

**ASSEMBLY BILL**

**No. 303**

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**Introduced by Assembly Member Runner**

February 14, 1997

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An act to add Chapter 3 (commencing with Section 55900) to Part 3 of Division 2 of Title 5 of the Government Code, relating to local government agencies.

LEGISLATIVE COUNSEL'S DIGEST

AB 303, as introduced, Runner. Local governmental agencies: Los Angeles County.

Existing law provides for the establishment of various local governmental agencies.

This bill would, upon the adoption of resolutions by the governing boards of at least 2 local jurisdictions, as defined, create a local agency known as the Los Angeles County Division Authority.

The governing board of the authority would consist of representatives appointed by the governing boards of participating local jurisdictions. The purpose of the authority would be to research the current fiscal health and service delivery capability of the County of Los Angeles and to determine if the division of the county into 2 or more smaller counties would result in enhanced fiscal health and service delivery.

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. Chapter 3 (commencing with Section  
2 55900) is added to Part 3 of Division 2 of Title 5 of the  
3 Government Code, to read:

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5 CHAPTER 3. LOS ANGELES COUNTY DIVISION AUTHORITY

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Article 1. General Provisions

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9 55900. This chapter shall be known and may be cited  
10 as the Los Angeles County Division Authority Law.

11 55901. As used in this chapter, the following terms  
12 have the following meaning:

13 (a) "Authority" means the Los Angeles County  
14 Division Authority formed pursuant to this chapter.

15 (b) "Governing board" means the governing board of  
16 the authority.

17 (c) "Local jurisdiction" means the County of Los  
18 Angeles or any city within the County of Los Angeles.

19 55902. If any provision of this chapter or the  
20 application of any provision of this chapter in any  
21 circumstance to any person, city, county, district, the  
22 state, or any agency or subdivision of the state is held  
23 invalid, that invalidity shall not affect other provisions or  
24 applications of this chapter that may be given effect  
25 without the invalid provision or application of the invalid  
26 provision, and to this end the provisions of this chapter  
27 are severable.

28 55903. Any action to determine the validity of the  
29 organization or of any action of the authority shall be  
30 brought pursuant to Chapter 9 (commencing with  
31 Section 860) of Title 10 of Part 2 of the Code of Civil  
32 Procedure.

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Article 2. Formation and Boundaries

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36 55910. There may be created a local agency to be  
37 known and designated as the Los Angeles County  
38 Division Authority.



1 55911. (a) The territory of the authority shall consist  
2 of all of the territory, whether incorporated or  
3 unincorporated, within the County of Los Angeles, as  
4 determined pursuant to subdivision (b).

5 (b) On or before January 1, 1999, the governing body  
6 of any local jurisdiction may adopt a resolution declaring  
7 its intent to form the authority. The board of supervisors  
8 shall immediately transmit a copy of its resolution to the  
9 County Clerk of the County of Los Angeles. As soon as  
10 feasible after receiving at least two resolutions, the  
11 county clerk shall declare the authority duly formed  
12 pursuant to this chapter with the boundaries determined  
13 pursuant to this section. The boundaries of the authority  
14 shall be the combined territory of each local jurisdiction  
15 in which the governing body has adopted a resolution  
16 pursuant to this section. In the case of the County of Los  
17 Angeles, the territory is the unincorporated territory of  
18 the county.

19 55912. Territory may be annexed to or detached from  
20 the authority, upon the request of the governing body of  
21 the local jurisdiction that has jurisdiction over the  
22 territory, with 30 days' notice to the authority's governing  
23 board.

24 55913. The Cortese-Knox Local Government  
25 Reorganization Act of 1985 (Division 3 (commencing  
26 with Section 56000)) shall not apply to the authority.  
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28 Article 3. Governing Board  
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30 55920. (a) The governing board shall be appointed  
31 pursuant to this section.

32 (b) The governing body of each local jurisdiction that  
33 adopted a resolution pursuant to Section 55911 shall  
34 appoint, by resolution, one representative to the  
35 governing board and shall appoint, by resolution, an  
36 additional representative for each 100,000 citizens within  
37 its territory. In the case of the County of Los Angeles, for  
38 the purpose of determining the number of  
39 representatives, the population shall be the total  
40 population of the unincorporated areas of the county.

1 (c) Each local jurisdiction participating in the  
2 authority shall contribute funding to the authority in  
3 proportion to the number of its representatives on the  
4 governing board.

5 55921. Notwithstanding Article 4.7 (commencing  
6 with Section 1125) of Chapter 1 of Division 4 of Title 1 or  
7 any other provision of law, service as a member or officer  
8 of the governing board, service as the secretary of the  
9 governing board, and service as the treasurer-chief fiscal  
10 officer of the authority does not constitute an  
11 incompatible activity by an officer or employee of  
12 another public agency.

13 55922. (a) The members of the governing board shall  
14 meet and elect a president and vice president. The  
15 governing board may create additional officers and elect  
16 members to those positions; however, no member of the  
17 governing board shall hold more than one office. The  
18 governing board may define the duties and terms of its  
19 officers.

20 (b) Except as provided in subdivision (e), the County  
21 Clerk of the County of Los Angeles may serve as the  
22 secretary of the governing board.

23 (c) Except as provided in subdivision (e), the County  
24 Treasurer of the County of Los Angeles may serve as the  
25 treasurer-chief fiscal officer of the authority.

26 (d) The governing board shall adopt a resolution  
27 defining the duties of the secretary and the  
28 treasurer-chief fiscal officer. Neither the secretary nor  
29 the treasurer-chief fiscal officer shall receive any  
30 compensation for his or her duties on behalf of the  
31 authority.

32 (e) The governing board may adopt a resolution  
33 appointing a secretary and a treasurer-chief fiscal officer  
34 other than those provided in subdivisions (b) and (c).  
35 The resolution may require the secretary and  
36 treasurer-chief fiscal officer to give bonds to the authority  
37 conditioned for the faithful performance of their duties.  
38 The authority shall pay the premiums on the bonds.

39 55923. (a) The governing board shall meet at least  
40 once every three months.



1 (b) The meetings of the governing board are subject  
2 to the Ralph M. Brown Act (Chapter 9 (commencing  
3 with Section 54950) of Part 1).

4 (c) A majority of the governing board shall constitute  
5 a quorum for the transaction of business.

6 (d) The governing board shall act only by ordinance,  
7 resolution, or motion. A recorded vote by a majority of the  
8 total membership of the governing board is required on  
9 each action.

10 (e) The governing board shall keep a record of all of  
11 its acts, including its financial transactions. Unless another  
12 provision of law requires a longer retention period, the  
13 governing board may destroy or otherwise dispose of any  
14 paper or document filed with or submitted to the  
15 authority more than two years previously, unless the  
16 governing board determines that there is a need for its  
17 retention. In determining whether there is a need for  
18 retaining a paper or document, the governing board shall  
19 consider the effect of statutes of limitation, future public  
20 need, and historical significance.

21 55924. Members of the governing board shall not  
22 receive any compensation for their service, including  
23 attending meetings of the governing board. Members of  
24 the governing board who are not officers or employees of  
25 another local agency may receive reimbursement from  
26 the authority for their necessary and actual expenses for  
27 traveling to and from meetings of the governing board.

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#### Article 4. Powers

31 55925. The authority shall have and may exercise all  
32 rights and powers, expressed or implied, necessary to  
33 carry out the purposes and intent of this chapter  
34 including, but not limited to, the following powers:

35 (a) To appoint employees, to define their  
36 qualifications and duties, and to provide compensation  
37 for the performance of their duties.

38 (b) To employ counsel.



1 (c) To contract with any other public agency for any  
2 services necessary to carry out the purposes of the  
3 authority.

4 (d) To contract for any services necessary to carry out  
5 the purposes of the authority.

6 55926. The powers of the authority shall be used to  
7 research the current fiscal health and service delivery  
8 capability of the County of Los Angeles. In reviewing  
9 those capabilities, the authority shall determine if the  
10 division of the County of Los Angeles into two or more  
11 smaller counties would result in enhanced fiscal health  
12 and service delivery. As part of that determination the  
13 authority shall prescribe the boundaries of any proposed  
14 division.

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16 Article 5. Fiscal Affairs

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18 55930. (a) On or before June 1 of each year, the  
19 governing board shall prepare a preliminary budget for  
20 the fiscal year that begins July 1.

21 (b) On or before June 1 of each year, the governing  
22 board shall publish a notice stating all of the following:

23 (1) That it has prepared a preliminary budget that is  
24 available for inspection at times and places specified in  
25 the notice.

26 (2) The date, time, and place when the governing  
27 board will meet to adopt the final budget.

28 (3) That any person may appear and be heard  
29 regarding any item in the budget or regarding the  
30 addition of other items.

31 (c) The notice shall be published pursuant to Section  
32 6066 in at least one newspaper of general circulation in  
33 each county within the boundaries of the authority.

34 (d) At the time and place specified for the meeting,  
35 any person may appear and be heard regarding any item  
36 in the budget or regarding the addition of other items.

37 (e) On or before July 1 of each year, after making any  
38 changes in the preliminary budget, the governing board  
39 shall adopt a final budget. The final budget shall establish



1 its appropriation limit pursuant to Division 9  
2 (commencing with Section 7900) of Title 1.

3 55931. (a) All claims for money or damages against  
4 the authority shall be governed by Part 3 (commencing  
5 with Section 900) and Part 4 (commencing with Section  
6 940) of Division 3.6 of Title 1.

7 (b) Claims against the authority shall be audited,  
8 allowed, and paid by order of the governing board.

9 (c) Notwithstanding subdivision (b), the governing  
10 board may authorize its treasurer-chief fiscal officer to  
11 use an alternative procedure for payment of claims  
12 against the authority.

13 (d) Notwithstanding subdivision (b), the governing  
14 board may adopt a resolution creating a petty cash fund  
15 to pay small bills directly. The resolution shall designate  
16 all of the following:

17 (1) The maximum amount of the fund, not to exceed  
18 five hundred dollars (\$500).

19 (2) The purposes for which the fund may be spent.

20 (3) The officer or employee who is authorized to  
21 spend the fund and who will account for it.

22 (4) The officer or employee who is authorized to  
23 create and reimburse the fund. Each document to  
24 reimburse the fund shall contain an itemized account of  
25 expenditures.

26 55932. The authority may accept any revenue,  
27 money, grants, goods, property, or services from any  
28 federal, state, regional, or local agency or from any person  
29 for any lawful purpose of the authority.

30 55933. Notwithstanding any other provision of law,  
31 the authority shall not do any of the following:

32 (a) Receive property tax revenues pursuant to  
33 Chapter 6 (commencing with Section 95) of Article 0.5 of  
34 Division 1 of the Revenue and Taxation Code.

35 (b) Levy special taxes including, but not limited to,  
36 taxes levied pursuant to the Mello-Roos Community  
37 Facilities Act of 1982 (Chapter 2.5 (commencing with  
38 Section 53311) of Part 1).

39 (c) Levy general taxes.

40 (d) Levy benefit assessments or special assessments.



1 (e) Issue bonds.

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Article 6. Termination

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5 55940. If the authority has not been created pursuant  
6 to Section 55911 on or before January 1, 1999, this chapter  
7 shall be repealed. If the authority has been created  
8 pursuant to Section 55911 it shall be terminated two years  
9 after the county clerk has declared the authority duly  
10 formed pursuant to Section 55911.

11 SEC. 2. The Legislature finds and declares that a  
12 special law is necessary and the general law cannot be  
13 made applicable within the meaning of Section 16 of  
14 Article IV of the California Constitution because of the  
15 unique circumstances in the County of Los Angeles. The  
16 facts constituting the special circumstances are as follows:

17 The diverse needs of the residents and cities within Los  
18 Angeles County require special study to determine how  
19 best to provide governmental services.

