

Senate Bill No. 1360

CHAPTER 57

An act to amend Section 54982 of the Government Code, relating to local government.

[Approved by Governor July 1, 2016. Filed with Secretary
of State July 1, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1360, Bates. Local government: municipal service agreements: law enforcement services.

Under existing law, the legislative body of any local agency, defined to mean a county, city, city and county, or public district, may contract with any other local agency for the performance by the latter of municipal services or functions within the territory of the former. Existing law requires any agreement entered into pursuant to this authorization to be for valuable consideration.

This bill would require a city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement to charge that city all the costs that are incurred in providing those law enforcement services, but prohibit the inclusion of any costs that the city providing the services reasonably determines are general overhead costs. The bill would provide that any determination of general overhead costs made by a city providing law enforcement services is subject to judicial review as to the reasonableness of that determination. The bill would apply to contracts or agreements entered into, or renewed, on and after January 1, 2017.

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

SECTION 1. Section 54982 of the Government Code is amended to read:

54982. (a) Any agreement entered into pursuant to this chapter shall be for valuable consideration, except as provided in subdivision (b).

(b) (1) A city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement authorized by this chapter shall charge that city all the costs that are incurred in providing those law enforcement services, but shall not include any costs that the city providing the services reasonably determines are general overhead costs.

(2) For purposes of this section, “general overhead costs” means those costs that a city would incur regardless of whether or not it provided law enforcement services pursuant to a contract or agreement to the other city.

(3) Any determination of general overhead costs made by a city providing law enforcement services shall be subject to judicial review as to the reasonableness of that determination.

(4) This subdivision shall only apply to contracts or agreements entered into, or renewed, on and after January 1, 2017.