected in the manner provided by the principal act of the merged district.

Restriction on sale of revenue enterprise until indebtedness paid

57530. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding bonds, contracts, or other obligations which are payable in whole or in part from the revenues of a revenue-producing enterprise of the merged district, the city shall not sell, encumber, or otherwise dispose of all or any part of the revenue-producing enterprise or the revenues derived from the enterprise, except as expressly authorized by the ordinance, resolution, or indenture authorizing the bonds, contracts, or other obligations or providing for the issuance of any bonds, contracts, or other obligations.

Rights of successor city for payment of outstanding indebtedness

57531. Where any bonds, including revenue bonds, contracts, or other obligations of the merged district are outstanding upon the effective date of merger, the city succeeds to all of the rights and liabilities of the merged district under any ordinance, resolution, indenture, contract, or other obligation or providing for or authorizing the issuance of any bonds, contracts, or other obligations and may sue and be sued upon those rights and liabilities in the same manner and to the same extent as the merged district.

Funds impressed with public trust

57532. Any funds, money, or property of a merged district which have been impressed with any public trust, use, or purpose shall continue to be so impressed until the public trust, use, or purpose is vacated, abandoned, or terminated, in the manner provided by law.

Use of funds of merged district

57533. Subject to Section 57532, any funds, money, or property of a merged district may be used for any lawful purpose of the city. So far as may be practicable, as determined by the city council, any of these funds, money, or

property shall be used for the benefit of the lands, inhabitants, and taxpayers within the territory of the merged district.

City council as board of directors of subsidiary district; continuation of district existence

57534. On and after the effective date of an order establishing a district of limited powers as a subsidiary district of a city, the city council shall be designated as, and empowered to act as, ex officio the board of directors of the district. The district shall continue in existence with all of the powers, rights, duties, obligations, and functions provided for by the principal act, except for any provisions relating to the selection or removal of the members of the board of directors of the district.

Conflict of city council member serving on district board

57535. If any court determines that any incompatibility exists by reason of the same person or persons holding office both as a member of the city council and as a member of the board of directors of a subsidiary district, the court shall order the vacation of the office of that person as a member of the board of directors, but not as a member of the city council, and shall order the membership of the board of directors to be selected in the manner provided by the principal act.

CHAPTER 10. EFFECT OF REORGANIZATION

Effect of each change of organization under a reorganization

57550. On and after the effective date of a reorganization, each change of organization ordered for any city or district shall be given the force and effect pertaining to a change of organization of that type, as provided in this part.

Property tax rates: levy by local agencies and school entities

93. (a) Notwithstanding any other provision of law, except as provided in subdivisions (b) and (c), no local agency, school district, county superintendent of schools, or community college district shall levy an ad valorem property tax, other than that amount which is equal to the amount needed to make annual payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978 or the amount levied pursuant to Part 10 (commencing with Section 15000) of Division 1 and Sections 39308, 39311, 81338, and 81341 of the Education Code. In determining the tax rate required for the purposes specified in this subdivision, the amount of the levy shall be increased to compensate for any allocation and payment of tax revenues required pursuant to subdivision (b) of Section 33670 and subdivision (d) of Section 33675 of the Health and Safety Code.

(b) A county shall levy an ad valorem property tax on taxable assessed value at a rate equal to four dollars ($4) per one hundred dollars ($100) of assessed value, and at an equivalent rate when the ratio prescribed in Section 401 is changed from 25 percent to 100 percent. The revenue from that tax shall be distributed, subject to the allocation and payment as provided in subdivision (d) of Section 33675 of the Health and Safety Code, to local agencies, school districts, county superintendents of schools, and community college districts in accordance with the provisions of the Government Code through the 1978-79 fiscal year and in accordance with applicable provisions of the Revenue and Taxation Code in each fiscal year thereafter. Revenues from property tax delinquency penalties, and accrued legal interest paid on judgments for the recovery of unpaid property taxes rendered by courts of this state, shall be distributed pursuant to Sections 4653.6, 4655.4, and 4658.4 of the Revenue and Taxation Code, or their successors.

(c) Any jurisdiction may levy an ad valorem property tax rate in the excess of the rate permitted in subdivision (b) in order to produce revenues in an amount which is equal to the amount needed to make annual payments for the interest and principal on any bonded indebtedness for the acquisition or improvement of real property which is approved by a two-thirds vote of its voters after June 4, 1986.

Jurisdictional changes; city incorporation; district formation

99. (a) For the purposes of the computations required by this chapter:

(1) In the case of a jurisdictional change, other than a city incorporation or a formation of a district as defined in

Section 2215, the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1, or the annual tax increment determined pursuant to Section 96.5, for local agencies whose service area or service responsibility would be altered by the jurisdictional change, as determined pursuant to subdivision (b) or (c).

(2) In the case of a city incorporation, the auditor shall assign the allocation of property tax revenues determined pursuant to Section 56810 of the Government Code and the adjustments in tax revenues that may occur pursuant to Section 56815 of the Government Code to the newly formed city or district and shall make the adjustment as determined by Section 56810 in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the incorporation.

(3) In the case of a formation of a district as defined in Section 2215, the auditor shall assign the allocation of property tax revenues determined pursuant to Section 56810 of the Government Code to the district and shall make the adjustment as determined by Section 56810 in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the formation.

(b) Upon the filing of an application or a resolution pursuant to the Cortese-Knox Local Government Reorganization Act of 1985 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), but prior to the issuance of a certificate of filing, the executive officer shall give notice of the filing to the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change.

(1) (A) The county assessor shall provide to the county auditor, within 30 days of the notice of filing, a report which identifies the assessed valuations for the territory subject to the jurisdictional change and the tax rate area or areas in which the territory exists.

(B) The auditor shall estimate the amount of property tax revenue generated within the territory that is the subject of the jurisdictional change during the current fiscal year.

(2) The auditor shall estimate what proportion of the property tax revenue determined pursuant to paragraph (1) is attributable to each local agency pursuant to Section 96.1 and Section 96.5.

(3) Within 45 days of notice of the filing of an application or resolution, the auditor shall notify the governing body of each local agency whose service area or service responsibility

will be altered by the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) that is subject to a negotiated exchange.

(4) Upon receipt of the estimates pursuant to paragraph (3) the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. This negotiation period shall not exceed 60 days.

The exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years.

(5) In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. **Prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.**

(6) Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Section **56658** of the Government Code until the local agencies included in the property tax revenue exchange negotiation, within the 60-day negotiation period, present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues.

(7) In the event that the commission modifies the proposal or its resolution of determination, any local agency whose service area or service responsibility would be altered by the proposed jurisdictional change may request, and the executive officer shall grant, 15 days for the affected agencies, pursuant to paragraph (4) to renegotiate an exchange of property tax revenues. Notwithstanding the time period specified in paragraph (4), if the resolutions required pursuant to paragraph (6) are not presented to the executive officer within the 15-day period, all proceedings of the jurisdictional change shall automatically be terminated.

(8) In the case of a jurisdictional change that consists of a city's qualified annexation of unincorporated territory, an exchange of property tax revenues between the city and the

county shall be determined in accordance with subdivision (e) if that exchange of revenues is not otherwise determined pursuant to either of the following:

(A) Negotiations completed within the applicable period or periods as prescribed by this subdivision.

(B) A master property tax exchange agreement among those local agencies, as described in subdivision (d).

For purposes of this paragraph, a qualified annexation of unincorporated territory means an annexation, as so described, for which proceedings before the relevant local agency formation commission are initiated, as provided in Section 56651 of the Government Code, on or after January 1, 1998, and on or before January 1, 2005.

(9) No later than the date on which the certificate of completion of the jurisdictional change is recorded with the county recorder, the executive officer shall notify the auditor or auditors of the exchange of property tax revenues and the auditor or auditors shall make the appropriate adjustments as provided in subdivision (a).

(c) Whenever a jurisdictional change is not required to be reviewed and approved by a local agency formation commission, the local agencies whose service area or service responsibilities would be altered by the proposed change, shall give notice to the State Board of Equalization and the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change and request the auditor and assessor to make the determinations required pursuant to paragraphs (1) and (2) of subdivision (b). Upon notification by the auditor of the amount of, and allocation factors with respect to, property tax subject to exchange, the local agencies, pursuant to the provisions of paragraphs (4) * * * and (6) of subdivision (b), shall determine the amount of property tax revenues to be exchanged between and among the local agencies. Notwithstanding any other provision of law, no such jurisdictional change shall become effective until each county and city included in these negotiations agrees, by resolution, to accept the negotiated exchange of property tax revenues. The exchange may be limited to an exchange of property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years. Upon the adoption of the resolutions required pursuant to this section, the adopting agencies shall notify the auditor who shall make

the appropriate adjustments as provided in subdivision (a). Adjustments in property tax allocations made as the result of a city or library district withdrawing from a county free library system pursuant to Section 19116 of the Education Code shall be made pursuant to Section 19116 of the Education Code, and this subdivision shall not apply.

(d) With respect to adjustments in the allocation of property taxes pursuant to this section, a county and any local agency or agencies within the county may develop and adopt a master property tax transfer agreement. The agreement may be revised from time to time by the parties subject to the agreement.

(e) (1) An exchange of property tax revenues that is required by paragraph (8) of subdivision (b) to be determined pursuant to this subdivision shall be determined in accordance with all of the following:

(A) The city and the county shall mutually select a third-party consultant to perform a comprehensive, independent fiscal analysis, funded in equal portions by the city and the county, that specifies estimates of all tax revenues that will be derived from the annexed territory and the costs of city and county services with respect to the annexed territory. The analysis shall be completed within a period not to exceed 30 days, and shall be based upon the general plan or adopted plans and policies of the annexing city and the intended uses for the annexed territory. If, upon the completion of the analysis period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (B) shall apply.

(B) The city and the county shall mutually select a mediator, funded in equal portions by those agencies, to perform mediation for a period of not to exceed 30 days. If, upon the completion of the mediation period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (C) shall apply.

(C) The city and the county shall mutually select an arbitrator, funded in equal portions by those agencies, to conduct an advisory arbitration with the city and the county for a period of not to exceed 30 days. At the conclusion of this arbitration period, the city and the county shall each present to the arbitrator its last and best offer with respect to the exchange of property tax revenues. The arbitrator shall select one of the offers and recommend that offer to the governing bodies of the city and the county. If the governing body of the city or the county rejects the recommended offer, it shall do so during a public hearing, and shall, at the conclusion of that hearing, make written findings of fact as to why the recommended offer was not accepted.

(2) Proceedings under this subdivision shall be concluded

no more than 150 days after the auditor provides the notification pursuant to paragraph (3) of subdivision (b), unless one of the periods specified in this subdivision is extended by the mutual agreement of the city and the county. Notwithstanding any other provision of law, except for those conditions that are necessary to implement an exchange of property tax revenues determined pursuant to this subdivision, the local agency formation commission shall not impose any fiscal conditions upon a city's qualified annexation of unincorporated territory that is subject to this subdivision.

(f) Except as otherwise provided in subdivision (g), for the purpose of determining the amount of property tax to be allocated in the 1979-80 fiscal year and each fiscal year thereafter for those local agencies that were affected by a jurisdictional change which was filed with the State Board of Equalization after January 1, 1978, but on or before January 1, 1979. The local agencies shall determine by resolution the amount of property tax revenues to be exchanged between and among the affected agencies and notify the auditor of the determination.

(g) For the purpose of determining the amount of property tax to be allocated in the 1979-80 fiscal year and each fiscal year thereafter, for a city incorporation that was filed pursuant to Sections 54900 to 54904 after January 1, 1978, but on or before January 1, 1979, the amount of property tax revenue considered to have been received by the jurisdiction for the 1978-79 fiscal year shall be equal to two-thirds of the amount of property tax revenue projected in the final local agency formation commission staff report pertaining to the incorporation multiplied by the proportion that the total amount of property tax revenue received by all jurisdictions within the county for the 1978-79 fiscal year bears to the total amount of property tax revenue received by all jurisdictions within the county for the 1977-78 fiscal year. Except, however, in the event that the final commission report did not specify the amount of property tax revenue projected for that incorporation, the commission shall by October 10, determine pursuant to Section 54790.3 of the Government Code the amount of property tax to be transferred to the city.

The provisions of this subdivision shall also apply to the allocation of property taxes for the 1980-81 fiscal year and each fiscal year thereafter for incorporations approved by the voters in June 1979.

(h) For the purpose of the computations made pursuant to this section, in the case of a district formation that was filed pursuant to Sections 54900 to 54904, inclusive, of the Government Code after January 1, 1978, but before January 1, 1979, the amount of property tax to be allocated

to the district for the 1979-80 fiscal year and each fiscal year thereafter shall be determined pursuant to Section 54790.3 of the Government Code.

(i) For the purposes of the computations required by this chapter, in the case of a jurisdictional change, other than a change requiring an adjustment by the auditor pursuant to subdivision (a), the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1 or its predecessor section, or the annual tax increment determined pursuant to Section 96.5 or its predecessor section, for each local school district, community college district, or county superintendent of schools whose service area or service responsibility would be altered by the jurisdictional change, as determined as follows:

(1) The governing body of each district, county superintendent of schools, or county whose service areas or service responsibilities would be altered by the change shall determine the amount of property tax revenues to be exchanged between and among the affected jurisdictions. This determination shall be adopted by each affected jurisdiction by resolution. For the purpose of negotiation, the county auditor shall furnish the parties and the county board of education with an estimate of the property tax revenue subject to negotiation.

(2) In the event that the affected jurisdictions are unable to agree, within 60 days after the effective date of the jurisdictional change, and if all the jurisdictions are wholly within one county, the county board of education shall, by resolution, determine the amount of property tax revenue to be exchanged. If the jurisdictions are in more than one county, the State Board of Education shall, by resolution, within 60 days after the effective date of the jurisdictional change, determine the amount of property tax to be exchanged.

(3) Upon adoption of any resolution pursuant to this subdivision, the adopting jurisdictions or State Board of Education shall notify the county auditor who shall make the appropriate adjustments as provided in subdivision (a).

(j) For purposes of subdivision (i), the annexation by a community college district of territory within a county not previously served by a community college district is an alteration of service area. The community college district and the county shall negotiate the amount, if any, of property tax revenues to be exchanged. In these negotiations, there shall be taken into consideration the amount of revenue received from the timber yield tax and forest reserve receipts by the community college district in the area not previously served. In no event shall the property tax revenue to be exchanged exceed the amount of property tax revenue

collected prior to the annexation for the purposes of paying tuition expenses of residents enrolled in the community college district, adjusted each year by the percentage change in population and the percentage change in the cost of living, or per capita personal income, whichever is lower, less the amount of revenue received by the community college district in the annexed area from the timber yield tax and forest reserve receipts.

(k) At any time after a jurisdictional change is effective, any of the local agencies party to the agreement to exchange property tax revenue may renegotiate the agreement with respect to the current fiscal year or subsequent fiscal years, subject to approval by all local agencies affected by the renegotiation.

(Amended by Stats. 2000, Ch. 761.)

Jurisdictional changes: services by special district to area not previously served by local agency

99.01. (a) For the purposes of Section 99, in the case of a jurisdictional change that will result in a special district providing one or more services to an area where those services have not been previously provided by any local agency, the following shall apply:

(1) The special district referred to in this subdivision and each local agency that receives an apportionment of property tax revenue from the area shall be considered local agencies whose service area or service responsibility will be altered by the jurisdictional change.

(2) The exchange of property tax among those local agencies shall be limited to property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies.

(3) Notwithstanding the provisions of paragraph (5) of subdivision (b) of Section 99, any special district affected by the jurisdictional change may negotiate on its own behalf, if it so chooses.

(4) If a special district involved in the negotiation (other than the district which will provide one or more services to the area where those services have not been previously provided) fails to adopt a resolution providing for the exchange of property tax revenue, the board of supervisors of the county in the area subject to the jurisdictional change is located shall determine the exchange of property tax revenue for that special district.

(b) The provisions of subdivisions (a), (b), (c), (d), and (j) of Section 99 not in conflict with this section shall apply. The jurisdictional changes described in subdivisions (e), (f), (g), (h), and (i) of Section 99 shall not be affected by the provisions of this section.

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(b) Between this division and the Elections Code, this division shall control.
(Amended by Stats. 2000, Ch. 761.)

Special elections; landowner-voter districts; principal act

57126. Special elections called within all or any part of a landowner-voter district shall be governed by the general elections provisions of the principal act, so far as they may be applicable, relating to the qualifications of voters, the manner of voting, the form of the ballot, the duties of precinct and election officers, the canvassing of returns, and all other particulars. To the extent of any inconsistency between the provisions of this division and the principal act as determined by the * * * commission, the provisions of this division shall control.
(Amended by Stats. 2000, Ch. 761.)

Inconsistencies

Commission in lieu of Board of Directors

57127. If the * * * commission calls any special election within all or any part of any district, any references in the principal act to the board of directors of the district and to the clerk or secretary of the district shall be deemed to mean the * * * commission and the * * * executive officer, respectively.
(Amended by Stats. 2000, Ch. 761.)

Landowner-voter district election; exception for qualification

57127.5. If special elections are called upon the same question or questions within all or any part of any landowner-voter district, and any city or registered-voter district, the provisions of Section 57125 shall apply, except that, as to the landowner-voter district, the provisions of its principal act shall govern the qualifications of landowner-voters, the number of votes which each landowner-voter is entitled to cast, the manner of voting, and the form of the ballot.

Election called for reorganization with overlapping cities or districts

57128. Where any special election or elections are called upon the question of confirmation of an order for a reorganization and the areas within which the election or elections are called contain overlapping territory of two or more cities or districts, within all of the overlapping territory the election precincts, polling places, voting booths, and ballot boxes shall, in every case, be the same and there shall be only one precinct board or set of election officers for each precinct.

Records or certified copies; delivery; return

57129. Where any records of a city or a district are required for the purpose of calling, holding, or conducting any special election called by the * * * commission pursuant to this division, those records or certified copies of those records shall be delivered, upon request, to the * * * elections official by the city or district officer having custody

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