

AMENDED IN ASSEMBLY MAY 17, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 3254

Introduced by Committee on Local Government (Assembly Members Aguiar-Curry (Chair), Waldron (Vice Chair), Bloom, Caballero, Cooley, Grayson, Lackey, and Voepel)

March 14, 2018

An act to amend Sections 56015, 56046, 56133.5, 56157, 56332, 56375, ~~and 56668~~ 56652, 56668, 56856.5, 57025, and 57026, of, and to add Section 56079.5 to, *and to amend and renumber Section 56880 of*, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3254, as amended, Committee on Local Government. Local government organization: omnibus.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Existing law defines various terms for purposes of that Act, including the terms “affected territory” and “inhabited territory.”

This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term “uninhabited territory” for purposes of the Act.

The Act requires mailed notice to be given to landowners and to all registered voters within territory affected by a proposed change of organization, reorganization, or sphere of influence change, including notice to all landowners or registered voters within 300 feet of the

exterior boundary of the property that is subject of a hearing, as specified.

This bill would specify that the requirement to mail notice to all landowners or registered voters within 300 feet of the exterior boundary of the property that is subject of a hearing applies only in the case of commission proceedings.

The Act 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. Existing law requires the executive officer of the commission to call and hold a meeting of the special district selection committee when, among other things, the executive officer anticipates a vacancy within the next 90 days among the members or alternate members representing independent special districts on the commission, as specified.

This bill would authorize the executive officer to prepare and deliver a call for nominations to each eligible district. The bill would, at the end of the nominating period, if only one candidate is nominated for a vacancy, require that candidate to be deemed appointed if a specified disclosure is made by the written notice of the meeting.

If the independent special district selection committee has determined to conduct business by mail, or if the executive officer determines that a meeting of the special district selection committee for the purpose of appointing the special district members or filling vacancies is not feasible, existing law requires the executive officer to conduct the business of the committee, including elections, by mail in accordance with specified procedures.

This bill would revise the elections procedures to, among other things, require all notices and election materials to be addressed to the presiding officer.

The Act sets forth the powers and duties of a local agency formation commission. If the proposal includes the incorporation of a city or the formation of a district, the commission is required to determine the property tax revenue to be exchanged by the affected local agencies, as specified.

This bill would specify the provisions under which the commission to determine the property tax revenue to be exchanged by affected local agencies if the proposal includes the disincorporation of a city.

The Act sets forth the factors to be considered by the commission in the review of a proposal, including, among others, per capita assessed valuation.

This bill would instead require the commission to consider assessed valuation generally.

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

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

1 SECTION 1. Section 56015 of the Government Code is
2 amended to read:

3 56015. “Affected territory” means any territory for which a
4 change of organization, reorganization, or sphere of influence
5 change is proposed or ordered, or any territory to which services
6 are proposed to be provided pursuant to Sections 56133, 56133.5,
7 or 56134.

8 SEC. 2. Section 56046 of the Government Code is amended
9 to read:

10 56046. “Inhabited territory” means territory within which there
11 reside 12 or more registered voters. The number of registered
12 voters, as determined by the elections officer, shall be established
13 as of the date a certificate of filing is issued by the executive
14 officer.

15 SEC. 3. Section 56079.5 is added to the Government Code, to
16 read:

17 56079.5. “Uninhabited territory” means territory within which
18 there reside fewer than 12 registered voters. The number of
19 registered voters, as determined by the elections officer, shall be
20 established as of the date a certificate of filing is issued by the
21 executive officer.

22 SEC. 4. Section 56133.5 of the Government Code is amended
23 to read:

24 56133.5. (a) A pilot program is hereby established for the
25 Napa and San Bernardino commissions. If consistent with adopted
26 policy, the Napa and San Bernardino commissions may authorize
27 a city or district to provide new or extended services outside its
28 jurisdictional boundary and outside its sphere of influence to
29 support existing or planned uses involving public or private

1 properties, subject to approval at a noticed public hearing in which
2 the commission makes all of the following determinations:

3 (1) The extension of service or services deficiency was identified
4 and evaluated in a review of municipal services prepared pursuant
5 to Section 56430.

6 (2) The extension of service will not result in either (1) adverse
7 impacts on open space or agricultural lands or (2) growth inducing
8 impacts.

9 (3) A sphere of influence change involving the ~~subject~~ *affected*
10 territory and its affected agency is not feasible under this division
11 or desirable based on the adopted policies of the commission.

12 (b) Subdivision (d) of Section 56133 shall apply to any request
13 for new or extended services pursuant to this section.

14 (c) For purposes of this section, “planned use” means any project
15 that is included in an approved specific plan as of July 1, 2015.

16 (d) The Napa and San Bernardino commissions shall submit a
17 report before January 1, 2020, to the Legislature on their
18 participation in the pilot program, including how many requests
19 for extension of services were received pursuant to this section
20 and the action by the commission to approve, disapprove, or
21 approve with conditions. The report required to be submitted
22 pursuant to this subdivision shall be submitted in compliance with
23 Section 9795 of the Government Code.

24 (e) The pilot program established pursuant to this section shall
25 be consistent with Chapter 8.5 (commencing with Section 1501)
26 of the Public Utilities Code.

27 (f) This section shall remain in effect only until January 1, 2021,
28 and as of that date is repealed.

29 ~~SEC. 4.~~

30 *SEC. 5.* Section 56157 of the Government Code is amended
31 to read:

32 56157. When mailed notice is required to be given to:

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

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

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

38 (d) Landowners within the affected territory, it shall be
39 addressed to each person to whom land is assessed, as shown upon
40 the most recent assessment roll being prepared by the county at

1 the time the proponent adopts a resolution of application pursuant
2 to Section 56654 or files a notice of intention to circulate a petition
3 with the executive officer pursuant to subdivision (a) of Section
4 56700.4, at the address shown upon the assessment roll and, in the
5 case of commission proceedings as defined in Section 56028, to
6 all landowners within 300 feet of the exterior boundary of the
7 property that is the subject of the hearing, at least 21 days prior to
8 the hearing. This requirement may be waived if proof satisfactory
9 to the commission is presented that shows that individual notices
10 to landowners have already been provided by the initiating agency.
11 Notice also shall be either posted or published in accordance with
12 Section 56153 in a newspaper of general circulation that is
13 circulated within the affected territory 21 days prior to the hearing.

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

18 (f) Registered voters within the affected territory, to the address
19 as shown on the most recent index of affidavits prepared by the
20 county elections official at the time the proponent adopts a
21 resolution of application pursuant to Section 56654 or files a notice
22 of intention to circulate a petition with the executive officer
23 pursuant to subdivision (a) of Section 56700.4 and, in the case of
24 commission proceedings as defined in Section 56028, to all
25 registered voters within 300 feet of the exterior boundary of the
26 property that is the subject of the hearing, at least 21 days prior to
27 the hearing. This requirement may be waived if proof satisfactory
28 to the commission is presented that shows that individual notices
29 to registered voters have already been provided by the initiating
30 agency. Notice shall also either be posted or published in
31 accordance with Section 56153 in a newspaper of general
32 circulation that is circulated within the affected territory 21 days
33 prior to the hearing.

34 (g) Pursuant to subdivisions (d) and (f), if a landowner or
35 landowners and registered voter or voters are the same individual
36 or individuals, only one notice is required to be mailed.

37 (h) If the total number of notices required to be mailed in
38 accordance with subdivisions (d) and (f) exceeds 1,000, then notice
39 may instead be provided by publishing a display advertisement of

1 at least one-eighth page in a newspaper, as specified in Section
2 56153, at least 21 days prior to the hearing.

3 *SEC. 6. Section 56332 of the Government Code is amended to*
4 *read:*

5 56332. (a) The independent special district selection committee
6 shall consist of the presiding officer of the legislative body of each
7 independent special district. However, if the presiding officer of
8 an independent special district is unable to participate in a meeting
9 or election of the independent special district selection committee,
10 the legislative body of the district may appoint one of its members
11 as an alternate to participate in the selection committee in the
12 presiding officer's place. Those districts shall include districts
13 located wholly within the county and those containing territory
14 within the county representing 50 percent or more of the assessed
15 value of taxable property of the district, as shown on the last
16 equalized county assessment roll. Each member of the committee
17 shall be entitled to one vote for each independent special district
18 of which he or she is the presiding officer or his or her alternate
19 as designated by the governing body. Members representing a
20 majority of the eligible districts shall constitute a quorum.

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

24 (1) Whenever the executive officer anticipates that a vacancy
25 will occur within the next 90 days among the members or alternate
26 member representing independent special districts on the
27 commission.

28 (2) Whenever a vacancy exists among the members or alternate
29 member representing independent special districts upon the
30 commission.

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

35 (4) Upon the adoption of a resolution of intention pursuant to
36 Section 56332.5.

37 (5) Upon receipt of a written request by one or more members
38 of the selection committee notifying the executive officer of the
39 need to appoint a member representing independent special districts

1 on an oversight board pursuant to paragraph (3) of subdivision (j)
2 of Section 34179 of the Health and Safety Code.

3 (c) The selection committee shall appoint two regular members
4 and one alternate member to the commission. The members so
5 appointed shall be elected or appointed members of the legislative
6 body of an independent special district residing within the county
7 but shall not be members of the legislative body of a city or county.
8 If one of the regular district members is absent from a commission
9 meeting or disqualifies himself or herself from participating in a
10 meeting, the alternate district member may serve and vote in place
11 of the regular district member for that meeting. Service on the
12 commission by a regular district member shall not disqualify, or
13 be cause for disqualification of, the member from acting on
14 proposals affecting the special district on whose legislative body
15 the member serves. The special district selection committee may,
16 at the time it appoints a member or alternate, provide that the
17 member or alternate is disqualified from voting on proposals
18 affecting the district on whose legislative body the member serves.

19 *(1) The executive officer may prepare and deliver a call for*
20 *nominations to each eligible district. The presiding officer, or his*
21 *or her alternate as designated by the governing body, may respond*
22 *in writing by the date specified in the call for nominations, which*
23 *date shall be at least 30 days from the date on which the executive*
24 *officer mailed the call for nominations to the eligible district.*

25 *(2) At the end of the nominating period, if only one candidate*
26 *is nominated for a vacant seat, that candidate shall be deemed*
27 *appointed. This paragraph shall be operative only if the written*
28 *notice of the meeting provided pursuant to subdivision (b) discloses*
29 *that, if nominations are received for only one candidate by the end*
30 *of the nominating period, the candidate shall be deemed appointed*
31 *and the meeting may be cancelled.*

32 (d) If the office of a regular district member becomes vacant,
33 the alternate member may serve and vote in place of the former
34 regular district member until the appointment and qualification of
35 a regular district member to fill the vacancy.

36 (e) A majority of the independent special district selection
37 committee may determine to conduct the committee's business by
38 mail, including holding all elections by mailed ballot, pursuant to
39 subdivision (f).

1 (f) If the independent special district selection committee has
2 determined to conduct the committee's business by mail or if the
3 executive officer determines that a meeting of the special district
4 selection committee is not feasible, the executive officer shall
5 conduct the business of the committee by mail. Elections by mail
6 shall be conducted as provided in this subdivision.

7 (1) The executive officer shall prepare and deliver a call for
8 nominations to each eligible district. The presiding officer, or his
9 or her alternate as designated by the governing body, may respond
10 in writing by the date specified in the call for nominations, which
11 date shall be at least 30 days from the date on which the executive
12 officer mailed the call for nominations to the eligible district.

13 (2) At the end of the nominating period, if only one candidate
14 is nominated for a vacant seat, that candidate shall be deemed
15 appointed. If two or more candidates are nominated, the executive
16 officer shall prepare and deliver one ballot and voting instructions
17 to each eligible district. The ballot shall include the names of all
18 nominees and the office for which each was nominated. Each
19 presiding officer, or his or her alternate as designated by the
20 governing body, shall return the ballot to the executive officer by
21 the date specified in the voting instructions, which date shall be
22 at least 30 days from the date on which the executive officer mailed
23 the ballot to the eligible district.

24 (3) The call for nominations, ballots, and voting instructions
25 shall be delivered by certified mail to each eligible district. As an
26 alternative to the delivery by certified mail, the executive officer,
27 ~~with prior concurrence of the presiding officer or his or her~~
28 ~~alternate as designated by the governing body,~~ officer may transmit
29 materials by electronic mail. *All notices and election materials*
30 *shall be addressed to the presiding officer, care of the clerk of the*
31 *district.*

32 (4) ~~If the executive officer has transmitted the call for~~
33 ~~nominations or ballots by electronic mail, the presiding officer, or~~
34 ~~his or her alternate as designated by the governing body, may~~
35 ~~respond~~ *Nominations and ballots may be returned* to the executive
36 officer by electronic mail.

37 (5) Each returned nomination and ballot shall be signed by the
38 presiding officer or his or her alternate as designated by the
39 governing body of the eligible district.

1 (6) For an election to be valid, at least a quorum of the special
2 districts must submit valid ballots. The candidate receiving the
3 most votes shall be elected, unless another procedure has been
4 adopted by the selection committee. Any nomination and ballot
5 received by the executive officer after the date specified is invalid,
6 provided, however, that if a quorum of ballots is not received by
7 that date, the executive officer shall extend the date to submit
8 ballots by 60 days and notify all districts of the extension. *If ballots*
9 *from a quorum of the districts have not been received at the end*
10 *of the 60-day extension period, the executive officer shall extend*
11 *the period to return ballots for a length of time at his or her*
12 *discretion until a quorum is achieved, unless another procedure*
13 *has been adopted by the selection committee.* The executive officer
14 shall announce the results of the election within seven days of the
15 date specified.

16 (7) For a vote on special district representation to be valid, at
17 least a quorum of the special districts must submit valid ~~ballots.~~
18 *ballots to the executive officer by the date specified in the voting*
19 *instructions, which date shall be at least 30 days from the date on*
20 *which the executive officer mailed the ballot to the eligible district.*
21 *If ballots from a quorum of the districts have not been received at*
22 *the end of the 60-day extension period, the executive officer shall*
23 *extend the period to return ballots for a length of time at his or*
24 *her discretion until a quorum is achieved, unless another procedure*
25 *has been adopted by the selection committee.* By majority vote of
26 those district representatives voting on the issue, the selection
27 committee shall either accept or deny representation. *The executive*
28 *officer shall announce the results of the election within seven days*
29 *of the date specified.*

30 (8) All election materials shall be retained by the executive
31 officer for a period of at least six months after the announcement
32 of the election results.

33 (g) For purposes of this section, “executive officer” means the
34 executive officer or designee as authorized by the commission.

35 ~~SEC. 5.~~

36 *SEC. 7.* Section 56375 of the Government Code is amended
37 to read:

38 56375. The commission shall have all of the following powers
39 and duties subject to any limitations upon its jurisdiction set forth
40 in this part:

- 1 (a) (1) To review and approve with or without amendment,
2 wholly, partially, or conditionally, or disapprove proposals for
3 changes of organization or reorganization, consistent with written
4 policies, procedures, and guidelines adopted by the commission.
- 5 (2) The commission may initiate proposals by resolution of
6 application for any of the following:
- 7 (A) The consolidation of a district, as defined in Section 56036.
8 (B) The dissolution of a district.
9 (C) A merger.
10 (D) The establishment of a subsidiary district.
11 (E) The formation of a new district or districts.
12 (F) A reorganization that includes any of the changes specified
13 in subparagraph (A), (B), (C), (D), or (E).
14 (G) The dissolution of an inactive district pursuant to Section
15 56879.
- 16 (3) A commission may initiate a proposal described in paragraph
17 (2) only if that change of organization or reorganization is
18 consistent with a recommendation or conclusion of a study
19 prepared pursuant to Section 56378, 56425, or 56430, and the
20 commission makes the determinations specified in subdivision (b)
21 of Section 56881.
- 22 (4) A commission shall not disapprove an annexation to a city,
23 initiated by resolution, of contiguous territory that the commission
24 finds is any of the following:
- 25 (A) Surrounded or substantially surrounded by the city to which
26 the annexation is proposed or by that city and a county boundary
27 or the Pacific Ocean if the territory to be annexed is substantially
28 developed or developing, is not prime agricultural land as defined
29 in Section 56064, is designated for urban growth by the general
30 plan of the annexing city, and is not within the sphere of influence
31 of another city.
- 32 (B) Located within an urban service area that has been delineated
33 and adopted by a commission, which is not prime agricultural land,
34 as defined by Section 56064, and is designated for urban growth
35 by the general plan of the annexing city.
- 36 (C) An annexation or reorganization of unincorporated islands
37 meeting the requirements of Section 56375.3.
- 38 (5) As a condition to the annexation of an area that is
39 surrounded, or substantially surrounded, by the city to which the
40 annexation is proposed, the commission may require, where

1 consistent with the purposes of this division, that the annexation
2 include the entire island of surrounded, or substantially surrounded,
3 territory.

4 (6) A commission shall not impose any conditions that would
5 directly regulate land use density or intensity, property
6 development, or subdivision requirements.

7 (7) The decision of the commission with regard to a proposal
8 to annex territory to a city shall be based upon the general plan
9 and rezoning of the city. When the development purposes are not
10 made known to the annexing city, the annexation shall be reviewed
11 on the basis of the adopted plans and policies of the annexing city
12 or county. A commission shall require, as a condition to
13 annexation, that a city rezone the territory to be annexed or present
14 evidence satisfactory to the commission that the existing
15 development entitlements on the territory are vested or are already
16 at build-out, and are consistent with the city's general plan.
17 However, the commission shall not specify how, or in what
18 manner, the territory shall be rezoned.

19 (8) (A) Except for those changes of organization or
20 reorganization authorized under Section 56375.3, and except as
21 provided by subparagraph (B), a commission shall not approve an
22 annexation to a city of any territory greater than 10 acres, or as
23 determined by commission policy, where there exists a
24 disadvantaged unincorporated community that is contiguous to
25 the area of proposed annexation, unless an application to annex
26 the disadvantaged unincorporated community to the subject city
27 has been filed with the executive officer.

28 (B) An application to annex a contiguous disadvantaged
29 community shall not be required if either of the following apply:

30 (i) A prior application for annexation of the same disadvantaged
31 community has been made in the preceding five years.

32 (ii) The commission finds, based upon written evidence, that a
33 majority of the registered voters within the affected territory are
34 opposed to annexation.

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

1 (c) With regard to a proposal for consolidation of two or more
2 cities or districts, to determine which city or district shall be the
3 consolidated successor city or district.

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

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

19 (f) With respect to the incorporation of a new city or the
20 formation of a new special district, to determine the number of
21 registered voters residing within the proposed city or special district
22 or, for a landowner-voter special district, the number of owners
23 of land and the assessed value of their land within the territory
24 proposed to be included in the new special district. The number
25 of registered voters shall be calculated as of the time of the last
26 report of voter registration by the county elections official to the
27 Secretary of State prior to the date the first signature was affixed
28 to the petition. The executive officer shall notify the petitioners of
29 the number of registered voters resulting from this calculation.
30 The assessed value of the land within the territory proposed to be
31 included in a new landowner-voter special district shall be
32 calculated as shown on the last equalized assessment roll.

33 (g) To adopt written procedures for the evaluation of proposals,
34 including written definitions consistent with existing state law.
35 The commission may adopt standards for any of the factors
36 enumerated in Section 56668. Any standards adopted by the
37 commission shall be written.

38 (h) To adopt standards and procedures for the evaluation of
39 service plans submitted pursuant to Section 56653 and the initiation

1 of a change of organization or reorganization pursuant to
2 subdivision (a).

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

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

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

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

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

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

28 (o) If the proposal includes the incorporation of a city, as defined
29 in Section 56043, or the formation of a district, as defined in
30 Section 2215 of the Revenue and Taxation Code, the commission
31 shall determine the property tax revenue to be exchanged by the
32 affected local agencies pursuant to Section 56810. If the proposal
33 includes the disincorporation of a city, as defined in Section 56034,
34 the commission shall determine the property tax revenue to be
35 exchanged by the affected local agencies pursuant to Section
36 56813.

37 (p) To authorize a city or district to provide new or extended
38 services outside its jurisdictional boundaries pursuant to Section
39 56133.

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

6 (r) To approve with or without amendment, wholly, partially,
7 or conditionally, or disapprove pursuant to this section the
8 annexation of territory served by a mutual water company formed
9 pursuant to Part 7 (commencing with Section 14300) of Division
10 3 of Title 1 of the Corporations Code that operates a public water
11 system to a city or special district. Any annexation approved in
12 accordance with this subdivision shall be subject to the state and
13 federal constitutional prohibitions against the taking of private
14 property without the payment of just compensation. This
15 subdivision shall not impair the authority of a public agency or
16 public utility to exercise eminent domain authority.

17 *SEC. 8. Section 56652 of the Government Code is amended to*
18 *read:*

19 56652. Each application shall be in the form as the commission
20 may prescribe and shall contain all of the following information:

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

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

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

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

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

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

35 ~~SEC. 6.~~

36 *SEC. 9. Section 56668 of the Government Code is amended*
37 *to read:*

38 56668. Factors to be considered in the review of a proposal
39 shall include, but not be limited to, all of the following:

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

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

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

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

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

23 (e) The effect of the proposal on maintaining the physical and
24 economic integrity of agricultural lands, as defined by Section
25 56016.

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

31 (g) A regional transportation plan adopted pursuant to Section
32 65080.

33 (h) The proposal’s consistency with city or county general and
34 specific plans.

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

37 (j) The comments of any affected local agency or other public
38 agency.

39 (k) The ability of the newly formed or receiving entity to provide
40 the services which are the subject of the application to the area,

1 including the sufficiency of revenues for those services following
2 the proposed boundary change.

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

5 (m) The extent to which the proposal will affect a city or cities
6 and the county in achieving their respective fair shares of the
7 regional housing needs as determined by the appropriate council
8 of governments consistent with Article 10.6 (commencing with
9 Section 65580) of Chapter 3 of Division 1 of Title 7.

10 (n) Any information or comments from the landowner or ~~owners~~,
11 *landowners*, voters, or residents of the affected territory.

12 (o) Any information relating to existing land use designations.

13 (p) The extent to which the proposal will promote environmental
14 justice. As used in this subdivision, “environmental justice” means
15 the fair treatment of people of all races, cultures, and incomes with
16 respect to the location of public facilities and the provision of
17 public services.

18 *SEC. 10. Section 56856.5 of the Government Code is amended*
19 *to read:*

20 56856.5. (a) The commission shall not approve or conditionally
21 approve a change of organization or reorganization that would
22 result in the annexation to a city or special district of territory that
23 is subject to a contract entered into pursuant to the California Land
24 Conservation Act of 1965 (Chapter 7 (commencing with Section
25 51200) of Part 1 of Division 1), other than a contract entered into
26 pursuant to Article 7 (commencing with Section 51296) of Chapter
27 7 of Part 1 of Division 1, if that city or special district provides or
28 would provide facilities or services related to sewers,
29 nonagricultural water, or streets and roads to the territory, unless
30 these facilities or services benefit land uses that are allowed under
31 the contract.

32 (b) This section shall not be construed to preclude the annexation
33 of territory for the purpose of using other facilities or services
34 provided by the agency that benefit land uses allowable under the
35 contract.

36 (c) Notwithstanding subdivision (a), the commission may
37 nevertheless approve a change of organization or reorganization
38 if it finds any of the following:

39 (1) The city or county that would administer the contract after
40 annexation has adopted policies and feasible implementation

1 measures applicable to the ~~subject~~ *affected* territory ensuring the
2 continuation of agricultural use and other uses allowable under
3 the contract on a long-term basis.

4 (2) The change of organization or reorganization encourages
5 and provides planned, well-ordered, and efficient urban
6 development patterns that include appropriate consideration of the
7 preservation of open-space lands within those urban development
8 patterns.

9 (3) The change of organization or reorganization is necessary
10 to provide services to planned, well-ordered, and efficient urban
11 development patterns that include appropriate consideration of the
12 preservation of open-space lands within those urban development
13 patterns.

14 (d) This section shall not apply to territory subject to a contract
15 for which either of the following applies:

16 (1) A notice of nonrenewal has been served pursuant to Section
17 51245, if the annexing agency agrees that no services will actually
18 be provided by it for use during the remaining life of the contract
19 for land uses or activities not allowed under the contract.

20 (2) A tentative cancellation has been approved pursuant to
21 Section 51282.

22 *SEC. 11. Section 56880 of the Government Code, as added by*
23 *Section 7 of Chapter 334 of the Statutes of 2017, is amended and*
24 *renumbered to read:*

25 ~~56880.~~

26 56879.5 This article shall not apply to a special district formed
27 by special legislation that is required by its enabling statute to
28 obtain funding within a specified period of time or be dissolved.
29 That district shall not be subject to this article during that specified
30 period of time.

31 *SEC. 12. Section 57025 of the Government Code is amended*
32 *to read:*

33 57025. (a) The executive officer of the commission shall give
34 notice of the protest hearing to be held on the proposal by
35 publication pursuant to Sections 56153 and 56154 and by posting
36 pursuant to Sections 56158 and 56159.

37 (b) The executive officer shall give mailed notice to all
38 landowners owning land within any affected territory, consistent
39 with Sections 56155 to 56157, inclusive.

1 (c) If the ~~subject~~ *affected* territory is inhabited, the executive
2 officer shall also give mailed notice to all registered voters residing
3 within any affected territory, consistent with Sections 56155 to
4 56157, inclusive.

5 (d) The executive officer shall also give mailed notice to each
6 affected city, affected district, or affected county, the proponents,
7 if any, and to persons requesting special notice, consistent with
8 Sections 56155 to 56157, inclusive.

9 (e) In the case of a proposed change of organization or
10 reorganization that would result in the extension of any previously
11 authorized special tax or benefit assessment to the affected territory,
12 the executive officer of the commission shall give mailed notice
13 to each landowner within the affected territory.

14 *SEC. 13. Section 57026 of the Government Code is amended*
15 *to read:*

16 57026. The notice required to be given by Section 57025 shall
17 contain all of the following information:

18 (a) A statement of the distinctive short form designation assigned
19 by the commission to the proposal.

20 (b) A statement of the manner in which, and by whom,
21 proceedings were initiated. However, a reference to the proponents,
22 if any, shall be sufficient where proceedings were initiated by a
23 petition.

24 (c) A description of the exterior boundaries of the ~~subject~~
25 *affected* territory.

26 (d) A description of the particular change or changes of
27 organization proposed for each of the subject districts or cities and
28 new districts or new cities proposed to be formed, and any terms
29 and conditions to be applicable. The description may include a
30 reference to the commission's resolution making determinations
31 for a full and complete description of the change of organization
32 or reorganization, and the terms and conditions.

33 (e) A statement of the reason or reasons for the change of
34 organization or reorganization as set forth in the proposal submitted
35 to the commission.

36 (f) A statement of the time, date, and place of the protest hearing
37 on the proposed change of organization or reorganization.

38 (g) If the ~~subject~~ *affected* territory is inhabited and the change
39 of organization or reorganization provides for the submission of
40 written protests, a statement that any owner of land within the

1 territory, or any registered voter residing within the territory, may
2 file a written protest against the proposal with the executive officer
3 of the commission at any time prior to the conclusion of the hearing
4 by the commission on the proposal.

5 (h) If the ~~subject~~ *affected* territory is uninhabited and the change
6 of organization or reorganization provides for submission of written
7 protests, a statement that any owner of land within the territory
8 may file a written protest against the proposal with the executive
9 officer of the commission at any time prior to the conclusion of
10 the hearing by the commission on the proposal.

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