

AMENDED IN SENATE AUGUST 19, 2016

AMENDED IN SENATE AUGUST 16, 2016

AMENDED IN SENATE JUNE 28, 2016

AMENDED IN ASSEMBLY APRIL 18, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2414

Introduced by Assembly Member Eduardo Garcia

February 19, 2016

An act to add Chapter 10 (commencing with Section 32499) to Division 23 of the Health and Safety Code, relating to health care districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2414, as amended, Eduardo Garcia. Desert Healthcare District. Existing law, the Local Health Care District Law, authorizes the organization and incorporation of local health care districts and specifies the powers of those districts, including, among other things, the power to establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to, outpatient programs, services, and facilities; retirement programs, services, and facilities; chemical dependency programs, services, and facilities; or other health care programs, services, and facilities and activities at any location within or without the district for the benefit of the district and the people served by the district.

This bill would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the ~~Board of Supervisors of the County of Riverside~~ *district* to submit a

resolution of application to the Riverside County Local Agency Formation Commission, and, Commission to initiate proceedings to expand the district. The bill would require the commission to order the expansion of the district subject to a vote of the registered voters residing within the territory to be annexed at an election following the completion of those proceedings. The bill would require the Board of Supervisors of the County of Riverside, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing. The bill would provide for expansion of the district upon voter approval, if a funding source sufficient to support the operations of the expanded district is, if required, approved, as specified. The bill would require the district to pay for election costs, as specified. The bill would require the board of directors of the district, following expansion, to adopt a resolution to increase the number of members of the district's board of directors from 5 to 7, and to appoint 2 members who are residents of the territory annexed by the district to fill the vacant positions, as specified. By imposing new duties on the County of Riverside, the bill would impose a state-mandated local program.

This bill would require the board of directors of the district, following expansion, to adopt a resolution to increase the number of members of the district's board of directors from 5 to 7, and to appoint 2 members who are residents of the territory annexed by the district to fill the vacant positions, as specified. Following the expansion of the board of directors, the bill would require the board of directors to adopt a resolution to divide the Desert Healthcare District into voting districts for the purpose of electing members of the board of directors from and by the electors of those voting districts beginning with the next district election after January 1, 2020, as specified.

This bill would state the intent of the Legislature that the Desert Healthcare District maximize the use of its assets to provide direct health services to individuals within the district, as specified.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Coachella Valley region of Riverside County.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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

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

1 SECTION 1. Chapter 10 (commencing with Section 32499)
2 is added to Division 23 of the Health and Safety Code, to read:

4 CHAPTER 10. DESERT HEALTHCARE DISTRICT REORGANIZATION

6 32499. (a) The Desert Healthcare District may be expanded
7 in accordance with this chapter. All other provisions of this division
8 shall apply to the Desert Healthcare District following its
9 reorganization, except as provided in this chapter.

10 (b) (1) On or before January 5, 2017, the ~~Board of Supervisors~~
11 ~~of the County of Riverside~~ *Desert Healthcare District* shall file a
12 resolution of application with the Riverside County Local Agency
13 Formation Commission, pursuant to subdivision (a) of Section
14 56654 of the Government Code, to initiate proceedings by the
15 Riverside County Local Agency Formation Commission for the
16 purpose of expanding the Desert Healthcare District to include the
17 East Coachella Valley region. The expanded district shall include
18 all communities served by the Desert Healthcare District as of the
19 date of the filing of the resolution of application, and shall also
20 include, but not be limited to, the communities of Indian Wells,
21 La Quinta, Indio, and Coachella, and the unincorporated areas of
22 Bermuda Dunes, Mecca, Thermal, Oasis, North Shore, and Vista
23 Santa Rosa. The resolution of application shall comply with Section
24 56652 of the Government Code and shall specify the source of
25 funding for the expanded district. The Desert Healthcare District
26 shall pay any fees associated with the resolution of application.

27 (2) The Riverside County Local Agency Formation Commission
28 proceeding shall be deemed initiated on the date the resolution of
29 application is accepted for filing. Subsequent to initiation of the
30 proceeding, the commission shall hold a hearing pursuant to
31 Section 56666 of the Government Code. The commission shall

1 comply with the notice requirements of Sections 56660 and 56661
2 of the Government Code in connection with the hearing.

3 (3) The Riverside County Local Agency Formation Commission
4 shall complete its proceedings and direct the election required by
5 paragraph (2) of subdivision (c) no later than 150 days following
6 receipt of the completed resolution of application. Notwithstanding
7 any other law, the Riverside County Local Agency Formation
8 Commission shall not have the power to disapprove the resolution
9 of application.

10 (4) Notwithstanding any other law, the resolution of application
11 filed by the ~~board of supervisors~~ *Desert Healthcare District*
12 pursuant to this subdivision shall not be subject to any protest
13 proceedings.

14 (c) (1) The Riverside County Local Agency Formation
15 Commission shall order the expansion of the district subject to a
16 vote of the registered voters residing within the territory to be
17 annexed at an election following the completion of proceedings
18 pursuant to subdivision (b). The commission may condition the
19 annexation on the district's imposition of sufficient revenues to
20 provide services within the territory to be annexed, including, but
21 not limited to, the concurrent approval of special taxes or benefit
22 assessments that will generate those sufficient revenues.

23 (2) The Riverside County Local Agency Formation Commission
24 shall direct the ~~board of supervisors~~ *Board of Supervisors of the*
25 *County of Riverside* to direct county officials to conduct the
26 necessary election for approval of district expansion by placing
27 approval of district expansion, pursuant to subdivision (d) of
28 Section 57118 of the Government Code, and approval of any
29 necessary funding source for the expanded district that requires
30 voter approval on the ballot at the next countywide election.

31 (3) If a majority of the voters within the territory ordered to be
32 annexed vote in favor of the expanded district and if a number of
33 voters required under applicable law to approve any necessary
34 funding source that requires voter approval vote in favor of that
35 funding source, the district shall be expanded in accordance with
36 this chapter.

37 (4) The district shall pay to the county the actual cost of the
38 services rendered in conducting the election.

39 (d) The Cortese-Knox-Hertzberg Local Government
40 Reorganization Act of 2000 (Division 3 (commencing with Section

1 56000) of Title 5 of the Government Code) shall not apply to the
2 expansion of the district pursuant to subdivisions (b) and (c), except
3 as specified in this part. The act shall apply to any other change
4 of organization or reorganization as defined in that act, following
5 the reorganization of the district pursuant to this section.

6 (e) As used in this chapter, “district” means the Desert
7 Healthcare District.

8 32499.2. (a) Thirty days after the expansion of the district,
9 and notwithstanding Sections 32100.01 and 32100.02, the Board
10 of Directors of the Desert Healthcare District shall adopt a
11 resolution to increase the number of members of its board of
12 directors from five to seven without the necessity of a petition or
13 approval thereof by voters residing within the district. The
14 resolution shall become effective on the date of, and subject to any
15 conditions specified in, the resolution.

16 (b) The additional vacancies created by the expansion shall be
17 filled by appointment by the board of directors. A person appointed
18 to fill a vacancy created by subdivision (a) shall be a registered
19 voter and a resident of the territory annexed by the district pursuant
20 to Section 32499.

21 (c) Upon appointment, the board shall, by lot, designate one
22 member appointed pursuant to subdivision (a) who shall leave
23 office when his or her successor takes office pursuant to Section
24 10554 of the Elections Code, and one member appointed pursuant
25 to subdivision (a) who shall leave office two years thereafter.

26 (d) A vacancy in one or both of the board positions created by
27 subdivision (a) after the first appointments to those positions
28 pursuant to subdivision (b) shall be filled by the methods prescribed
29 in Section 1780 of the Government Code; *and, after January*
30 *1, 2020, shall be filled by the methods prescribed in Section*
31 *32499.3.*

32 (e) This section shall only become operative if the Desert
33 Healthcare District is expanded in accordance with Section 32499.

34 32499.3. (a) *Following the expansion of the Board of Directors*
35 *of the Desert Healthcare District, and notwithstanding Section*
36 *32100.1, the board of directors shall adopt a resolution to divide*
37 *the district into seven voting districts, number the voting districts*
38 *consecutively, and elect members of the board of directors by*
39 *voting district beginning with the first district election after*
40 *January 1, 2020.*

1 (b) In establishing the voting districts described in subdivision
2 (a), the board of directors shall provide for representation in
3 accordance with demographic, including population, and
4 geographic factors of the entire area of the district. The board of
5 directors shall fix the time and place and give public notice for a
6 hearing on the proposed establishment of the voting districts, at
7 which any elector of the district may present his or her views and
8 plans in relation to the proposed division, but the board of directors
9 shall not be bound thereby and their decision, in the resolution
10 adopted, shall be final.

11 (c) The resolution adopted pursuant to subdivision (a) shall
12 declare the voting districts and describe the boundaries of each
13 voting district.

14 (d) The voting districts described in subdivision (a) and any
15 necessary procedures for implementing the election of the board
16 of directors by voting districts shall be established and
17 implemented on or before January 1, 2020.

18 (e) The voting districts established pursuant to this section shall
19 be effective for the next district election after January 1, 2020. At
20 the expiration of the terms of office of the members of the board
21 of directors then in office, and thereafter, these members of the
22 board of directors shall be elected by voting districts. One member
23 of the board of directors shall be elected by the electors of each
24 of the voting districts. A person shall not be eligible to hold the
25 office of member of the board of directors unless he or she has
26 been a resident of the voting district from which he or she is elected
27 for 30 days next preceding the date of the election.

28 (f) A vacancy upon the board that results in a voting district left
29 unrepresented prior to the expiration of the term of that board
30 position shall be filled by appointment of the remaining members
31 of the board of directors. A member of the board of directors
32 appointed pursuant to this subdivision shall be a resident of the
33 voting district left unrepresented on the board of directors.

34 (g) This section shall become operative only if the Desert
35 Healthcare District is expanded in accordance with Section 32499.

36 32499.4. It is the intent of the Legislature that the Desert
37 Healthcare District maximize the use of its assets to provide direct
38 health services to individuals within the district through direct
39 operation of or funding provided to organizations that own or
40 operate hospitals, medical clinics, ambulance services,

1 *transportation programs for seniors or persons with disabilities,*
2 *wellness centers, health education services, promotoras, mental*
3 *health services, veterans' health services, and other similar*
4 *services.*

5 SEC. 2. The Legislature finds and declares that a special law
6 is necessary and that a general law cannot be made applicable
7 within the meaning of Section 16 of Article IV of the California
8 Constitution because of the unique community needs in Riverside
9 County that would be served by the expansion of the Desert
10 Healthcare District to include the entire Coachella Valley region,
11 including limited access in the eastern Coachella Valley to health
12 care services by an underserved population that suffers from a
13 higher than average prevalence of preventable disease.

14 SEC. 3. If the Commission on State Mandates determines that
15 this act contains costs mandated by the state, reimbursement to
16 local agencies and school districts for those costs shall be made
17 pursuant to Part 7 (commencing with Section 17500) of Division
18 4 of Title 2 of the Government Code.