

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

July 12, 2017

To: LAFCo Commissioners

From: Martha Poyatos, Executive Officer

Subject: Legislative Report

Bills Currently Being Tracked by the CALAFCO Legislative Committee

As reported previously, CALAFCO has sponsored or co-sponsored three bills this year:

- AB 464 (Gallagher), and AB 979 and AB 1725 (Assembly Local Government Committee). This bill makes necessary technical changes to existing LAFCo law to solidify the current practice of LAFCos approving annexations of territory already receiving services from a local agency through an out-of-area service agreement (Government Code Section 56133). CALAFCO requested letters from local LAFCos requesting the Governor's signature. Please see attached San Mateo LAFCo letter requesting signature. The Governor signed the bill on Monday, July 10.
- AB 1725. This is the annual omnibus bill used by CALAFCO to make non-substantive technical corrections to the Cortese-Knox-Hertzberg Act.
- AB 979 (CALAFCO co-sponsored with the California Special Districts Association.) This bill proposes to streamline the process to seat special districts on LAFCos and also includes language requiring LAFCos to assist independent special district selection committees with the consolidated countywide redevelopment agency oversight board appointment process.

Other Bills of Interest to LAFCos

- SB 448 (Wieckowski) provides a mechanism to identify inactive special districts and requires LAFCos to dissolve the inactive districts via an expedited process. The bill contains other provisions requiring the State Controller to publish a list of all independent special districts and a list of all inactive special districts. Since its introduction, the bill has been amended to remove all requirements regarding idle special districts.

COMMISSIONERS: DON HORSLEY, CHAIR, County ▪ MIKE O'NEILL, VICE CHAIR, City ▪ JOSHUA COSGROVE, Special District ▪ ANN DRAPER, Public
RICH GARBARINO, City ▪ JOE SHERIDAN, Special District ▪ WARREN SLOCUM, County

ALTERNATES: VACANT, Special District ▪ HARVEY RARBACK, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ JEAN BROOK, COMMISSION CLERK

- AB 1728 (Assembly Local Government Committee) would require health care districts to adopt annual budgets, establish and maintain a website with certain required content, and adopt policies for grant-making activities.

In addition, CALAFCO Executive Director Pamela Miller reports that the healthcare district enabling act (Health and Safety Code Sections 32000-32499.4) will be the subject of a complete review and update next year. A subcommittee formed by the CALAFCO Legislative Committee will continue to meet so that CALAFCO can provide input into that process.

Lastly, Ms. Miller has provided updates on the activities of the Little Hoover Commission's (LHC) study on special districts. Attached is the agenda and report from the LHC meeting of June 22, 2017 at which the LHC reviewed draft staff recommendations focusing on governance, transparency, climate change adaptation, and health care districts. At its August 24, 2017 meeting, the LHC will consider a final report from staff. Ms. Miller reports that CALAFCO will participate and provide a comment letter on the draft recommendations prior to the August 24 LHC meeting.

Attachments: LAFCo Support Letter for AB 464
Text of AB 464
Legislative Daily Report
Little Hoover Commission Agenda and Report

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LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

June 26, 2017

The Honorable Edmund G. Brown, Jr., Governor
State of California
State Capitol Building
Sacramento, CA 95814

Subject: **Support of AB 464 (Gallagher) Local Government Reorganization**

Dear Governor Brown:

The San Mateo Local Agency Formation Commission (LAFCo) respectfully requests that you sign **Assembly Bill 464** (Gallagher) which is now before you for action. **AB 464** makes necessary technical changes to existing LAFCo law to solidify the current practice of LAFCos approving annexations of areas already being served by a local agency through an out of area service agreement (Government Code Section 56133).

As a result of a court decision in 2014 in the case of *City of Patterson v. Turlock Irrigation District*, all future annexations of an area receiving services through an approved out-of-area service agreement will not be valid. What began as a local issue has now become a critical statewide concern. This bill seeks to remedy that problem by ensuring that within certain conditions, LAFCos can continue to evaluate applications that include the annexation of territory where services are already being provided via an out-of-area service agreement. Furthermore, it allows for common-sense boundary alignments and more predictable growth planning.

By allowing the annexation of these areas, **AB 464** also ensures that the people paying for and receiving the services can participate in elections and potentially serve on the governing board of the service provider.

It is important to note that this bill does not change the current rights of a city or district to oppose an annexation, nor does it change any protest provisions under current law. It simply ensures the ability for LAFCos to continue the practice of common-sense boundary oversight for service providers. As there are many pending annexations throughout the state that are associated with previously approved out-of-area service extensions, this legislation is critical to the successful annexation of these areas.

The bill has had unanimous support in both the Assembly and Senate and makes necessary corrections to existing law to allow for the ongoing annexation of areas that may already be receiving services. As **AB 464** is good public policy, we respectfully urge you to sign **AB 464**.

Sincerely yours,

A handwritten signature in black ink that reads 'Martha Poyatos'. The signature is fluid and cursive.

Martha Poyatos
Executive Officer

cc: The Honorable James Gallagher, Assemblymember
Tom Dyer, Chief Deputy Legislative Secretary to the Governor
Pamela Miller, Executive Director, California Association of Local Agency Formation Commissions

COMMISSIONERS: DON HORSLEY, CHAIR, County ▪ MIKE O'NEILL, VICE CHAIR, City ▪ JOSHUA COSGROVE, Special City ▪ ANN DRAPER, Public
RICH GARBARINO, City ▪ JOE SHERIDAN, Special District ▪ WARREN SLOCUM, County

ALTERNATES: VACANT, Special District ▪ VACANT, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER ▪ REBECCA ARCHER, LEGAL COUNSEL ▪ JEAN BROOK, COMMISSION CLERK

Assembly Bill No. 464

Passed the Assembly May 11, 2017

Chief Clerk of the Assembly

Passed the Senate June 22, 2017

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2017, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 56653 and 56857 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL’S DIGEST

AB 464, Gallagher. Local government reorganization.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, among other things, establishes procedures for consideration of a proposal for change of organization or reorganization, as defined. Existing law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended.

This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes any district to which annexation of territory is proposed to adopt and transmit to the local agency formation commission a resolution requesting termination of proceedings, as specified, and requires the resolution to be based upon written findings supported by substantial evidence in the record that the request is justified by a financial or service-related concern.

This bill would require the resolution to be based upon written findings supported by substantial evidence in the record that the request is justified as described above or because the territory is already receiving electrical service under a service area agreement approved by the Public Utilities Commission, as specified. The bill would require findings related to existing provision of electrical service by an irrigation district pursuant to a service area agreement approved under a specified provision to be based on the records of the district and the Public Utilities Commission, as provided.

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

SECTION 1. Section 56653 of the Government Code, as amended by Section 2 of Chapter 784 of the Statutes of 2014, is amended to read:

56653. (a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit 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 currently provided or 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, if new services are proposed.

(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.

(c) (1) In the case of a change of organization or reorganization initiated by a local agency that includes a disadvantaged, unincorporated community as defined in Section 56033.5, a local agency may include in its resolution of application for change of organization or reorganization an annexation development plan adopted pursuant to Section 99.3 of the Revenue and Taxation Code to improve or upgrade structures, roads, sewer or water facilities, or other infrastructure to serve the disadvantaged, unincorporated community through the formation of a special district or reorganization of one or more existing special districts with the consent of each special district's governing body.

(2) The annexation development plan submitted pursuant to this subdivision shall include information that demonstrates that the formation or reorganization of the special district will provide all of the following:

(A) The necessary financial resources to improve or upgrade structures, roads, sewer, or water facilities or other infrastructure. The annexation development plan shall also clarify the local entity

that shall be responsible for the delivery and maintenance of the services identified in the application.

(B) An estimated timeframe for constructing and delivering the services identified in the application.

(C) The governance, oversight, and long-term maintenance of the services identified in the application after the initial costs are recouped and the tax increment financing terminates.

(3) If a local agency includes an annexation development plan pursuant to this subdivision, a local agency formation commission may approve the proposal for a change of organization or reorganization to include the formation of a special district or reorganization of a special district with the special district's consent, including, but not limited to, a community services district, municipal water district, or sanitary district, to provide financing to improve or upgrade structures, roads, sewer or water facilities, or other infrastructure to serve the disadvantaged, unincorporated community, in conformity with the requirements of the principal act of the district proposed to be formed and all required formation proceedings.

(4) Pursuant to Section 56881, the commission shall include in its resolution making determinations a description of the annexation development plan, including, but not limited to, an explanation of the proposed financing mechanism adopted pursuant to Section 99.3 of the Revenue and Taxation Code, including, but not limited to, any planned debt issuance associated with that annexation development plan.

(d) This section shall not preclude a local agency formation commission from considering any other options or exercising its powers under Section 56375.

(e) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 2. Section 56653 of the Government Code, as added by Section 3 of Chapter 784 of the Statutes of 2014, is amended to read:

56653. (a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit 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 currently provided or 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, if new services are proposed.

(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.

(c) This section shall become operative on January 1, 2025.

SEC. 3. Section 56857 of the Government Code is amended to read:

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 district to which annexation of territory is proposed, the executive officer 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.

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subdivision (a), any district to which annexation of territory is proposed may adopt and transmit to the commission a resolution requesting termination of the proceedings. The resolution requesting termination of the proceedings shall be based upon written findings supported by substantial evidence in the record that the request is justified by a financial or service related concern or because the territory is already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Section 9608 of the Public Utilities Code. Prior to the commission's termination of proceedings pursuant to subdivision (c), the resolution is subject to judicial review.

(c) If any district to which annexation of territory is proposed has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by, and in accordance with, subdivision (b), and if the commission has not been served with notice that judicial review

of that resolution is being sought pursuant to subdivision (b), then the commission shall terminate the proceedings no sooner than 30 days from receipt of the resolution from the district.

(d) For purposes of an annexation to a district pursuant to this section or Section 56668.3:

(1) “Financial concerns” means that the proposed uses within the territory proposed to be annexed do not have the capacity to provide sufficient taxes, fees, and charges, including connection fees, if any, to pay for the full cost of providing services, including capital costs. Cost allocation shall be based on generally accepted accounting principles and shall be subject to all constitutional and statutory limitations on the amount of the tax, fee, or charge.

(2) “Service concerns” means that a district will not have the ability to provide the services that are the subject of the application to the territory proposed to be annexed without imposing level of service reductions on existing and planned future uses in the district’s current service area. “Service concerns” does not include a situation when a district has the ability to provide the services or the services will be available prior to the time that services will be required.

(3) “Territory already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Section 9608 of the Public Utilities Code” means territory that is outside the boundaries of an irrigation district but is currently receiving electrical services from the irrigation district pursuant to a service area agreement between the district and a public utility approved by the Public Utilities Commission as authorized by Sections 8101 to 8108, inclusive, and 9608 of the Public Utilities Code.

(4) A district may make findings regarding financial or service concerns based on information provided in the application and any additional information provided to the district by the commission or the applicant that is relevant to determining the adequacy of existing and planned future services to meet the probable future needs of the territory. Findings related to service or financial concerns may be based on an urban water management plan, capital improvement plan, financial statement, comprehensive annual financial report, integrated resource management plan, or other information related to the ability of a district to provide services. Findings related to existing provision of electrical service by an

irrigation district pursuant to a service area agreement approved under Section 9608 of the Public Utilities Code shall be based on the records of the district and the Public Utilities Commission evidencing approval of such a service area agreement by the Public Utilities Commission.

(5) Nothing in this section shall be construed to create a right or entitlement to water service or any specific level of water service.

(6) Nothing in this section is intended to change existing law concerning a district's obligation to provide water service to its existing customers or to any potential future customers.

(e) This section shall not apply if all districts to which annexation of territory is proposed have adopted and transmitted to the commission a resolution supporting the proposed change of organization or reorganization.

Approved _____, 2017

Governor

CALAFCO Daily Legislative Report as of Tuesday, July 11, 2017

[AB 1479](#) ([Bonta D](#)) **Public records: custodian of records: civil penalties.**

Current Text: Amended: 7/3/2017 [Text](#)

Introduced: 2/17/2017

Last Amended: 7/3/2017

Status: 7/3/2017-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/11/2017 1:30 p.m. - Room 112 SENATE JUDICIARY, JACKSON, Chair

Summary:

Under current law, the California Public Records Act, requires a public agency, defined to mean any state or local agency, to make its public records available for public inspection and to make copies available upon request and payment of a fee, unless the public records are exempt from disclosure. This bill would require public agencies to designate a person or persons, or office or offices to act as the agency's custodian of records who is responsible for responding to any request made pursuant to the California Public Records Act and any inquiry from the public about a decision by the agency to deny a request for records. The bill also would make other conforming changes.

Position: Oppose

Subject: Public Records Act

CALAFCO Comments: As amended this bill requires any public agency to designate a person/office to act as the agency's custodian of records who will be responsible for responding to all public records requests and to respond to an inquiries as to why the agency denied the request for records. Further the bill adds a failure to respond for records or an improperly assessed fee can be considered a civil penalty and allows the courts to issue fines ranging from \$1000 - \$5000.

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[AB 464](#) ([Gallagher R](#)) **Local government reorganization.**

Current Text: Chaptered: 7/10/2017 [Text](#)

Introduced: 2/13/2017

Last Amended: 3/14/2017

Status: 7/10/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 43, Statutes of 2017.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

Attachments:

[CALAFCO Letter Requesting Governor Signature](#)

[CALAFCO Letter of Support April 2017](#)

Position: Sponsor

Subject: Annexation Proceedings

CALAFCO Comments: This bill makes a fix to Gov. Code Sec. 56653 based on the court finding in the case of The City of Patterson v. Turlock Irrigation District. The court found that because the

services were already being provided via an out of area service agreement, the application for annexation was deemed incomplete because it was not a new service to be provided. By making the fix in statute, any pending/future annexation for a territory that is already receiving services via an out of area service agreement will not be in jeopardy.

As amended, corrections were made to: 56653(b)(3) reading "proposed" rather than "provided", and in Government Code Section 56857 an exemption added pursuant to Public Utilities Code Section 9608 for territory already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Public Utilities Code Section 9608.

AB 979 (Lackey R) Local agency formation commissions: district representation.

Current Text: Amended: 5/15/2017 [Text](#)

Introduced: 2/16/2017

Last Amended: 5/15/2017

Status: 7/11/2017-Action From SECOND READING: Read second time.To THIRD READING.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/13/2017 #29 SENATE SEN SECOND READING FILE - ASSEMBLY BILLS

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides for the selection of representatives of independent special districts on each local agency formation commission by an independent special district selection committee pursuant to a nomination and election process. This bill would additionally require the executive officer to call and hold a meeting of the special district selection committee upon the adoption of a resolution of intention by the committee relating to proceedings for representation of independent special districts upon the commission pursuant to specified law.

Attachments:

[CALAFCO Sponsor/Support Letter April 2017](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This bill is co-sponsored by CALAFCO and CSDA. As amended, the bill amends code Sec. 56332.5 to streamline the process of seating special districts on LAFCo by mirroring current statute 56332 (the process for electing special district representatives into the special district seats). Keeping the process voluntary, it allows for voting by mail whether or not the district wants to have special districts represented on LAFCo. Further, it will allow for the consolidation of that question with the independent special district selection committee appointment to a countywide redevelopment agency oversight board pursuant to Health and Safety Code 34179 (j)(3).

AB 1361 (Garcia, Eduardo D) Municipal water districts: water service: Indian tribes.

Current Text: Amended: 6/28/2017 [Text](#)

Introduced: 2/17/2017

Last Amended: 6/28/2017

Status: 7/6/2017-Re-referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would additionally authorize a district to provide this service of water to an Indian tribe's lands that are not within the district if the Indian tribe's lands are owned by the tribe.

Position: Oppose

Subject: Water

AB 1725 (Committee on Local Government) Local agency formation.

Current Text: Amended: 7/3/2017 [Text](#)

Introduced: 3/20/2017

Last Amended: 7/3/2017

Status: 7/11/2017-Action From SECOND READING: Read second time.To CONSENT CALENDAR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/13/2017 #75 SENATE SEN SECOND READING FILE - ASSEMBLY BILLS

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified. The act defines various terms for these purposes, including the term "contiguous," which the act defines as territory adjacent to territory within the local agency. This bill would instead define "contiguous" as territory that abuts or shares a common boundary with territory within a local agency.

Attachments:

[CALAFCO Letter of Support April 2017](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill. The bill makes only minor, non-substantive technical changes to CKH.

[SB 37](#) (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 12/5/2016 [Text](#)

Introduced: 12/5/2016

Status: 5/26/2017-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/25/2017)(May be acted upon Jan 2018)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Beginning with the 2004–05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2017–18 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter Feb 2017](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill is identical to SB 817 (Roth, 2016), SB 25 (Roth, 2015) and SB 69 (Roth, 2014) with the exception of the chaptering out language included in the 2016 version (which addressed the companion bill AB 2277 (Melendez, 2016)). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2017/18 year for cities that incorporated between 1-1-2004 and 1-1-2012.

[SB 448](#) (Wieckowski D) Local government: organization: districts.

Current Text: Amended: 7/3/2017 [Text](#)

Introduced: 2/15/2017

Last Amended: 7/3/2017

Status: 7/3/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/12/2017 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

Current law requires a report of an audit of a special district's accounts and records made by a certified public accountant or public accountant to be filed with the Controller and the county auditor of the county in which the special district is located within 12 months of the end of the fiscal year or years under examination. This bill would instead require special districts defined by a specified provision to file those audit reports with the Controller and special districts defined by another specified provision to file those audit reports with the Controller and with the local agency formation commission of either the county in which the special district is located or, if the special district is located in 2 or more counties, with each local agency formation commission within each county in which the district is located.

Attachments:

[CALAFCO Oppose Unless Amended Letter](#)

Position: Oppose unless amended

Subject: CKH General Procedures

CALAFCO Comments: As amended substantially on May 26, this bill authorizes LAFCo to dissolve inactive districts (after determining they meet the criteria set forth in the statute) by holding one hearing, without conducting a special study and with the waiver of protest proceedings. The bill is currently silent on how the LAFCo knows a district is inactive and the time frame in which the LAFCo must take the dissolution action. CALAFCO has been working with stakeholders and the authors office on pending amendments that will help clarify the process and connect other statutes to these actions. CALAFCO submitted amendments on June 18 for the authors consideration.

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[AB 267](#) ([Waldron R](#)) **Community services districts.**

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/1/2017)(May be acted upon Jan 2018)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

Position: Watch

CALAFCO Comments: According to the author's office this is a spot bill.

[AB 548](#) ([Steinorth R](#)) **Omnitrans Transit District.**

Current Text: Amended: 4/4/2017 [Text](#)

Introduced: 2/14/2017

Last Amended: 4/4/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/23/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and unspecified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district.

Position: None at this time

CALAFCO Comments: This bill, as amended, appears to dissolve the Omnitrans JPA and form a new independent special district to be known as the Omnitrans Transit District. The formation process does not include LAFCo. CALAFCO is reaching out to the author's office for more details.

AB 577 (Caballero D) Disadvantaged communities.

Current Text: Amended: 3/9/2017 [Text](#)

Introduced: 2/14/2017

Last Amended: 3/9/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.S. & T.M. on 2/27/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, eligibility for certain entities to apply for funds from the State Water Pollution Cleanup and Abatement Account, and authorization for a community revitalization and investment authority to carry out a community revitalization plan. This bill would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income.

Position: Watch

Subject: Disadvantaged Communities

CALAFCO Comments: Sponsored by the Environmental Justice Coalition for Water, this bill is intended to expand the definition of disadvantaged communities to include multi-family households. According to the author's office this will be a two-year bill. CALAFCO will retain a Watch position until any amendments are in print.

AB 645 (Quirk D) Local government: organization: dissolution.

Current Text: Introduced: 2/14/2017 [Text](#)

Introduced: 2/14/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/2/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under current law, if a change of organization consists of a dissolution, the commission is required to order the dissolution subject to confirmation of voters if, among other things, the proposal was not initiated by the commission and if a subject agency has not objected to the proposal, the commission has found that, for an inhabited territory protests have been signed by either 25% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 25% of the voters entitled to vote as a result of residing or owning land within the affected territory. This bill would decrease that threshold to 10% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 10% of the voters entitled to vote as a result of residing or owning land within the affected territory.

Position: Watch

Subject: CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

CALAFCO Comments: According to the author's office this is a spot bill pending the outcome of the Alameda LAFCo special study on Eden Healthcare District. Update: The author's office indicates they will hold off moving this bill. CALAFCO will continue to Watch.

AB 892 (Waldron R) Municipal water districts: water service: Indian tribes.

Current Text: Amended: 3/23/2017 [Text](#)

Introduced: 2/16/2017

Last Amended: 3/23/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/23/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

Position: Watch

Subject: Water

CALAFCO Comments: According to the author's office, this may very well become a two-year bill. The intent of the bill was to make it permissive for an Indian tribe to negotiate directly with a water provider to obtain water services. This would circumvent LAFCo. This bill expands on last year's bill by Gonzalez-Fletcher, AB 2470. The author's office has indicated the bill will not move forward in it's current version. They understand CALAFCO's concerns. CALAFCO will continue to monitor the bill for any amendments and will consider a position if/when amendments are in print.

AB 1728 (Committee on Local Government) Health care districts: board of directors.

Current Text: Introduced: 3/22/2017 [Text](#)

Introduced: 3/22/2017

Status: 6/1/2017-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/12/2017 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district, including purchasing, receiving, having, taking, holding, leasing, using, and enjoying property. This bill would require the board of directors to adopt an annual budget in a public meeting, on or before September 1 of each year, that conforms to generally accepted accounting and budgeting procedures for special districts, establish and maintain an Internet Web site that lists contact information for the district, and adopt annual policies for providing assistance or grant funding, if the district provides assistance or grants.

Attachments:

[AB 1728 CALAFCO Letter of Support](#)

Position: Support

Subject: Other

CALAFCO Comments: As introduced, this bill requires healthcare districts to adopt annual budgets, establish and maintain a website (and prescribes the required site content), and adopt policies for grant funding.

SB 206 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/10/2017 [Text](#)

Introduced: 2/1/2017

Status: 7/10/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 57, Statutes of 2017.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the First Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Letter Requesting Governor Signature 06 26 17](#)

[CALAFCO Support Feb 2017](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 207 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/10/2017 [Text](#)

Introduced: 2/1/2017**Status:** 7/10/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 58, Statutes of 2017.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Second Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Letter Requesting Governor Signature 06 26 17](#)

[CALAFCO Support Feb 2017](#)

Position: Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**SB 208 (Committee on Governance and Finance) Validations.****Current Text:** Chaptered: 7/10/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 7/10/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 59, Statutes of 2017.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Third Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Letter Requesting Governor Signature 06 26 17](#)

[CALAFCO Support Letter Feb 2017](#)

Position: Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**SB 365 (Dodd D) Regional park and open-space districts: County of Solano.****Current Text:** Amended: 7/5/2017 [Text](#)**Introduced:** 2/14/2017**Last Amended:** 7/5/2017**Status:** 7/6/2017-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/13/2017 #47 ASSEMBLY THIRD READING FILE - SENATE BILLS

Summary:

Current law authorizes proceedings for the formation of a regional park and open-space or regional open-space district in specified counties in the state to be initiated by resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill, in addition, would authorize the formation of a regional district in the County of Solano to be initiated by resolution of the county board of supervisors after a noticed hearing. The bill would specify the contents of the resolution, including the calling of an election, as prescribed.

Attachments:

[SB 365 CALAFCO Letter of Oppose 03 28 17](#)

Position: Oppose**Subject:** LAFCo Administration**CALAFCO Comments:** This bill calls for the formation of a regional park and open space district which will circumvent the LAFCo formation process. CALAFCO discussed our concerns with the author's office, who has made it clear they will not be considering any potential amendments

unless requested by Solano LAFCo. As Solano LAFCo is now formally in support of the bill, it is not likely there will be any amendments.

SB 435 (Dodd D) Williamson Act: payments to local governments.

Current Text: Amended: 5/2/2017 [Text](#)

Introduced: 2/15/2017

Last Amended: 5/2/2017

Status: 5/25/2017-May 25 hearing: Held in committee and under submission.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, under the Williamson act, reduce the amount per acre paid to a city, county, or city and county under these provisions to \$2.50 for prime agricultural land, \$0.50 for all other land devoted to open-space uses of statewide significance, and, for counties that have adopted farmland security zones, \$4 for land that is within, or within 3 miles of the sphere of influence of, each incorporated city.

Attachments:

[CALAFCO Support Letter May 2017](#)

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: This bill renews partial subvention funding for the Williamson Act as a fiscal incentive to lift contract moratoria, implements solar use easements and Farmland Security Zone Contracts, and increases subvention funding for counties that adopt conservation planning strategies for agriculturally zoned property that further our state's sustainable community goals.

SB 634 (Wilk R) Santa Clarita Valley Water District.

Current Text: Amended: 5/26/2017 [Text](#)

Introduced: 2/17/2017

Last Amended: 5/26/2017

Status: 6/29/2017-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 9. Noes 0.) (June 28). Re-referred to Com. on W.,P., & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/11/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, GARCIA, Chair

Summary:

Current law, the Castaic Lake Water Agency Law, created the Castaic Lake Water Agency and authorizes the agency to acquire water and water rights, including water from the State Water Project, and to provide, sell, and deliver water at wholesale for municipal, industrial, domestic, and other purposes. This bill would repeal the Castaic Lake Water Agency Law. This bill contains other related provisions and other current laws.

Attachments:

[CALAFCO Letter Removing Opposition 06 26 17](#)

[CALAFCO Letter Oppose Unless Amended 03 27 17](#)

Position: Neutral

Subject: Special District Consolidations

CALAFCO Comments: As amended, this bill consolidates two independent water districts in Los Angeles. The bill was amended to include LAFCo in the process via an application for binding conditions. As statute does not allow the local LAFCo to deny the application when both district boards have adopted resolutions of support, the amendments of May 26 address all of CALAFCO's concerns. As a result CALAFCO has removed our opposition and now is neutral on the bill.

SB 693 (Mendoza D) Lower San Gabriel River Recreation and Park District.

Current Text: Amended: 7/3/2017 [Text](#)

Introduced: 2/17/2017

Last Amended: 7/3/2017

Status: 7/3/2017-Read second time and amended. Re-referred to Com. on W.,P., & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

7/11/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, GARCIA, Chair

Summary:

Would specifically authorize the establishment of the Lower San Gabriel River Recreation and Park District, by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission before January 1, 2020, subject to specified existing laws governing recreation and park districts, including their formation, except as provided. The bill would authorize specified city councils and the Los Angeles County Board of Supervisors to appoint members to, and the executive officer of the conservancy to serve as a member on, the initial board of directors of the district.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This bill forms the Lower San Gabriel River Recreation and Park District while leaving a majority of the LAFCo process intact. CALAFCO will keep watching to ensure it stays that way.

Total Measures: 20

Total Tracking Forms: 20

7/11/2017 1:53:17 PM



LITTLE HOOVER COMMISSION

AGENDA

Roundtable Discussion on Special Districts

Thursday, June 22, 2016

1:30 p.m. – 3:30 p.m.

BMG Conference Room

Lower Level, 925 L Street

Sacramento, CA 95814

Pedro Nava
Chairman

Sean Varner
Vice Chairman

David Beier

Iveta Brigis

Anthony Cannella
Senator

Chad Mayes
Assemblymember

Don Perata

Sebastian Ridley-Thomas
Assemblymember

Richard Roth
Senator

Janna Sidley

Helen Torres

Carole D'Elia
Executive Director

Meeting Goals: To understand the feasibility of potential recommendations being considered for the Little Hoover Commission's special districts study.

1:30 – 1:40 p.m. Welcome & Introductions

Pedro Nava, Chair, Little Hoover Commission

Study Process and Purpose of the Roundtable

Carole D'Elia, Executive Director, Little Hoover Commission

1:40 – 3:30 p.m. Discussion: Meeting participants will discuss potential recommendations developed by the Little Hoover Commission over the course of its special districts study process. These include recommendations on governance, specifically opportunities to bolster existing oversight and recommendations to improve transparency.

There will be an opportunity for public comment at the end of the roundtable discussion. Public comments will be limited to three minutes per person. Please notify Commission staff if you would like to make a comment.



State of California

LITTLE HOOVER COMMISSION

Witnesses at Little Hoover Commission's August and October 2016 public hearings and participants at the November 2016 advisory committee proposed numerous recommendations for consideration. At various business meetings in 2017, the Commission discussed these and other potential recommendations. A summary of potential recommendations currently under consideration follows.

The June 22 roundtable discussion has been convened to consider if these recommendations are helpful, can be implemented or might have unintended consequences. The Commission also welcomes discussion on alternative suggestions. The primary focus of the roundtable meeting discussion will be on the recommendations related to governance and transparency, although potential recommendations focusing on climate change adaptation and healthcare districts also are included in this summary.

GOVERNANCE - POTENTIAL RECOMMENDATIONS

- The Legislature, in committee hearings and floor votes, as well as the Governor in bill signings, should curtail a growing practice of introducing bills to override LAFCO deliberative processes and decide local issues regarding special district boundaries and operations.
- The Legislature should provide one-time grant funding to pay for specified LAFCO activities, particularly to fund certain critical Municipal Service Reviews (MSRs) and to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes. This grant process potentially could be overseen by the Governor's Office of Planning and Research. Funding should be tied to process completion and results, including enforcement authority for corrective action and consolidation.
- Alternatively or additionally, augment the existing LAFCO funding formula by allocating a certain percentage of local property taxes to fund LAFCOs as suggested in testimony from the California Association of Local Agency Formation Commissions (CALAFCO).
- After conducting a Municipal Service Review and finding dissolution or consolidation of special districts is warranted, provide LAFCOs the authority to initiate dissolutions or consolidations with a higher threshold for a public vote.
- Require special districts to hold a public hearing on findings and recommendations after the completion of a Municipal Service Review.
- The Legislature should provide LAFCOs the statutory authority to do reviews of inactive districts throughout California and dissolve them without the action being subject to protest and a costly election process. SB 448 (Wiekowski) would implement this recommendation. The bill was unanimously adopted by the Senate in May 2017, and currently is under consideration by the Assembly. As currently written, the bill also would require each county tax bill to list special district taxes and would require the State Controller, by 2019, to annually publish a list of all special districts in California.
- The Legislature should strengthen LAFCOs by easing a process to add special district representatives to the 28 county LAFCOs where districts have no voice.
- The Legislature should adopt legislation to give LAFCO members fixed terms, to ease political pressures in controversial votes and enhance the independence of LAFCOs.

TRANSPARENCY – POTENTIAL RECOMMENDATIONS

- Every LAFCO website should provide basic information and links to all of the special districts within each county service area, including a standardized dashboard reflecting revenues from property taxes and user fees, debt service and fund balance changes.
- Every special district should have a published policy for reserve funds, including the size and purpose of reserves and how they are invested.
- Every special district should have a website that provides the following information in an easy-to-understand format:
 - ✓ Name, location, contact data
 - ✓ Services provided
 - ✓ Governing body, including election information and the process for constituents to run for board positions
 - ✓ Compensation details – total staff compensation, including salary, pensions and benefits
 - ✓ Compensation details for the five staff with highest compensation (including salary, benefits, pensions, loans, annual leave balances, annual travel expenses)
 - ✓ Budget (including revenues and expenditures, bond debt and the source of revenues, including fees, property taxes and other assessments, as well as other revenue)
 - ✓ Reserve fund policy
 - ✓ An explanation of how the revenue sources are consistent with state law and do not constitute a permissible tax
 - ✓ Geographic area served and demographic data based on available census data
 - ✓ Average and median customer fees and other customer charges
 - ✓ Description of relationship and coordination with other local government agencies
 - ✓ Copy of most recent Municipal Service Review
 - ✓ Copy of most recent annual report provided to the State Controller's Office
 - ✓ State and local agencies providing oversight of operations, compliance with state laws and financial reporting and audits and frequency of such reviews and links to the oversight bodies websites
- The California Special Districts Association, working with experts in public outreach and engagement, should develop best practices for independent special district outreach to the public on opportunities to serve on boards and special district elections including election results and voter participation data.
- The State Controller's Office should disaggregate information provided by independent special districts from dependent districts, nonprofits and joint powers authorities on its By the Numbers and Employee Compensation websites. (SB 448 would require the State Controller to list all special districts on its website by 2019.)
- The State Controller's Office should standardize definitions of special district financial reserves for state reporting purposes.
- The Secretary of State, working with county, city and special district representatives and the State Controller, should streamline or consolidate its public agency reporting requirements.

CLIMATE CHANGE ADAPTATION – POTENTIAL RECOMMENDATIONS

- The Legislature should place a requirement in statute that special districts formally include climate adaptation and climate mitigation as key operational considerations within their governing documents and missions.
- The California Special Districts Association (CSDA), in conjunction with its member districts, should document and share climate adaptation experiences with the Integrated Climate Adaptation and Resilience Program's adaptation information clearinghouse being established within the Governor's Office of Planning and Research (OPR). Similarly, CSDA and member districts should step up engagement in the state's current Fourth Assessment of climate threats, a \$5 million state research project designed to support the implementation of local adaptation activities. The CSDA also should promote climate adaptation information sharing among its members to help districts with fewer resources plan for climate impacts and take actions.
- The Legislature should replicate statewide a program established by Oakland-based East Bay Municipal Utility District, in which real estate transactions trigger an inspection of sewer lines on the property and require repairs if broken. Or, as an alternative, it should commission a study of costs versus benefits – possibly by a university or the appropriate state department. Such a study would build long-term support, if feasible, for legislation.
- State regulatory agencies should explore the beginnings of a new regulatory framework and adaptive approach that incorporates moveable baselines when defining a status quo as climate impacts mount.
- The California Special Districts Association, and special districts, as some of the closest-to-the-ground local governments in California, should step up public engagement on climate adaptation, and inform and support people and businesses to take actions that increase their individual and community-wide defenses.
- The California Special Districts Association and special districts should lead efforts to seek and form regional partnerships to maximize climate adaptation resources and benefits.

HEALTHCARE DISTRICTS – POTENTIAL RECOMMENDATIONS

- The Legislature should work with the Association of California Healthcare Districts to enact proposals the association developed in 2016 to accomplish these two objectives:
 - ✓ Update the 1945 legislative "practice acts" that enabled voters to create local hospital districts, renamed healthcare districts in the early 1990s. Experts widely agree that statutory language in the acts no longer reflects rapid changes in healthcare during the past half century, especially regarding roles of healthcare districts without hospitals.
 - ✓ Make healthcare districts directly respond to local healthcare needs by conducting needs assessments every three years and demonstrate annually how they are addressing those needs. This information will be shared with the local LAFCO that oversees the district.

- The Legislature, which has been increasingly inclined to override local LAFCO processes to press changes on healthcare districts, should defer these decisions to LAFCOs, which in statute already have that responsibility.
- The Association of California Healthcare Districts and its member districts should step up efforts to define and share best practices among themselves.