

**Senate Bill No. 275**

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Passed the Senate August 31, 1999

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*Secretary of the Senate*

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Passed the Assembly August 26, 1999

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 1999, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*



## CHAPTER \_\_\_\_\_

An act to amend Section 13.5 of the Elections Code, to amend Sections 27000.8, 27000.9, 27063, 30063, 37361, 56332, 56853, 56857, 61107, 65307, 65850, 65850.4, 65956, 66451.2, 66458, 66498.1, 66498.2, and 66498.3 of, and to repeal Section 77202.5 of, the Government Code, to amend Sections 4730.6, 13114.2, and 13890 of the Health and Safety Code, and to amend Sections 98.02, 99, 4986.3, and 11005 of the Revenue and Taxation Code, relating to local agencies, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

SB 275, Committee on Local Government. 1999 Local Agency Omnibus Act.

(1) Existing law provides that in order to be considered a legally qualified candidate for certain county and judicial offices, a person is required to file specified documents.

This bill would add to those offices requiring the filing of those documents the offices of county treasurer, county tax collector, and county treasurer-tax collector.

(2) Existing law authorizes a county board of supervisors to enact an ordinance adopting continuing education requirements for the office of county treasurer, county tax collector, or county treasurer-tax collector within the discipline of treasury management or public finance or both.

This bill would also permit the continuing education requirements to be within the disciplines of public administration, governmental accounting, or directly related subjects.

(3) Existing law requires the county treasurer to file with the county board of supervisors a monthly report of funds received and disbursed.

This bill would authorize a county auditor to file those reports if the county treasurer and county auditor have a written agreement.



(4) Existing law requires the county auditor and the city treasurer to file a written report on or before September 1 each year with the Supplemental Law Enforcement Oversight Committee and the local governing body detailing and summarizing allocations from the county's or city's Supplemental Law Enforcement Services Fund, as applicable for the entire preceding year. Existing law requires local officials to hold a public hearing in September in each year that the Legislature appropriates money to the fund for the purpose of considering requests for money from the fund.

This bill instead would require the report to be filed on or before the date of the duly noticed public hearing.

(5) Existing law authorizes the legislative body of a city to impose appropriate and reasonable control of the use or appearance of neighboring private property within public view of places, buildings, structures, works of art, and other objects having a special character or special historical or aesthetic interest or value.

This bill would make corrective, technical changes in that provision.

(6) Under existing law, when the executive officer of a local agency formation commission determines that it is not feasible to hold a meeting of the special district selection committee for the purpose of selecting the special district representatives to the commission or for filling a vacancy, the executive officer may conduct the selection process by delivering the necessary papers, or sending them by certified mail, to each independent special district.

This bill would additionally authorize this selection process to be conducted by electronic mail.

(7) Existing law requires the executive officer of a local agency formation commission to mail a copy of the commission's resolution of its determinations concerning a proposed change of organization or reorganization to the chief petitioners, if any, each affected local agency whose boundaries would be changed, and the conducting authority.



This bill would authorize the executive officer to transmit the resolutions by electronic mail.

(8) Under existing law, when a local agency formation commission is requested to amend or reconsider a resolution making determinations, the deadline for filing certain actions is tolled during the time it takes the commission to act on the request.

This bill would toll the time for filing any action during the time it takes the commission to act on the request.

(9) Existing law specifies the proceedings necessary to form a community services district.

This bill would correct a technical error in that provision.

(10) Existing law requires that on or before October 1, the planning agency of each city or county shall annually report to its legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of its general plan and progress in its implementation.

This bill would correct an obsolete cross-reference in that provision.

(11) Existing law authorizes cities and counties to adopt zoning ordinances including content neutral zoning ordinances, regulating the time, place, and manner of operation of sexually oriented businesses, subject to specified conditions.

This bill would make a technical nonsubstantive change to those provisions.

(12) Under existing law, the failure of a development project applicant to submit complete or adequate information under the Permit Streamlining Act may be grounds for disapproving the project.

This bill would correct an obsolete cross-reference in that provision.

(13) Existing law permits cities and counties to establish fees for processing tentative, final, and parcel subdivision maps and related procedures.

This bill would correct obsolete cross-references in that provision.



(14) Under existing law, the legislative body of a city or county is required to provide specified notice of a pending approval or disapproval of a final subdivision map by the official to whom that authority has been delegated.

This bill instead would require that the notice be given by the clerk of the legislative body.

(15) Existing law specifies the time period for which rights exist that are conferred by a vesting tentative map.

This bill would correct obsolete cross references to that provision in other provisions of the Subdivision Map Act.

(16) Under existing law, in any year that the net county benefit for Ventura County between the property taxes allocated to cities by the county and the state money received by the county under the Trial Court Funding Program is less than \$5,262,500, the county receives a special subvention from vehicle license fee revenues.

This bill instead would establish a subvention of vehicle license fee revenues to Ventura County equal to 60% of the property tax revenue allocated to no and low property tax cities.

(17) Existing law provides for the establishment of the Ventura Regional Sanitation District, and further provides that the board of directors shall be the governing board of the district. Existing law also provides for an independent special district committee, composed of the presiding officers of specified independent special districts.

This bill would redesignate the independent special district committee as the special district committee, and would revise the membership requirements for that committee.

(18) Existing law requires the State Fire Marshal to adopt regulations and standards on or before September 1, 1999, to control the quality and installation of burglar bars and safety release mechanisms and prohibits, on and after October 1, 1999, the installation, marketing, distribution, offer for sale, or sale of those items if they have not been approved by a testing laboratory recognized by the State Fire Marshal.



This bill would specify that the burglar bars and safety release mechanisms are for emergency escape/rescue windows or doors, require that the regulations be adopted on or before January 1, 2000, and provide that the prohibition against unapproved items shall commence on July 1, 2000.

(19) The Fire Protection District Law requires fire districts to adopt budgets conforming to specified state regulations.

This bill would correct an obsolete reference to those regulations.

(20) Existing law authorizes the cancellation of property taxes and special taxes imposed to pay for bonds in certain situations where the property was acquired by a city through foreclosure.

This bill would also permit these procedures for tax cancellation to be applied to property acquired through foreclosure by counties, cities and counties, special districts, school districts, and joint powers agencies.

(21) Existing law generally requires those agencies affected by a proposed jurisdictional change to negotiate, in accordance with specified procedures, an exchange of property tax revenues to reflect the changes in service area obligations that will result from the jurisdictional change. The process of negotiation, mediation, and arbitration concludes no more than 150 days after the initiation of proceedings for the jurisdictional change before the local agency formation commission.

This bill instead would require negotiation, mediation, and arbitration to be concluded no more than 150 days after the auditor provides specified property tax information to the local agencies.

(22) This bill would declare that it is to take effect immediately as an urgency statute but would also provide that all but specified provisions of the bill shall become operative on January 1, 2000.



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

SECTION 1. (a) This act shall be known and may be cited as the 1999 Local Agency Omnibus Act.

(b) The Legislature finds and declares that Californians desire their government to be run efficiently and economically, and that public officials should avoid waste and duplication whenever possible. The Legislature further finds and declares that it desires to control its own operating costs by reducing the number of separate bills. Therefore, it is the intent of the Legislature in enacting this act to combine several minor, noncontroversial statutory changes relating to public agencies into a single measure.

SEC. 5. Section 13.5 of the Elections Code is amended to read:

13.5. (a) (1) Notwithstanding subdivision (a) of Section 13, no person shall be considered a legally qualified candidate for any of the offices set forth in subdivision (b) unless that person has filed a declaration of candidacy, nomination papers, or statement of write-in candidacy, accompanied by documentation, including, but not necessarily limited to, certificates, declarations under penalty of perjury, diplomas, or official correspondence, sufficient to establish, in the determination of the official with whom the declaration or statement is filed, that the person meets each qualification established for service in that office by the provision referenced in subdivision (b).

(2) The provision of “documentation,” for purposes of compliance with the requirements of paragraph (1), may include the submission of either an original, as defined in Section 255 of the Evidence Code, or a duplicate, as defined in Section 260 of the Evidence Code.

(b) This section shall be applicable to the following offices and qualifications therefor:

(1) For the office of county auditor, the qualifications set forth in Sections 26945 and 26946 of the Government Code.



(2) For the office of county district attorney, the qualifications set forth in Sections 24001 and 24002 of the Government Code.

(3) For the office of county sheriff, the qualifications set forth in Section 24004.3 of the Government Code.

(4) For the office of county superintendent of schools, the qualifications set forth in Sections 1205 to 1208, inclusive, of the Education Code.

(5) For the office of judge of the municipal court, the qualifications set forth in Article 4 (commencing with Section 71140) of Chapter 6 of Title 8 of the Government Code.

(6) For the office of judge of the superior court, the qualifications set forth in Section 15 of Article VI of the California Constitution.

(7) For the office of county treasurer, county tax collector, or county treasurer-tax collector, the qualifications set forth in Section 27000.7 of the Government Code, provided that the board of supervisors has adopted the provisions of that section pursuant to Section 27000.8 of the Government Code.

SEC. 6. Section 27000.8 of the Government Code is amended to read:

27000.8. Any duly elected county treasurer, county tax collector, or county treasurer-tax collector serving in that office on January 1, 1996, may serve for his or her remaining term of office during which period of time the requirements of this section shall not apply. After the election of a county treasurer, county tax collector, or county treasurer-tax collector to office, that person shall complete a valid continuing course of study as prescribed in this section, and shall during the person's four-year term of office on or before June 30 of the fourth year, render to the State Controller a certification indicating that the person has successfully completed a continuing education program consisting of, at a minimum, 48 hours, or an equivalent amount of continuing education units within the discipline of treasury management, public finance, public administration, governmental accounting, or directly related subjects, offered by a



recognized state or national association, institute, or accredited college or university, or the California Debt and Investment Advisory Commission, that provides the requisite educational programs prescribed in this section. The willful or negligent failure of any elected county treasurer, county tax collector, or county treasurer-tax collector to comply with the requirements of this section shall be deemed a violation of this section.

SEC. 7. Section 27000.9 of the Government Code is amended to read:

27000.9. Notwithstanding any other requirement of law, any duly appointed county officer serving in the capacity of county treasurer, county tax collector, or county treasurer-tax collector shall, beginning in 2000, complete a valid continuing course of study as prescribed in this section, and shall, on or before June 30 of each two-year period, render to the State Controller, a certification indicating that the county officer has successfully completed a continuing education program consisting of, at a minimum, 24 hours or an equivalent amount of continuing education units within the discipline of treasury management, public finance, public administration, governmental accounting, or directly related subjects, offered by a recognized state or national association, institute, or accredited college or university, or the California Debt and Investment Advisory Commission, that provides the requisite educational programs prescribed in this section. The willful or negligent failure of any county officer serving in the capacity of county treasurer, county tax collector, or county treasurer-tax collector to comply with the requirements of this section shall be deemed a violation of this section.

SEC. 8. Section 27063 of the Government Code is amended to read:

27063. Not later than the 25th day of each month, the treasurer, or, if the auditor has a written agreement with the treasurer, the auditor, shall file with the board of supervisors a detailed report of all money received and disbursed by him or her during the preceding report



period which shall be no less frequent than monthly, so that the receipts into the treasury and the amounts of disbursements for the period will distinctly appear. The report shall be filed and preserved by the clerk of the board.

SEC. 9. Section 30063 of the Government Code is amended to read:

30063. (a) The Supplemental Law Enforcement Services Fund (SLESF) in each county or city is to be expended exclusively as required by this chapter. Moneys in that fund shall not be transferred to, or intermingled with, the moneys in any other fund in the county or city treasury, except that moneys may be transferred from the SLESF to the county's or city's general fund to the extent necessary to facilitate the appropriation and expenditure of those transferred moneys in the manner required by this chapter.

(b) Moneys in a SLESF may only be invested in safe and conservative investments in accordance with those standards of prudent investment applicable to the investment of trust moneys. The treasurer of the county and each city shall provide a monthly SLESF investment report to either the police chief or the county sheriff and district attorney, as applicable.

(c) Each year, on or before the date of the duly noticed public hearing required pursuant to paragraph (1) of subdivision (c) of Section 30061, the county auditor and city treasurer shall detail and summarize allocations from the county's or city's SLESF, as applicable, in a written, public report filed with the Supplemental Law Enforcement Oversight Committee (SLEOC), the county board of supervisors or city council, as applicable, for the entirety of the immediately preceding fiscal year, and the county sheriff or police chief, as applicable.

(d) A summary of the annual reports required in subdivision (c) shall be submitted in a standardized format to be developed by the Controller, in conjunction with the California District Attorney's Association, California Police Chief's Association, California State Sheriff's Association, California Peace Officer's



Association, California County Auditor's Association, and California Municipal Treasurer's Association, by each SLEOC to the Controller on or before October 15, 1998, and each year thereafter. Upon request, the Controller shall make a copy of the summarized reports available to the Governor and the Legislature.

SEC. 10. Section 37361 of the Government Code is amended to read:

37361. (a) The legislative body may acquire property for the preservation or development of a historical landmark. The legislative body may also acquire property for development for recreational purposes and for development of facilities in connection therewith.

(b) The legislative body may provide for places, buildings, structures, works of art, and other objects, having a special character or special historical or aesthetic interest or value, special conditions or regulations for their protection, enhancement, perpetuation or use, which may include appropriate and reasonable control of the use or appearance of neighboring private property within public view, or both.

(c) Until January 1, 1995, subdivision (b) shall not apply to noncommercial property owned by a religiously affiliated association or corporation not organized for private profit, whether incorporated as a religious or public benefit corporation, unless the owner of the property does not object to its application. This subdivision does apply to a charter city. Nothing in this subdivision shall be construed to infringe on the authority of the legislative body to enforce special conditions and regulations on any property designated prior to January 1, 1994. Subdivision (b) shall not apply to noncommercial property owned by any association or corporation that is religiously affiliated and not organized for private profit, whether the corporation is organized as a religious corporation, or as a public benefit corporation, provided that both of the following occur:

(1) The association or corporation objects to the application of the subdivision to its property.



(2) The association or corporation determines in a public forum that it will suffer substantial hardship, which is likely to deprive the association or corporation of economic return on its property, the reasonable use of its property, or the appropriate use of its property in the furtherance of its religious mission, if the application is approved.

(d) Nothing in this subdivision shall be construed to infringe on the authority of any legislative body to enforce special conditions and regulations on any property designated prior to January 1, 1994, or to authorize any legislative body to override the determination made pursuant to paragraph (2) of subdivision (c). This subdivision shall apply to a charter city.

SEC. 12. Section 56332 of the Government Code is amended to read:

56332. (a) The commission of any county shall be enlarged by two members if, pursuant to Chapter 5 (commencing with Section 56450), the commission of any county does both of the following:

(1) Orders representation of special districts upon the commission.

(2) Adopts regulations affecting the functions and services of special districts.

In addition to the commission members selected pursuant to Sections 56325, 56329, and 56330, two commission members shall be selected by an independent special district selection committee to represent special districts in the county.

(b) The independent special district selection committee shall consist of the presiding officer of the legislative body of each independent special district. However, if the presiding officer of an independent special district is unable to attend a meeting of the independent special district selection committee, the legislative body of the district may appoint one of its members to attend the meeting of the selection committee in the presiding officer's place. Those districts shall include districts located wholly within the county



and those containing territory within the county representing 50 percent or more of the assessed value of taxable property of the district, as shown on the last equalized county assessment roll. Each member of the committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer. Members representing a majority of the eligible districts shall constitute a quorum.

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

(1) Whenever a vacancy exists among the members or alternate members representing independent special districts upon the commission.

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

(d) (1) If the executive officer determines that a meeting of the special district selection committee, for the purpose of selecting the special district representatives or for filling a vacancy, is not feasible, the executive officer may conduct the business of the committee in writing, as provided in this subdivision. The executive officer may call for nominations to be submitted in writing within 30 days. At the end of the nominating period, the executive officer shall prepare and deliver, or send by certified mail, to each independent special district one ballot and voting instructions.

(2) As an alternative to the delivery or certified mail, the executive officer, with the prior concurrence of the district, may transmit the ballot and voting instructions by electronic mail, provided that the executive officer shall retain written evidence of the receipt of that material.

(3) The ballot shall include the names of all nominees and the office for which each was nominated. The



districts shall return the ballots to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballots to the districts.

(4) If the executive officer has transmitted the ballot and voting instructions by electronic mail, the districts may return the ballots to the executive officer by electronic mail, provided that the executive officer retains written evidence of the receipt of the ballot.

(5) Any ballot received by the executive officer after the specified date is invalid. The executive officer shall announce the results of the election within seven days of the specified date.

(e) The selection committee shall appoint two regular members and one alternate member to the commission. The members so appointed shall be elected or appointed special district officers residing within the county but shall not be members of the legislative body of a city or county. If one of the regular district members is absent from a commission meeting or disqualifies himself or herself from participating in a meeting, the alternate district member may serve and vote in place of the regular district member for that meeting. The representation by a regular district member who is a special district officer shall not disqualify, or be cause for disqualification of, the member from acting on a proposal affecting the special district. The special district selection committee may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the district of which the member is a representative.

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

SEC. 13. Section 56853 of the Government Code is amended to read:

56853. The executive officer shall mail a copy of the resolution adopted by the commission making



determinations addressed to each of the following persons or entities:

(a) The chief petitioners, if any, where the proceedings for change of organization were initiated by petition.

(b) Each affected local agency whose boundaries would be changed by the proposal.

(c) The conducting authority, by certified mail, return receipt requested. The copy of the resolution mailed to the conducting authority shall be certified as a true and correct copy by the executive officer. As an alternative to mailing the resolution by certified mail, the executive officer, with the prior concurrence of the conducting authority, may transmit the resolution by electronic mail, provided that the executive officer shall retain written evidence of the receipt of that resolution.

SEC. 14. Section 56857 of the Government Code is amended to read:

56857. (a) Any person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of any resolution adopted by the commission making determinations. The request shall state the specific modification to the resolution being requested.

(b) Notwithstanding Section 56106, the deadlines set by this section are mandatory. The person or agency shall file the written request within 30 days of the adoption of the initial or superseding resolution by the commission making determinations or prior to the adoption of a resolution by the conducting authority pursuant to Chapter 4 (commencing with Section 57075), whichever is earlier. If no person or agency files a timely request, the commission shall not take any action pursuant to this section.

(c) Upon receipt of a timely request, the executive officer shall immediately notify the conducting authority which shall not take any further action until the commission acts on the request.

(d) Upon receipt of a timely request by the executive officer, the time to file any action, including, but not



limited to, an action pursuant to Section 21167 of the Public Resources Code and any provisions of Part 4 (commencing with Section 57000) governing the time within which the conducting authority is to act shall be tolled for the time that the commission takes to act on the request.

(e) The executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given pursuant to this subdivision. The executive officer shall give notice of the consideration of the request by the commission in the same manner as for the original proposal. The executive officer may give notice in any other manner as he or she deems necessary or desirable.

(f) At that meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time but not to exceed 70 days from the date specified in the notice. The person or agency which filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

(g) At the conclusion of its consideration, the commission may approve or disapprove with or without amendment, wholly, partially, or conditionally, the request. If the commission disapproves the request, it shall not adopt a new resolution making determinations, but shall direct the executive officer to notify the conducting authority of its action. If the commission approves the request, with or without amendment, wholly, partially, or conditionally, the commission shall adopt a resolution making determinations which shall supersede the resolution previously issued.

(h) The determinations of the commission shall be final and conclusive. No person or agency shall make any further request for the same change or a substantially similar change, as determined by the commission.

(i) Notwithstanding subdivision (h), clerical errors or mistakes may be corrected pursuant to Section 56854.

SEC. 15. Section 61107 of the Government Code is amended to read:



61107. Once the chief petitioners have filed a sufficient petition or a legislative body has filed a resolution of application, the local agency formation commission shall proceed pursuant to Chapter 5 (commencing with Section 56825) of Part 3 of Division 3 of Title 5.

SEC. 16. Section 65307 of the Government Code is amended to read:

65307. On or before October 1 of each year, the planning agency of each city or county shall comply with the provisions of Section 65400.

SEC. 17. Section 65850 of the Government Code is amended to read:

65850. The legislative body of any county or city may, pursuant to this chapter, adopt ordinances that do any of the following:

(a) Regulate the use of buildings, structures, and land as between industry, business, residences, open space, including agriculture, recreation, enjoyment of scenic beauty, use of natural resources, and other purposes.

(b) Regulate signs and billboards.

(c) Regulate all of the following:

(1) The location, height, bulk, number of stories, and size of buildings and structures.

(2) The size and use of lots, yards, courts, and other open spaces.

(3) The percentage of a lot which may be occupied by a building or structure.

(4) The intensity of land use.

(d) Establish requirements for offstreet parking and loading.

(e) Establish and maintain building setback lines.

(f) Create civic districts around civic centers, public parks, public buildings, or public grounds, and establish regulations for those civic districts.

SEC. 18. Section 65850.4 of the Government Code is amended to read:

65850.4. (a) The legislative body of any county or city may regulate, pursuant to a content neutral ordinance, the time, place, and manner of operation of sexually



oriented businesses, when the ordinance is designed to serve a substantial governmental interest, does not unreasonably limit alternative avenues of communication, and is based on narrow, objective, and definite standards. The legislative body is entitled to rely on the experiences of other counties and cities and on the findings of court cases in establishing the reasonableness of the ordinance and its relevance to the specific problems it addresses, including the harmful secondary effects that the business may have on the community and its proximity to churches, schools, residences, establishments dispensing alcohol, and other sexually oriented businesses.

(b) For purposes of this section, a sexually oriented business is one whose primary purpose is the sale or display of matter that, because of its sexually explicit nature, may, pursuant to state law or local regulatory authority, be offered only to persons over the age of 18 years.

(c) This section shall not be construed to preempt the legislative body of any city or county from regulating a sexually oriented business or similar establishment in the manner and to the extent permitted by the United States Constitution and the California Constitution.

(d) It is the intent of the Legislature to authorize the legislative body of any city or county to enter into a legally sanctioned and appropriate cooperative agreement, consortium, or joint powers authority with other adjacent cities or counties regarding regulation of established negative secondary effects of adult or sexually oriented businesses if the actions taken by the legislative body are consistent with this section.

(e) The Legislature finds and declares that in order to encourage the legislative body of a city or county in regulating adult or sexually oriented businesses or similar businesses under this section, the legislative body may consider any harmful secondary effects such a business may have on adjacent cities and counties and its proximity to churches, schools, residents, and other businesses located in adjacent cities or counties.



SEC. 19. Section 65956 of the Government Code is amended to read:

65956. (a) If any provision of law requires the lead agency or responsible agency to provide public notice of the development project or to hold a public hearing, or both, on the development project and the agency has not provided the public notice or held the hearing, or both, at least 60 days prior to the expiration of the time limits established by Sections 65950 and 65952, the applicant or his or her representative may file an action pursuant to Section 1085 of the Code of Civil Procedure to compel the agency to provide the public notice or hold the hearing, or both, and the court shall give the proceedings preference over all other civil actions or proceedings, except older matters of the same character.

(b) In the event that a lead agency or a responsible agency fails to act to approve or to disapprove a development project within the time limits required by this article, the failure to act shall be deemed approval of the permit application for the development project. However, the permit shall be deemed approved only if the public notice required by law has occurred. If the applicant has provided seven days advance notice to the permitting agency of the intent to provide public notice, then no earlier than 60 days from the expiration of the time limits established by Sections 65950 and 65952, an applicant may provide the required public notice using the distribution information provided pursuant to Section 65941.5. If the applicant chooses to provide public notice, that notice shall include a description of the proposed development substantially similar to the descriptions which are commonly used in public notices by the permitting agency, the location of the proposed development, the permit application number, the name and address of the permitting agency, and a statement that the project shall be deemed approved if the permitting agency has not acted within 60 days. If the applicant has provided the public notice required by this section, the time limit for action by the permitting agency shall be extended to 60 days after the public notice is



provided. If the applicant provides notice pursuant to this section, the permitting agency shall refund to the applicant any fees which were collected for providing notice and which were not used for that purpose.

(c) Failure of an applicant to submit complete or adequate information pursuant to Sections 65943 to 65944, inclusive, may constitute grounds for disapproving a development project.

(d) Nothing in this section shall diminish the permitting agency's legal responsibility to provide, where applicable, public notice and hearing before acting on a permit application.

SEC. 20. Section 66451.2 of the Government Code is amended to read:

66451.2. The local agency may establish reasonable fees for the processing of tentative, final and parcel maps and for other procedures required or authorized by this division or local ordinance, but the fees shall not exceed the amount reasonably required by such agency to administer the provisions of this division. The fees shall be imposed pursuant to the Mitigation Fee Act, consisting of Chapter 5 (commencing with Section 66000), Chapter 6 (commencing with Section 66010), Chapter 7 (commencing with Section 66012), Chapter 8 (commencing with Section 66016), and Chapter 9 (commencing with Section 66020) of Division 1.

SEC. 21. Section 66458 of the Government Code is amended to read:

66458. (a) The legislative body shall, at the meeting at which it receives the map or, at its next regular meeting after the meeting at which it receives the map, approve the map if it conforms to all the requirements of this chapter and any local subdivision ordinance applicable at the time of approval or conditional approval of the tentative map and any rulings made thereunder. If the map does not conform, the legislative body shall disapprove the map.

(b) If the legislative body does not approve or disapprove the map within the prescribed time, or any authorized extension thereof, and the map conforms to all



requirements and rulings, it shall be deemed approved, and the clerk of the legislative body shall certify or state its approval thereon.

(c) The meeting at which the legislative body receives the map shall be the date on which the clerk of the legislative body receives the map.

(d) The legislative body may provide, by ordinance, for the approval or disapproval of final maps by the city or county engineer, surveyor, or other designated official. The legislative body may also provide, by ordinance, that the official may accept, accept subject to improvement, or reject dedications and offers of dedications that are made by a statement on the map. Any ordinance adopted pursuant to this subdivision shall provide that (1) the designated official shall notify the legislative body at its next regular meeting after the official receives the map that the official is reviewing the map for final approval, (2) the designated official shall approve or disapprove the final map within 10 days following the meeting of the legislative body that was preceded by the notice in (4) below, (3) the designated official's action may be appealed to the legislative body, (4) the clerk of the legislative body shall provide notice of any pending approval or disapproval by a designated official, which notice shall be attached and posted with the legislative body's regular agenda and shall be mailed to interested parties who request notice, and (5) the legislative body shall periodically review the delegation of authority to the designated official. Except as specifically authorized by this subdivision, the processing of final maps shall conform to all procedural requirements of this division.

SEC. 22. Section 66498.1 of the Government Code is amended to read:

66498.1. (a) Whenever a provision of this division requires that a tentative map be filed, a vesting tentative map may instead be filed.

(b) When a local agency approves or conditionally approves a vesting tentative map, that approval shall confer a vested right to proceed with development in substantial compliance with the ordinances, policies, and



standards described in Section 66474.2. However, if Section 66474.2 is repealed, that approval shall confer a vested right to proceed with development in substantial compliance with the ordinances, policies, and standards in effect at the time the vesting tentative map is approved or conditionally approved.

(c) Notwithstanding subdivision (b), the local agency may condition or deny a permit, approval, extension, or entitlement if it determines any of the following:

(1) A failure to do so would place the residents of the subdivision or the immediate community, or both, in a condition dangerous to their health or safety, or both.

(2) The condition or denial is required in order to comply with state or federal law.

(d) The rights conferred by this section shall expire if a final map is not approved prior to the expiration of the vesting tentative map. If the final map is approved, the rights conferred by this section shall be subject to the periods of time set forth in subdivisions (b), (c), and (d) of Section 66498.5.

(e) Consistent with subdivision (b), an approved or conditionally approved vesting tentative map shall not limit a local agency from imposing reasonable conditions on subsequent required approvals or permits necessary for the development and authorized by the ordinances, policies, and standards described in subdivision (b).

SEC. 23. Section 66498.2 of the Government Code is amended to read:

66498.2. If the ordinances, policies, or standards described in subdivision (b) of Section 66498.1 are changed subsequent to the approval or conditional approval of a vesting tentative map, the subdivider, or his or her assignee, at any time prior to the expiration of the vesting tentative map pursuant to subdivisions (b), (c), and (d) of Section 66498.5, may apply for an amendment to the vesting tentative map to secure a vested right to proceed with the changed ordinances, policies, or standards. An application shall clearly specify the changed ordinances, policies, or standards for which the amendment is sought.



SEC. 24. Section 66498.3 of the Government Code is amended to read:

66498.3. (a) Whenever a subdivider files a vesting tentative map for a subdivision whose intended development is inconsistent with the zoning ordinance in existence at that time, that inconsistency shall be noted on the map. The local agency may deny a vesting tentative map or approve it conditioned on the subdivider, or his or her designee, obtaining the necessary change in the zoning ordinance to eliminate the inconsistency. If the change in the zoning ordinance is obtained, the approved or conditionally approved vesting tentative map shall, notwithstanding subdivision (b) of Section 66498.1, confer the vested right to proceed with the development in substantial compliance with the change in the zoning ordinance and the map, as approved.

(b) The rights conferred by this section shall be for the time periods set forth in subdivisions (b), (c), and (d) of Section 66498.5.

SEC. 25. Section 77202.5 of the Government Code is repealed.

SEC. 26. Section 4730.6 of the Health and Safety Code is amended to read:

4730.6. (a) Notwithstanding Sections 4730, 4730.1, and 4730.2 or any other provision of law, the governing board of the Ventura Regional Sanitation District shall be a board of directors appointed in accordance with this section. Unless the context otherwise indicates, as used in this section, “district” means the Ventura Regional Sanitation District.

(b) The legislative body of each city located wholly or partially within the district’s boundaries shall designate one of its members to be a member of the district’s board of directors. Each legislative body may designate one of its members as an alternate to act in the place of its regular member in the case of the absence or disqualification of the regular member. An alternate member shall have the full voting rights of the regular member.



(c) The special district committee, which shall consist of the presiding officers of all special districts that have a governing board separately elected, in whole or in part, from any board of supervisors or city council, and would be entitled to representation on the Ventura Regional Sanitation District Board of Directors under Section 4730.1, if that section were applicable to the Ventura Regional Sanitation District, shall designate one separately elected member of a board of directors of a special district represented on the committee to be a member of the district's board of directors. The special district committee may designate one separately elected member as an alternate to act in the place of the regular member in the case of the absence or disqualification of the regular member. An alternate member shall have the full voting rights of the regular member.

(d) Each member of the district's board of directors shall have one vote.

(e) No action shall be taken at any meeting of the district's board of directors unless a majority of all authorized members of the board of directors is in attendance.

(f) A majority of the members of the board of directors present shall be required to approve or otherwise act on any matter except as otherwise required by law.

SEC. 26.5. Section 13114.2 of the Health and Safety Code is amended to read:

13114.2. (a) On or before January 1, 2000, the State Fire Marshal shall adopt regulations and standards to control the quality and installation of burglar bars and safety release mechanisms for emergency escape/rescue windows or doors installed, marketed, distributed, offered for sale, or sold in this state.

(b) On and after July 1, 2000, no person shall install, market, distribute, offer for sale, or sell burglar bars and safety release mechanisms for emergency escape/rescue windows or doors in this state unless the burglar bars and safety release mechanisms have been approved by a testing laboratory recognized by the State Fire Marshal.

(c) As used in this section:



(1) “Burglar bars” means security bars located on the inside or outside of a door or window of a residential dwelling.

(2) “Residential dwelling” means a house, apartment, motel, hotel, or other type of residential dwelling subject to the State Housing Law (Part 1.5 (commencing with Section 17910) of Division 13) and a manufactured home, mobilehome, and multiunit manufactured housing as defined in the Mobilehomes-Manufactured Housing Act of 1980 (Part 2 (commencing with Section 18000) of Division 13).

(3) “Emergency escape/rescue windows or doors” means the exits required by Section 1-310.4 of the 1998 edition of the California Building Standards Code, or its successor.

SEC. 27. Section 13890 of the Health and Safety Code is amended to read:

13890. On or before June 30 of each year, a district board shall adopt a preliminary budget which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with Section 1031.1) of, and Article 1 (commencing with Section 1121) of Subchapter 4 of, Chapter 2 of Division 2 of Title 2 of the California Code of Regulations.

SEC. 28. Section 98.02 of the Revenue and Taxation Code is amended to read:

98.02. (a) In the County of Ventura, the computations made pursuant to Section 96.1 or its predecessor section, for the 1989–90 fiscal year and each year thereafter, shall be modified as follows:

With respect to tax rate areas, except excluded tax rate areas, within the boundaries of a qualifying city, there shall be excluded from the aggregate amount of “property tax revenue allocated pursuant to this chapter to local agencies, other than for a qualifying city, in the prior fiscal year,” an amount equal to the sum of the amounts calculated pursuant to the TEA formula.

(b) (1) Each qualifying city shall, for the 1989–90 fiscal year and each fiscal year thereafter, be allocated by



the auditor an amount determined pursuant to the TEA formula.

(2) For each qualifying city, the auditor shall, for the 1989–90 fiscal year and each year thereafter, distribute the amount determined pursuant to the TEA formula to all tax rate areas, except excluded tax rate areas, within that city in proportion to each tax rate area’s share of the total assessed value in the city for the applicable fiscal year, and the amount so determined shall be subtracted from the county’s proportionate share of the property tax revenue for that fiscal year within those tax rate areas.

(3) After making the allocations pursuant to paragraphs (1) and (2), but before making the calculations pursuant to Section 96.5 or its predecessor section, the auditor shall, for all tax rate areas, except excluded tax rate areas, in the qualifying city, calculate the proportionate share of property tax revenue allocated pursuant to this section and Section 96.1, or their predecessor sections, in the 1989–90 fiscal year and each fiscal year thereafter to each jurisdiction in the tax rate area.

(4) In lieu of making the allocations of annual tax increment pursuant to subdivision (e) of Section 96.5 or its predecessor section, the auditor shall for the 1989–90 fiscal year and each fiscal year thereafter, allocate the amount of property tax revenue determined pursuant to subdivision (d) of Section 98 to jurisdictions in the tax rate area, except an excluded tax rate area, using the proportionate shares derived pursuant to paragraph (3).

(5) For purposes of the calculations made pursuant to Section 96.1 or its predecessor section, in the 1990–91 fiscal year and each fiscal year thereafter, the amounts that would have been allocated to all tax rate areas, except excluded tax rate areas, of qualifying cities pursuant to this subdivision shall be deemed to be the “amount of property tax revenue allocated to those tax rate areas in the prior fiscal year.”

(c) “TEA formula” means the Tax Equity Allocation formula, and shall be calculated by the auditor for each qualifying city as follows:



(1) For the 1988–89 fiscal year and each fiscal year thereafter, the auditor shall determine the total amount of property tax revenue to be allocated to all jurisdictions in all tax rate areas, except excluded tax rate areas, within the qualifying city, before the allocation and payment of funds in that fiscal year to a community redevelopment agency within the qualifying city, as provided in subdivision (b) of Section 33670 of the Health and Safety Code.

(2) The auditor shall determine the amount of funds allocated in each fiscal year to those tax rate areas, except excluded tax rate areas, within a community redevelopment agency in accordance with subdivision (b) of Section 33670 of the Health and Safety Code.

(3) (A) The auditor shall determine the total amount of funds paid in each fiscal year by a community redevelopment agency within the city to jurisdictions other than the city pursuant to subdivision (b) of Section 33401 and Section 33676 of the Health and Safety Code, and the cost to the redevelopment agency of any land or facilities transferred and any amounts paid to jurisdictions other than the city to assist in the construction or reconstruction of facilities pursuant to an agreement entered into under Section 33401 or 33445.5 of the Health and Safety Code.

(B) Of the total amount determined in subparagraph (A), the auditor shall compute a proportionate amount to be attributed to all tax rate areas, except excluded tax rate areas, within the community redevelopment agency. That proportionate amount shall be equal to that proportion which the amount determined in paragraph (2) in each fiscal year bears to the total amount of funds allocated in each fiscal year to a community redevelopment agency in accordance with subdivision (b) of Section 33670 of the Health and Safety Code.

(4) The auditor shall subtract the amount determined in subparagraph (B) of paragraph (3) from the amount determined in paragraph (2).



(5) The auditor shall subtract the amount determined in paragraph (4) from the amount determined in paragraph (1).

(6) The amount computed in paragraph (5) shall be multiplied by the following percentages in order to determine the TEA formula amount to be distributed to the qualifying city in each fiscal year:

(A) For the first fiscal year in which the qualifying city receives a distribution pursuant to this section, 1 percent of the amount determined in paragraph (5).

(B) For the second fiscal year in which the qualifying city receives a distribution pursuant to this section, 2 percent of the amount determined in paragraph (5).

(C) For the third fiscal year in which the qualifying city receives a distribution pursuant to this section, 3 percent of the amount determined in paragraph (5).

(D) For the fourth fiscal year and each fiscal year thereafter in which the qualifying city receives a distribution pursuant to this section, 4 percent of the amount determined in paragraph (5).

(d) For purposes of this section, “excluded tax rate area” means either of the following:

(1) Any tax rate area included in territory annexed by the qualifying city and allocated a prescribed percentage of property tax revenue pursuant to an existing agreement between the qualifying city and the county.

(2) Any tax rate area described in paragraph (1) that was detached from the county library district and that is also allocated an additional prescribed percentage of property tax revenue pursuant to an existing agreement between the qualifying city and the county.

(e) (1) All existing agreements between the qualifying city and the county covering the allocation of property tax revenues to tax rate areas described in subdivision (d) shall remain in force.

(2) All existing agreements between the qualifying city and the county covering the allocation of property tax revenues to tax rate areas that were detached from the county library district but are not included in



territory that was annexed by the qualifying city shall remain in force.

(3) All allocations to those tax rate areas described in subdivision (d), including allocations of annual tax increments, made pursuant to the existing agreements between the qualifying city and the county shall be governed by subdivision (a) of Section 96.1 and Section 96.5.

(4) All allocations to those tax rate areas described in paragraph (2), including allocations of annual tax increments, made pursuant to the existing agreements between the qualifying city and the county shall be governed by subdivision (a) of Section 96.1 and Section 96.5. However, the tax rate areas referred to in this paragraph shall also be distributed an amount of property tax revenue determined pursuant to the TEA formula that is over and above the amount allocated as provided in the preceding sentence.

(f) “Qualifying city” means any city that incorporated prior to June 5, 1987, and had an amount of property tax revenue allocated to it pursuant to subdivision (a) of Section 96.1 or its predecessor section in the 1988–89 fiscal year that is less than 4 percent of the amount of property tax revenue computed as follows:

(1) The auditor shall determine the total amount of property tax revenue allocated to all tax rate areas, except excluded tax rate areas, in the city in the 1988–89 fiscal year.

(2) The auditor shall subtract the amount in the 1988–89 fiscal year determined in paragraph (3) of subdivision (c) from the amount determined in paragraph (2) of subdivision (c).

(3) The auditor shall subtract the amount determined in paragraph (2) from the amount of property tax revenue in paragraph (1) of subdivision (c).

(4) The auditor shall divide the amount of property tax revenue determined in paragraph (1) of this subdivision by the amount of property tax revenue determined in paragraph (3) of this subdivision.



(5) If the quotient determined in paragraph (4) of this subdivision is less than 0.04, the city is a qualifying city. If the quotient determined in that paragraph is equal to or greater than 0.04, the city is not a qualifying city.

(g) The auditor may assess each qualifying city its proportional share of the actual costs of making the calculations required by this section, and may deduct that assessment from the amount allocated pursuant to subdivision (b). For purposes of this subdivision, a qualifying city's proportional share of the auditor's actual costs shall not exceed the proportion it receives of the total amounts excluded in the county pursuant to subdivision (a).

(h) (1) Notwithstanding subdivision (b), except as otherwise provided in paragraph (2), in any fiscal year in which a qualifying city receives a distribution pursuant to this section, the auditor shall reduce the actual amount distributed to the qualifying city by the amount of revenue not collected by the qualifying city in the first fiscal year following the city's reduction after January 1, 1988, of the tax rate or tax base of any locally imposed general or special tax. The amount so computed by the auditor shall constitute a reduction in the amount of property tax revenue distributed to the qualifying city pursuant to this section in each succeeding fiscal year. That amount shall be aggregated with any additional amount computed pursuant to this paragraph as the result of the city's reduction in any subsequent year of the tax rate or tax base of the same or any other locally imposed general or special tax.

(2) No reduction shall be made pursuant to paragraph (1) in the case in which a local tax is reduced or eliminated as a result of either a court decision or the approval or rejection of a ballot measure by the voters.

(i) If the auditor determines that the amount to be distributed to a qualifying city pursuant to subdivision (b), as modified by subdivisions (g) and (h), would result in a qualifying city having proceeds of taxes in excess of its appropriation limit, the auditor shall reduce the



amount, on a dollar-for-dollar basis, by the amount that exceeds the city's appropriations limit.

(j) Commencing with the 1999-2000 fiscal year and each fiscal year thereafter, the auditor shall compute an amount that is equal to 60 percent of the total amount transferred to all qualifying cities pursuant to this section. The auditor shall certify that amount to the Controller for allocation of funds to the county pursuant to subdivision (a) of Section 11005.

(k) Notwithstanding any other provision of this section, no qualifying city shall be distributed an amount pursuant to this section that is less than the amount the city would have been allocated without the application of the TEA formula.

(l) Notwithstanding any other provision of this section, commencing with the 1994-95 fiscal year, the auditor shall not reduce the amount distributed to a qualifying city under this section by reason of that city becoming the successor agency to a special district that is dissolved, merged with that city, or becomes a subsidiary district of that city, on or after July 1, 1994.

(m) The amount not distributed as a result of this section to the tax rate areas, except excluded tax rate areas, in each qualifying city shall be allocated by the auditor to the county.

SEC. 29. Section 99 of the Revenue and Taxation Code is amended to read:

99. (a) For the purposes of the computations required by this chapter:

(1) In the case of a jurisdictional change, other than a city incorporation or a formation of a district as defined in Section 2215, the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1, or the annual tax increment determined pursuant to Section 96.5, for local agencies whose service area or service responsibility would be altered by the jurisdictional change, as determined pursuant to subdivision (b) or (c).

(2) In the case of a city incorporation, the auditor shall assign the allocation of property tax revenues determined



pursuant to Section 56842 of the Government Code and the adjustments in tax revenues that may occur pursuant to Section 56845 of the Government Code to the newly formed city or district and shall make the adjustment as determined by Section 56842 in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the incorporation.

(3) In the case of a formation of a district as defined in Section 2215, the auditor shall assign the allocation of property tax revenues determined pursuant to Section 56842 of the Government Code to the district and shall make the adjustment as determined by Section 56842 in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the formation.

(b) Upon the filing of an application or a resolution pursuant to the Cortese-Knox Local Government Reorganization Act of 1985 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), but prior to the issuance of a certificate of filing, the executive officer shall give notice of the filing to the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change.

(1) (A) The county assessor shall provide to the county auditor, within 30 days of the notice of filing, a report which identifies the assessed valuations for the territory subject to the jurisdictional change and the tax rate area or areas in which the territory exists.

(B) The auditor shall estimate the amount of property tax revenue generated within the territory that is the subject of the jurisdictional change during the current fiscal year.

(2) The auditor shall estimate what proportion of the property tax revenue determined pursuant to paragraph



(1) is attributable to each local agency pursuant to Section 96.1 and Section 96.5.

(3) Within 45 days of notice of the filing of an application or resolution, the auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) that is subject to a negotiated exchange.

(4) Upon receipt of the estimates pursuant to paragraph (3) the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. This negotiation period shall not exceed 60 days.

The exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years.

(5) In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues.

(6) Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Section 56828 of the Government Code until the local agencies included in the property tax revenue exchange negotiation, within the 60-day negotiation period, present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues.

(7) In the event that the commission modifies the proposal or its resolution of determination, any local agency whose service area or service responsibility would be altered by the proposed jurisdictional change may



request, and the executive officer shall grant, 15 days for the affected agencies, pursuant to paragraph (4) to renegotiate an exchange of property tax revenues. Notwithstanding the time period specified in paragraph (4), if the resolutions required pursuant to paragraph (6) are not presented to the executive officer within the 15-day period, all proceedings of the jurisdictional change shall automatically be terminated.

(8) In the case of a jurisdictional change that consists of a city's qualified annexation of unincorporated territory, an exchange of property tax revenues between the city and the county shall be determined in accordance with subdivision (e) if that exchange of revenues is not otherwise determined pursuant to either of the following:

(A) Negotiations completed within the applicable period or periods as prescribed by this subdivision.

(B) A master property tax exchange agreement among those local agencies, as described in subdivision (d).

For purposes of this paragraph, a qualified annexation of unincorporated territory means an annexation, as so described, for which proceedings before the relevant local agency formation commission are initiated, as provided in Section 56651 of the Government Code, on or after January 1, 1998, and on or before January 1, 2005.

(9) No later than the date on which the certificate of completion of the jurisdictional change is recorded with the county recorder, the executive officer shall notify the auditor or auditors of the exchange of property tax revenues and the auditor or auditors shall make the appropriate adjustments as provided in subdivision (a).

(c) Whenever a jurisdictional change is not required to be reviewed and approved by a local agency formation commission, the local agencies whose service area or service responsibilities would be altered by the proposed change, shall give notice to the State Board of Equalization and the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local



agency whose service area or responsibility will be altered by the jurisdictional change and request the auditor and assessor to make the determinations required pursuant to paragraphs (1) and (2) of subdivision (b). Upon notification by the auditor of the amount of, and allocation factors with respect to, property tax subject to exchange, the local agencies, pursuant to the provisions of paragraphs (4), (5), and (6) of subdivision (b), shall determine the amount of property tax revenues to be exchanged between and among the local agencies. Notwithstanding any other provision of law, no such jurisdictional change shall become effective until each county and city included in these negotiations agrees, by resolution, to accept the negotiated exchange of property tax revenues. The exchange may be limited to an exchange of property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years. Upon the adoption of the resolutions required pursuant to this section, the adopting agencies shall notify the auditor who shall make the appropriate adjustments as provided in subdivision (a). Adjustments in property tax allocations made as the result of a city or library district withdrawing from a county free library system pursuant to Section 19116 of the Education Code shall be made pursuant to Section 19116 of the Education Code, and this subdivision shall not apply.

(d) With respect to adjustments in the allocation of property taxes pursuant to this section, a county and any local agency or agencies within the county may develop and adopt a master property tax transfer agreement. The agreement may be revised from time to time by the parties subject to the agreement.

(e) (1) An exchange of property tax revenues that is required by paragraph (8) of subdivision (b) to be



determined pursuant to this subdivision shall be determined in accordance with all of the following:

(A) The city and the county shall mutually select a third-party consultant to perform a comprehensive, independent fiscal analysis, funded in equal portions by the city and the county, that specifies estimates of all tax revenues that will be derived from the annexed territory and the costs of city and county services with respect to the annexed territory. The analysis shall be completed within a period not to exceed 30 days, and shall be based upon the general plan or adopted plans and policies of the annexing city and the intended uses for the annexed territory. If, upon the completion of the analysis period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (B) shall apply.

(B) The city and the county shall mutually select a mediator, funded in equal portions by those agencies, to perform mediation for a period of not to exceed 30 days. If, upon the completion of the mediation period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (C) shall apply.

(C) The city and the county shall mutually select an arbitrator, funded in equal portions by those agencies, to conduct an advisory arbitration with the city and the county for a period of not to exceed 30 days. At the conclusion of this arbitration period, the city and the county shall each present to the arbitrator its last and best offer with respect to the exchange of property tax revenues. The arbitrator shall select one of the offers and recommend that offer to the governing bodies of the city and the county. If the governing body of the city or the county rejects the recommended offer, it shall do so during a public hearing, and shall, at the conclusion of that hearing, make written findings of fact as to why the recommended offer was not accepted.

(2) Proceedings under this subdivision shall be concluded no more than 150 days after the auditor provides the notification pursuant to paragraph (3) of subdivision (b), unless one of the periods specified in this subdivision is extended by the mutual agreement of the



city and the county. Notwithstanding any other provision of law, except for those conditions that are necessary to implement an exchange of property tax revenues determined pursuant to this subdivision, the local agency formation commission shall not impose any fiscal conditions upon a city's qualified annexation of unincorporated territory that is subject to this subdivision.

(f) Except as otherwise provided in subdivision (g), for the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and each fiscal year thereafter for those local agencies that were affected by a jurisdictional change which was filed with the State Board of Equalization after January 1, 1978, but on or before January 1, 1979. The local agencies shall determine by resolution the amount of property tax revenues to be exchanged between and among the affected agencies and notify the auditor of the determination.

(g) For the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and each fiscal year thereafter, for a city incorporation that was filed pursuant to Sections 54900 to 54904 after January 1, 1978, but on or before January 1, 1979, the amount of property tax revenue considered to have been received by the jurisdiction for the 1978–79 fiscal year shall be equal to two-thirds of the amount of property tax revenue projected in the final local agency formation commission staff report pertaining to the incorporation multiplied by the proportion that the total amount of property tax revenue received by all jurisdictions within the county for the 1978–79 fiscal year bears to the total amount of property tax revenue received by all jurisdictions within the county for the 1977–78 fiscal year. Except, however, in the event that the final commission report did not specify the amount of property tax revenue projected for that incorporation, the commission shall by October 10, determine pursuant to Section 54790.3 of the Government Code the amount of property tax to be transferred to the city.



The provisions of this subdivision shall also apply to the allocation of property taxes for the 1980–81 fiscal year and each fiscal year thereafter for incorporations approved by the voters in June 1979.

(h) For the purpose of the computations made pursuant to this section, in the case of a district formation that was filed pursuant to Sections 54900 to 54904, inclusive, of the Government Code after January 1, 1978, but before January 1, 1979, the amount of property tax to be allocated to the district for the 1979–80 fiscal year and each fiscal year thereafter shall be determined pursuant to Section 54790.3 of the Government Code.

(i) For the purposes of the computations required by this chapter, in the case of a jurisdictional change, other than a change requiring an adjustment by the auditor pursuant to subdivision (a), the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1 or its predecessor section, or the annual tax increment determined pursuant to Section 96.5 or its predecessor section, for each local school district, community college district, or county superintendent of schools whose service area or service responsibility would be altered by the jurisdictional change, as determined as follows:

(1) The governing body of each district, county superintendent of schools, or county whose service areas or service responsibilities would be altered by the change shall determine the amount of property tax revenues to be exchanged between and among the affected jurisdictions. This determination shall be adopted by each affected jurisdiction by resolution. For the purpose of negotiation, the county auditor shall furnish the parties and the county board of education with an estimate of the property tax revenue subject to negotiation.

(2) In the event that the affected jurisdictions are unable to agree, within 60 days after the effective date of the jurisdictional change, and if all the jurisdictions are wholly within one county, the county board of education shall, by resolution, determine the amount of property tax revenue to be exchanged. If the jurisdictions are in more



than one county, the State Board of Education shall, by resolution, within 60 days after the effective date of the jurisdictional change, determine the amount of property tax to be exchanged.

(3) Upon adoption of any resolution pursuant to this subdivision, the adopting jurisdictions or State Board of Education shall notify the county auditor who shall make the appropriate adjustments as provided in subdivision (a).

(j) For purposes of subdivision (i), the annexation by a community college district of territory within a county not previously served by a community college district is an alteration of service area. The community college district and the county shall negotiate the amount, if any, of property tax revenues to be exchanged. In these negotiations, there shall be taken into consideration the amount of revenue received from the timber yield tax and forest reserve receipts by the community college district in the area not previously served. In no event shall the property tax revenue to be exchanged exceed the amount of property tax revenue collected prior to the annexation for the purposes of paying tuition expenses of residents enrolled in the community college district, adjusted each year by the percentage change in population and the percentage change in the cost of living, or per capita personal income, whichever is lower, less the amount of revenue received by the community college district in the annexed area from the timber yield tax and forest reserve receipts.

(k) At any time after a jurisdictional change is effective, any of the local agencies party to the agreement to exchange property tax revenue may renegotiate the agreement with respect to the current fiscal year or subsequent fiscal years, subject to approval by all local agencies affected by the renegotiation.

SEC. 30. Section 4986.3 of the Revenue and Taxation Code is amended to read:

4986.3. All or any portion of any uncollected tax, penalty, or costs, heretofore or hereafter levied, and not heretofore validly canceled, may, on satisfactory proof, be



canceled by the auditor on order of the board of supervisors with the written consent of the district attorney if it was levied or charged on property subject to assessment or special taxes for the payment of bonds issued under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) or the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Division 2 of Part 1 of Title 5 of the Government Code) where that property was acquired after the lien date by a city on foreclosure proceedings under the Improvement Bond Act of 1915 or the Mello-Roos Community Facilities Act of 1982. If a city is entitled to bring foreclosure proceedings under the Improvement Bond Act of 1915 or the Mello-Roos Community Facilities Act of 1982 against any property and the city acquires the property in any other manner than by foreclosure and the governing body of the city by resolution, covering any number of parcels acquired, declares that the acquisition was in lieu of acquisition under foreclosure proceedings, that acquisition is, for the purposes of this section, an acquisition by foreclosure proceedings under the Improvement Bond Act of 1915 or the Mello-Roos Community Facilities Act of 1982. This section applies regardless of whether the property acquired by the city is impressed with a public trust or is acquired for the purpose of resale. As used in this section, “city” means any city, county, city and county, special district, school district, joint powers authority, or any other municipal corporation, district, or political subdivision of the state.

SEC. 31. Section 11005 of the Revenue and Taxation Code is amended to read:

11005. (a) After payment of refunds therefrom and after making the deductions authorized by Section 11003 and reserving the amount determined necessary by the Pooled Money Investment Board to meet the transfers ordered or proposed to be ordered pursuant to Section 16310 of the Government Code, commencing with the 1989–90 fiscal year, the Controller shall deduct that



amount which is necessary to make the allocation provided for in subdivision (j) of Section 98.02. Eighty-one and one-quarter percent of the balance of all motor vehicle license fees and any other money appropriated by law for expenditure pursuant to this section and deposited to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund and remaining unexpended therein at the close of business on the last day of the calendar month shall be allocated by the Controller by the 10th day of the following month in the manner provided by subdivisions (c) and (d).

(b) Eighteen and three-quarters percent of the balance shall be allocated, as follows:

(1) (A) Commencing with the 1988–89 fiscal year, the Controller shall allocate to each city that existed but did not levy a property tax in the 1977–78 fiscal year, other than for voter-approved indebtedness, an amount equal to the total amount which each of those cities would have received in that fiscal year pursuant to Section 25761 of the Business and Professions Code, Section 4306 of the Public Utilities Code, and Section 26483 of this code, as if those sections were operative in that fiscal year in the form in which they existed on June 1, 1981. For each fiscal year thereafter, the Controller shall increase the amount for each city computed pursuant to this paragraph by the percent by which the revenue to the Motor Vehicle License Fee Account increased over the revenue for the previous fiscal year.

(B) (i) For each fiscal year following the 1988–89 fiscal year in which a city subject to subparagraph (A) receives a distribution of property tax revenue pursuant to Section 97.35, 97.37, or 97.38, the amount to be allocated to the city pursuant to subparagraph (A) shall be reduced by the amount of the distribution made pursuant to those sections.

(ii) No allocation shall be made to a city pursuant to subparagraph (A) in the first fiscal year in which the amount distributed to a city pursuant to Section 97.35, 97.37, or 97.38 equals or exceeds the amount that would



have been allocated to that city pursuant to subparagraph (A) or in any fiscal year thereafter.

(iii) Any amount not allocated to a city pursuant to subparagraph (A) as a result of the operation of this subparagraph shall be allocated to eligible cities in accordance with clause (iv).

(iv) Commencing with the 1989–90 fiscal year, the Controller shall allocate the amount determined in clause (iii) for each fiscal year to each eligible city in the proportion that the population of each eligible city bears to total population of all eligible cities.

For purposes of this clause, “eligible city” means any city which incorporated prior to June 5, 1987, and had an amount of property tax revenue allocated to it pursuant to subdivision (a) of Section 97 in the 1987–88 fiscal year which is less than 10 percent of the amount of property tax revenue computed for the 1987–88 fiscal year in accordance with the method described in subdivision (c) of Section 97.35.

The auditor shall notify the Controller of his or her determination of those cities within the county which are eligible cities.

(2) Each month the Controller shall allocate the remainder of the amount determined pursuant to this subdivision to counties and cities and counties in an amount for each county and city and county equal to the revenue received in the 1982–83 fiscal year pursuant to former Section 16111, subdivision (c) of former Section 16113, and former Section 16113.7 of the Government Code. These amounts shall be determined by the Controller with the concurrence of the Director of Finance. The Controller shall allocate any remaining amount determined pursuant to this subdivision to counties and cities and counties in the proportion that the population of each county or city and county bears to the total population of all the counties and cities and counties of the state, as determined pursuant to subdivision (d).

(c) Fifty percent of the payments required by subdivision (a) shall be paid to the cities and cities and counties of this state in the proportion that the population



of each city or city and county bears to the total population of all cities and cities and counties in this state, as determined by the population research unit of the Department of Finance. For the purpose of this subdivision, the population of each city or city and county is that determined by the last federal decennial or special census, or a subsequent census validated by the population research unit or subsequent estimate prepared pursuant to Section 2107.2 of the Streets and Highways Code. In the case of a city incorporated subsequent to the last federal census, or a subsequent census validated by the population research unit, the population research unit shall determine the population of the city. In the case of unincorporated territory being annexed to a city subsequent to the last federal census, or a subsequent census validated by the population research unit, the population research unit shall determine the population of the annexed territory by the use of any federal decennial or special census, or estimate prepared pursuant to Section 2107.2 of the Streets and Highways Code. In the case of the consolidation of one city with another subsequent to the last federal census, or a subsequent census validated by the population research unit, the population of the consolidated city, for the purpose of this subdivision, is the aggregate population of the respective cities as determined by the last federal census, or a subsequent census or estimate validated by the population research unit.

(d) Fifty percent of the payments required by subdivision (a) shall be paid to the counties and cities and counties of the state in the proportion that the population of each county or city and county bears to the total population of all the counties and cities and counties of the state, as determined by the population research unit. For the purpose of this subdivision, the population of each county or city and county is that determined by the last federal census, or subsequent census validated by the population research unit, or as determined by Section 11005.6.



(e) Money disbursed by the Controller to cities and counties pursuant to this section may be used for county or city purposes and may, but need not necessarily, be used for purposes of general interest and benefit to the state.

(f) Population changes based on a federal special census or a subsequent census validated by the Department of Finance shall be accepted by the Controller only if certified to him at the request of the city, city and county, or county for which the census was made and shall become effective on the first day of the month following receipt of the certification.

SEC. 32. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Delays by independent testing laboratories in developing standards for the quality and installation of burglar bars and safety release mechanisms make it impossible for the State Fire Marshal to meet the deadlines for the adoption of regulations. Rather than adopt poorly researched safety standards, it is necessary to amend Section 13114.2 of the Health and Safety Code by Section 26.5 of this act to allow sufficient time to develop standards and adopt regulations for burglar bars and safety release mechanisms.

Existing defaults on bonds issued by local agencies pursuant to the Marks-Roos Community Facilities Act of 1982 have resulted in severe economic and fiscal hardships on property owners, local agencies, and private investors. To speed the resolution of those impaired investments, it is critical to amend Section 4986.3 of the Revenue and Taxation Code by Section 30 of this act at the earliest possible time.

SEC. 33. Except for Sections 26.5, 30, and 32 and this section, the provisions of this act shall become operative on January 1, 2000.



Approved \_\_\_\_\_, 1999

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*Governor*

