

AMENDED IN SENATE MARCH 29, 2016

SENATE BILL

No. 974

Introduced by Committee on Governance and Finance (Senators Hertzberg (Chair), Beall, Hernandez, Lara, Moorlach, Nguyen, and Pavley)

February 8, 2016

An act to amend Section ~~65302~~ 8770 of the Business and Professions Code, to amend Sections 6107, 8205, 8206, 8213, 8213.5, 8311, 40805, 53601, 65091, 65302, and 67661 of the Government Code, to amend ~~Section~~ Sections 5471, 5473, 5474, 5474.8, and 13822 of the Health and Safety Code, to amend Section 22161 of the Public Contract Code, to amend ~~Section 11005.3~~ Sections 11005, 11005.3, 19201, and 19202 of the Revenue and Taxation Code, and to amend Section 2105 of the Streets and Highways Code, and to amend Section 7.6 of, and to repeal Sections 7.3 and 8 of, the Kern County Water Agency Act (Chapter 1003 of the Statutes of 1961), relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 974, as amended, Committee on Governance and Finance. Local government: omnibus.

(1) The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book.

This bill would also authorize a county recorder to store records of survey in any other manner that will assure the maps are kept together.

(2) Existing law prohibits a public entity from demanding a fee or compensation for, among other things, a certified copy of specified

military records, and of public records to be used in a claim related to veterans' benefits, as specified. Existing law provides that a certified copy of these records may be made available only to the person who is the subject of the record, a family member or legal representative of that person, a county office that provides veterans' benefits services, or a federal official upon written request.

This bill would provide that a certified copy of these records may also be made available to a state or city office that provides veterans' benefits services upon written request of that office.

By expending the duty of local officials to provide copies of military records, this bill would impose a state-mandated local program.

(3) Existing law authorizes the Secretary of State to appoint and commission notaries public, as provided. Existing law requires every person appointed a notary public, no later than 30 days after the beginning of the term prescribed in the commission, to file an official bond and an oath of office in the office of the county clerk of the county within which the person maintains a principal place of business.

This bill would require a person taking the oath of office before the county clerk to serve as a notary public to present identification documents meeting certain requirements specified in statute as satisfactory evidence of identity.

Existing law requires specified communications between the Secretary of State and notaries public to be made by certified mail. Existing law also specifies that, wherever any notice or communication required by laws to be mailed by registered mail to or by the state, the mailing of the notice by certified mail is deemed a sufficient compliance with that requirement.

This bill would authorize the use of any other means of physical delivery that provides a receipt for these communications.

(4) Existing law requires the officer of a local agency who has charge of financial records to furnish the Controller with a report of all the financial transactions of the local agency during the preceding fiscal year, as provided. Existing law requires the report to be furnished within 7 months after the close of each fiscal year.

Existing law designates the city clerk as the accounting officer of the city and requires him or her to maintain records reflecting the financial condition of the city. Existing law requires the city clerk to publish the report to the Controller once in a newspaper of general circulation, or cause copies of the statement to be posted in 3 public places designated by city ordinance if there is no newspaper of general circulation, within

120 days after the close of the fiscal year for which the report is compiled.

This bill would instead require the city clerk to publish or post the report consistent with the timelines established in statute for furnishing the report to the Controller.

(5) Existing law authorizes the legislative body of a local agency having money in a sinking fund or money in its treasury not required for immediate needs to invest any portion of the money that it deems wise or expedient in specified securities and financial instruments. Existing law requires that certain of these instruments be rated at least “A” or “AA,” as applicable, by a nationally recognized statistical rating organization (NRSRO).

This bill would specify that these instruments must be in a ratings category of at least “A” or “AA,” as applicable, or its equivalent.

(1)

(6) The Planning and Zoning Law ~~requires~~ and the Subdivision Map Act require local governments to hold public hearings regarding various land use actions contemplated by those governments. If public notice of the hearing is required, existing law requires that the notice be given in specified ways, including mailing at least 10 days before the hearing to each local agency expected to provide water, sewage, streets, roads, schools, or other essential facilities or services to the project, whose ability to provide those facilities and services may be significantly affected, and to all owners of real property within 300 feet of the real property that is the subject of the hearing, as provided. Existing law requires that notice mailed to affected local agencies also be published in at least one newspaper of general circulation and posted in at least 3 public places, as provided.

This bill would instead require publication and posting of the notice that is required to be sent to the owners of real property within 300 feet of the real property that is the subject of the hearing.

By revising the duties of local government officials with respect to the mailing of specified notices of hearings on land use actions, this bill would impose a state-mandated local program.

The Planning and Zoning Law also requires the legislative body of a city or county to adopt a comprehensive, long-term general plan that includes various elements, including, among others, a safety element for the protection of the community from unreasonable risks associated with the effects of various geologic hazards, flooding, wildland and urban fires, and climate adaptation and resilience strategies. That law

requires that the safety element be reviewed and updated, in the case of flooding and fire hazards, upon the next revision of the housing element after specified dates or, in the case of climate adaptation and resilience strategies, upon either the next revision of a local hazard mitigation plan after a specified date or on or before January 1, 2022, as applicable. That law also requires, after the initial revision of the safety element to address flooding, fires, and climate adaptation and resilience strategies, that for each subsequent revision the planning agency review and, if necessary, revise the safety element to identify new information that was not available during the previous revision of the safety element.

This bill would instead require a planning agency to review and revise the safety element to identify new information, as described above, only after to address flooding and fires.

(7) The Fort Ord Reuse Authority Act establishes the Fort Ord Reuse Authority to prepare, adopt, finance, and implement a plan for the use and development of the territory previously occupied by the Fort Ord military base in Monterey County. The act requires the authority to be governed by a 13-member board, as specified, and authorizes a representative designated by the Member of Congress from the 17th Congressional District, a representative designated by the Senator from the 15th Senate District, and a representative designated by the Assembly Member from the 27th Assembly District to serve as ex officio nonvoting members of the board.

This bill would instead authorize a representative designated by each of the Member of Congress, the Senator, and the Assembly Member that has the majority portion of Fort Ord in his or her district to serve as ex officio nonvoting members of the board.

(8) Existing law authorizes specified local entities, including cities, counties, special districts, and other authorized public corporations, to collect fees, tolls, rates, rentals, or other charges for water, sanitation, storm drainage, or sewerage system services and facilities and to fix fees or charges for the privilege of connecting to its sanitation or sewerage facilities and improvements constructed by the entity, as provided. Under existing law, a local entity may collect these charges on the property tax roll at the same time and in the same manner as its general property taxes. Under existing law, an entity may undertake these actions by enactment of an ordinance approved by a $\frac{2}{3}$ vote of the members of the legislative body of the entity.

This bill would instead specify that the entity may undertake these actions by ordinance or resolution.

(2)

(9) The Fire Protection District Law of 1987 establishes a procedure for the formation of fire protection districts, as specified. That law provides that a district may be formed by adoption of a resolution of application by the legislative body of any county or city which contains territory proposed to be included in the district.

This bill would make a technical change to these provisions.

(3)

(10) Existing law, until January 1, 2025, authorizes the Department of General Services, the Department of Corrections and Rehabilitation, and certain local agencies to use the design-build procurement process for specified public works. Existing law defines “best value” design-build procurement by local-agencies purposes to mean a value determined by evaluation of objective criteria that may include, but are not limited to, price, features, functions, life-cycle costs, experience, and past performance.

This bill would modify that definition to have the objective criteria evaluation, instead relate to those specific criteria

(4)

(11) The Vehicle License Fee Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state. Under existing law, the Controller was, ~~until July~~ *until July* 1, 2011, required to allocate vehicle license fee revenues in the Motor Vehicle License Fee Account in a specified order to, among others, each city that was incorporated before August 5, 2004. Existing law required the Controller to allocate these revenues in accordance with a specified formula based on, among other factors, the actual population, as defined, of the city. In the case of a city that incorporated on or after January 1, 1987, and before August 5, 2004, existing law also requires the Controller to determine the population of the city as provided based on, among other factors, the actual population, as defined, of the city.

This bill would make technical changes to these provisions.

(12) *Under existing law, if an amount due under the Personal Income Tax Law or the Corporation Tax Law, or any amount that the Franchise Tax Board may collect as though it were a tax, is not paid, the board may file in the Office of the County Clerk of Sacramento County, or any other county, a certificate containing specified information about*

the amount owed and the taxpayer. Existing law requires the county clerk to immediately enter a judgment against the taxpayer in the amount set forth in the certificate.

This bill would instead require the Clerk of the Court to receive the certificate and enter the judgment.

(5)

(13) Existing law appropriates moneys in the Highway Users Tax Account for specified transportation purposes and provides for apportionment by the Controller of certain moneys, including revenues derived from taxes imposed by the Use Fuel Tax Law on the use of fuel, to cities and counties.

This bill would additionally specify that apportionment according to the above-described formula includes revenues derived from taxes imposed on the use of liquefied petroleum and natural gas pursuant to the Use Fuel Tax Law.

(14) *The Kern County Water Agency Act creates the Kern County Water Agency, consisting of all the territory lying within the exterior boundaries of the County of Kern, and specifies its powers. The act authorizes the board of directors of the agency to employ the county counsel as the attorney for the agency and the county surveyor to supervise the engineering work of the agency, as prescribed. The act requires all other officers of the county to perform the same duties for the agency as performed for the county.*

This bill would repeal these provisions relating to county employees.

The act prohibits, unless previously approved by the county board of supervisors, the levying of a tax or assessment, or the creation of a zone of benefit. The act also prohibits, unless previously approved in the form of a budget by the county board of supervisors, an expenditure of funds.

This bill would repeal these provisions requiring county board of supervisor approval.

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

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

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

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

1 SECTION 1. (a) This act shall be known, and may be cited,
2 as the Local Government Omnibus Act of 2016.

3 (b) The Legislature finds and declares that Californians want
4 their governments to be run efficiently and economically and that
5 public officials should avoid waste and duplication whenever
6 possible. The Legislature further finds and declares that it desires
7 to control its own costs by reducing the number of separate bills.
8 Therefore, it is the intent of the Legislature in enacting this act to
9 combine several minor, noncontroversial statutory changes relating
10 to the common theme, purpose, and subject of local government
11 into a single measure.

12 *SEC. 2. Section 8770 of the Business and Professions Code is*
13 *amended to read:*

14 8770. The record of survey filed with the county recorder of
15 any county shall be securely fastened by ~~him~~ *the county recorder*
16 into a suitable book provided for that ~~purpose~~ *purpose, or stored*
17 *in any other manner that will assure that the maps will be kept*
18 *together.*

19 ~~He~~

20 *The county recorder* shall keep proper indexes of such record
21 of survey by the name of grant, tract, subdivision or United States
22 subdivision.

23 The original map shall be stored for safekeeping in a reproducible
24 condition. It shall be proper procedure for the recorder to maintain
25 for public reference a set of counter maps that are prints of the
26 original maps, and the original maps to be produced for comparison
27 upon demand.

28 *SEC. 3. Section 6107 of the Government Code is amended to*
29 *read:*

30 6107. (a) A public entity, including the state, a county, city,
31 or other political subdivision, or any officer or employee thereof,
32 including notaries public, shall not demand or receive any fee or
33 compensation for doing any of the following:

34 (1) Recording, indexing, or issuing certified copies of any
35 discharge, certificate of service, certificate of satisfactory service,

1 notice of separation, or report of separation of any member of the
2 Armed Forces of the United States.

3 (2) Furnishing a certified copy of, or searching for, any public
4 record that is to be used in an application or claim for a pension,
5 allotment, allowance, compensation, insurance (including automatic
6 insurance), or any other benefits under any act of Congress for
7 service in the Armed Forces of the United States or under any law
8 of this state relating to veterans' benefits.

9 (3) Furnishing a certified copy of, or searching for, any public
10 record that is required by the Veterans Administration to be used
11 in determining the eligibility of any person to participate in benefits
12 made available by the Veterans Administration.

13 (4) Rendering any other service in connection with an
14 application or claim referred to in paragraph (2) or (3).

15 (b) A certified copy of any record referred to in subdivision (a)
16 may be made available only to one of the following:

17 (1) The person who is the subject of the record upon presentation
18 of proper photo identification.

19 (2) A family member or legal representative of the person who
20 is the subject of the record upon presentation of proper photo
21 identification and certification of their relationship to the subject
22 of the record.

23 (3) A ~~county~~ *state, county, or city* office that provides veterans'
24 benefits services upon written request of that office.

25 (4) A United States official upon written request of that official.
26 A public officer or employee is liable on his or her official bond
27 for failure or refusal to render the services.

28 (c) (1) If the county recorder receives a written, faxed, or
29 digitized image of a request for a certified copy of any discharge,
30 certificate of service, certificate of satisfactory service, notice of
31 separation, or report of separation of any member of the Armed
32 Forces of the United States referred to in paragraph (1) of
33 subdivision (a) that is accompanied by a notarized statement sworn
34 under penalty of perjury, or a faxed copy or digitized image of a
35 notarized statement sworn under penalty of perjury, that the
36 requester meets one of the descriptions in subdivision (b), the
37 county recorder may furnish a certified copy to the requester
38 pursuant to this section.

39 (2) A faxed or digitized image of the notarized statement
40 accompanying a faxed or digitized image of a request received

1 pursuant to this subdivision for a certified copy of any discharge,
2 certificate of service, certificate of satisfactory service, notice of
3 separation, or report of separation of any member of the Armed
4 Forces of the United States shall be legible. If the notary's seal is
5 not photographically reproducible, or does not show the name of
6 the notary, the county of the notary's principal place of business,
7 the notary's telephone number, the notary's registration number,
8 and the notary's commission expiration date typed or printed in a
9 manner that is photographically reproducible below, or immediately
10 adjacent to, the notary's signature in the acknowledgment, the
11 county recorder shall not provide the certified copy. If a request
12 for a certified copy of any discharge, certificate of service,
13 certificate of satisfactory service, notice of separation, or report
14 of separation of any member of the Armed Forces of the United
15 States is made in person, the official shall take a statement sworn
16 under penalty of perjury that the requester is signing his or her
17 own legal name and is an authorized person pursuant to subdivision
18 (b), and that official may then furnish a certified copy to the
19 applicant.

20 (3) For purposes of this subdivision, "digitized image" of a
21 request means an image of an original paper request for a certified
22 copy of any discharge, certificate of service, certificate of
23 satisfactory service, notice of separation, or report of separation
24 of any member of the Armed Forces of the United States.

25 *SEC. 4. Section 8205 of the Government Code is amended to*
26 *read:*

27 8205. (a) It is the duty of a notary public, when requested:

28 (1) To demand acceptance and payment of foreign and inland
29 bills of exchange, or promissory notes, to protest them for
30 nonacceptance and nonpayment, and, with regard only to the
31 nonacceptance or nonpayment of bills and notes, to exercise any
32 other powers and duties that by the law of nations and according
33 to commercial usages, or by the laws of any other state,
34 government, or country, may be performed by a notary. This
35 paragraph applies only to a notary public employed by a financial
36 institution, during the course and scope of the notary's employment
37 with the financial institution.

38 (2) To take the acknowledgment or proof of advance health care
39 directives, powers of attorney, mortgages, deeds, grants, transfers,
40 and other instruments of writing executed by any person, and to

1 give a certificate of that proof or acknowledgment, endorsed on
2 or attached to the instrument. The certificate shall be signed by
3 the notary public in the notary public’s own handwriting. A notary
4 public may not accept any acknowledgment or proof of any
5 instrument that is incomplete.

6 (3) To take depositions and affidavits, and administer oaths and
7 affirmations, in all matters incident to the duties of the office, or
8 to be used before any court, judge, officer, or board. Any
9 deposition, affidavit, oath, or affirmation shall be signed by the
10 notary public in the notary public’s own handwriting.

11 (4) To certify copies of powers of attorney under Section 4307
12 of the Probate Code. The certification shall be signed by the notary
13 public in the notary public’s own handwriting.

14 (b) It shall further be the duty of a notary public, upon written
15 request:

16 (1) To furnish to the Secretary of State certified copies of the
17 notary’s journal.

18 (2) To respond within 30 days of receiving written requests sent
19 by certified mail *or any other means of physical delivery that*
20 *provides a receipt* from the Secretary of State’s office for
21 information relating to official acts performed by the notary.

22 *SEC. 5. Section 8206 of the Government Code is amended to*
23 *read:*

24 8206. (a) (1) A notary public shall keep one active sequential
25 journal at a time, of all official acts performed as a notary public.
26 The journal shall be kept in a locked and secured area, under the
27 direct and exclusive control of the notary. Failure to secure the
28 journal shall be cause for the Secretary of State to take
29 administrative action against the commission held by the notary
30 public pursuant to Section 8214.1.

31 (2) The journal shall be in addition to, and apart from, any copies
32 of notarized documents that may be in the possession of the notary
33 public and shall include all of the following:

- 34 (A) Date, time, and type of each official act.
- 35 (B) Character of every instrument sworn to, affirmed,
36 acknowledged, or proved before the notary.
- 37 (C) The signature of each person whose signature is being
38 notarized.

39 (D) A statement as to whether the identity of a person making
40 an acknowledgment or taking an oath or affirmation was based on

1 satisfactory evidence. If identity was established by satisfactory
2 evidence pursuant to Section 1185 of the Civil Code, the journal
3 shall contain the signature of the credible witness swearing or
4 affirming to the identity of the individual or the type of identifying
5 document, the governmental agency issuing the document, the
6 serial or identifying number of the document, and the date of issue
7 or expiration of the document.

8 (E) If the identity of the person making the acknowledgment or
9 taking the oath or affirmation was established by the oaths or
10 affirmations of two credible witnesses whose identities are proven
11 to the notary public by presentation of any document satisfying
12 the requirements of paragraph (3) or (4) of subdivision (b) of
13 Section 1185 of the Civil Code, the notary public shall record in
14 the journal the type of documents identifying the witnesses, the
15 identifying numbers on the documents identifying the witnesses,
16 and the dates of issuance or expiration of the documents identifying
17 the witnesses.

18 (F) The fee charged for the notarial service.

19 (G) If the document to be notarized is a deed, quitclaim deed,
20 deed of trust, or other document affecting real property, or a power
21 of attorney document, the notary public shall require the party
22 signing the document to place his or her right thumbprint in the
23 journal. If the right thumbprint is not available, then the notary
24 shall have the party use his or her left thumb, or any available
25 finger and shall so indicate in the journal. If the party signing the
26 document is physically unable to provide a thumbprint or
27 fingerprint, the notary shall so indicate in the journal and shall also
28 provide an explanation of that physical condition. This paragraph
29 shall not apply to a trustee's deed resulting from a decree of
30 foreclosure or a nonjudicial foreclosure pursuant to Section 2924
31 of the Civil Code, nor to a deed of reconveyance.

32 (b) If a sequential journal of official acts performed by a notary
33 public is stolen, lost, misplaced, destroyed, damaged, or otherwise
34 rendered unusable as a record of notarial acts and information, the
35 notary public shall immediately notify the Secretary of State by
36 certified or registered ~~mail~~ *mail or any other means of physical*
37 *delivery that provides a receipt*. The notification shall include the
38 period of the journal entries, the notary public commission number,
39 and the expiration date of the commission, and when applicable,

1 a photocopy of any police report that specifies the theft of the
2 sequential journal of official acts.

3 (c) Upon written request of any member of the public, which
4 request shall include the name of the parties, the type of document,
5 and the month and year in which notarized, the notary shall supply
6 a photostatic copy of the line item representing the requested
7 transaction at a cost of not more than thirty cents (\$0.30) per page.

8 (d) The journal of notarial acts of a notary public is the exclusive
9 property of that notary public, and shall not be surrendered to an
10 employer upon termination of employment, whether or not the
11 employer paid for the journal, or at any other time. The notary
12 public shall not surrender the journal to any other person, except
13 the county clerk, pursuant to Section 8209, or immediately, or if
14 the journal is not present then as soon as possible, upon request to
15 a peace officer investigating a criminal offense who has reasonable
16 suspicion to believe the journal contains evidence of a criminal
17 offense, as defined in Sections 830.1, 830.2, and 830.3 of the Penal
18 Code, acting in his or her official capacity and within his or her
19 authority. If the peace officer seizes the notary journal, he or she
20 must have probable cause as required by the laws of this state and
21 the United States. A peace officer or law enforcement agency that
22 seizes a notary journal shall notify the Secretary of State by
23 facsimile within 24 hours, or as soon as possible thereafter, of the
24 name of the notary public whose journal has been seized. The
25 notary public shall obtain a receipt for the journal, and shall notify
26 the Secretary of State by certified mail *any other means of physical*
27 *delivery that provides a receipt* within 10 days that the journal was
28 relinquished to a peace officer. The notification shall include the
29 period of the journal entries, the commission number of the notary
30 public, the expiration date of the commission, and a photocopy of
31 the receipt. The notary public shall obtain a new sequential journal.
32 If the journal relinquished to a peace officer is returned to the
33 notary public and a new journal has been obtained, the notary
34 public shall make no new entries in the returned journal. A notary
35 public who is an employee shall permit inspection and copying of
36 journal transactions by a duly designated auditor or agent of the
37 notary public's employer, provided that the inspection and copying
38 is done in the presence of the notary public and the transactions
39 are directly associated with the business purposes of the employer.
40 The notary public, upon the request of the employer, shall regularly

1 provide copies of all transactions that are directly associated with
2 the business purposes of the employer, but shall not be required
3 to provide copies of any transaction that is unrelated to the
4 employer's business. Confidentiality and safekeeping of any copies
5 of the journal provided to the employer shall be the responsibility
6 of that employer.

7 (e) The notary public shall provide the journal for examination
8 and copying in the presence of the notary public upon receipt of
9 a subpoena duces tecum or a court order, and shall certify those
10 copies if requested.

11 (f) Any applicable requirements of, or exceptions to, state and
12 federal law shall apply to a peace officer engaged in the search or
13 seizure of a sequential journal.

14 *SEC. 6. Section 8213 of the Government Code is amended to*
15 *read:*

16 8213. (a) No later than 30 days after the beginning of the term
17 prescribed in the commission, every person appointed a notary
18 public shall file an official bond and an oath of office in the office
19 of the county clerk of the county within which the person maintains
20 a principal place of business as shown in the application submitted
21 to the Secretary of State, and the commission shall not take effect
22 unless this is done within the 30-day period. A person appointed
23 to be a notary public shall take and subscribe the oath of office
24 either in the office of that county clerk or before another notary
25 public in that county. *If the oath of office is taken and subscribed*
26 *before the county clerk, the person appointed to be a notary public*
27 *shall present an identification document meeting the requirements*
28 *of subparagraph (A) or (B) of paragraph (3), or of subparagraph*
29 *(A) or (E) or paragraph (4), of subdivision (b) of Section 1185 of*
30 *the Civil Code to the county clerk as satisfactory evidence of*
31 *identity. If the oath of office is taken and subscribed before a notary*
32 *public, the oath and bond may be filed with the county clerk by*
33 *certified-mail: mail or any other means of physical delivery that*
34 *provides a receipt. Upon the filing of the oath and bond, the county*
35 *clerk shall immediately transmit to the Secretary of State a*
36 *certificate setting forth the fact of the filing and containing a copy*
37 *of the official oath, personally signed by the notary public in the*
38 *form set forth in the commission and shall immediately deliver*
39 *the bond to the county recorder for recording. The county clerk*
40 *shall retain the oath of office for one year following the expiration*

1 of the term of the commission for which the oath was taken, after
2 which the oath may be destroyed or otherwise disposed of. The
3 copy of the oath, personally signed by the notary public, on file
4 with the Secretary of State may at any time be read in evidence
5 with like effect as the original oath, without further proof.

6 (b) If a notary public transfers the principal place of business
7 from one county to another, the notary public may file a new oath
8 of office and bond, or a duplicate of the original bond with the
9 county clerk to which the principal place of business was
10 transferred. If the notary public elects to make a new filing, the
11 notary public shall, within 30 days of the filing, obtain an official
12 seal which shall include the name of the county to which the notary
13 public has transferred. In a case where the notary public elects to
14 make a new filing, the same filing and recording fees are applicable
15 as in the case of the original filing and recording of the bond.

16 (c) If a notary public submits an application for a name change
17 to the Secretary of State, the notary public shall, within 30 days
18 from the date an amended commission is issued, file a new oath
19 of office and an amendment to the bond with the county clerk in
20 which the principal place of business is located. The amended
21 commission with the name change shall not take effect unless the
22 filing is completed within the 30-day period. The amended
23 commission with the name change takes effect the date the oath
24 and amendment to the bond is filed with the county clerk. If the
25 principal place of business address was changed in the application
26 for name change, either a new or duplicate of the original bond
27 shall be filed with the county clerk with the amendment to the
28 bond. The notary public shall, within 30 days of the filing, obtain
29 an official seal that includes the name of the notary public and the
30 name of the county to which the notary public has transferred, if
31 applicable.

32 (d) The recording fee specified in Section 27361 of the
33 Government Code shall be paid by the person appointed a notary
34 public. The fee may be paid to the county clerk who shall transmit
35 it to the county recorder.

36 (e) The county recorder shall record the bond and shall thereafter
37 mail, unless specified to the contrary, it to the person named in the
38 instrument and, if no person is named, to the party leaving it for
39 recording.

1 *SEC. 7. Section 8213.5 of the Government Code is amended*
2 *to read:*

3 8213.5. A notary public shall notify the Secretary of State by
4 certified mail *or any other means of physical delivery that provides*
5 *a receipt* within 30 days as to any change in the location or address
6 of the principal place of business or residence. A notary public
7 shall not use a commercial mail receiving agency or post office
8 box as his or her principal place of business or residence, unless
9 the notary public also provides the Secretary of State with a
10 physical street address as the principal place of residence. Willful
11 failure to notify the Secretary of State of a change of address shall
12 be punishable as an infraction by a fine of not more than five
13 hundred dollars (\$500).

14 *SEC. 8. Section 8311 of the Government Code is amended to*
15 *read:*

16 8311. Wherever any notice or other communication is required
17 by any law to be mailed by registered mail to or by the state, or
18 any officer or agency thereof, the mailing of such notice or other
19 communication by certified mail *or any other means of physical*
20 *delivery that provides a receipt* shall be deemed to be a sufficient
21 compliance with the requirements of such law.

22 *SEC. 9. Section 40805 of the Government Code is amended to*
23 *read:*

24 40805. The report shall be published or posted ~~not later than~~
25 ~~120 days~~ *consistent with the timelines established in Section 53891*
26 after the close of the fiscal year for which the report is compiled.

27 *SEC. 10. Section 53601 of the Government Code is amended*
28 *to read:*

29 53601. This section shall apply to a local agency that is a city,
30 a district, or other local agency that does not pool money in
31 deposits or investments with other local agencies, other than local
32 agencies that have the same governing body. However, Section
33 53635 shall apply to all local agencies that pool money in deposits
34 or investments with other local agencies that have separate
35 governing bodies. The legislative body of a local agency having
36 moneys in a sinking fund or moneys in its treasury not required
37 for the immediate needs of the local agency may invest any portion
38 of the moneys that it deems wise or expedient in those investments
39 set forth below. A local agency purchasing or obtaining any
40 securities prescribed in this section, in a negotiable, bearer,

1 registered, or nonregistered format, shall require delivery of the
2 securities to the local agency, including those purchased for the
3 agency by financial advisers, consultants, or managers using the
4 agency's funds, by book entry, physical delivery, or by third-party
5 custodial agreement. The transfer of securities to the counterparty
6 bank's customer book entry account may be used for book entry
7 delivery.

8 For purposes of this section, "counterparty" means the other
9 party to the transaction. A counterparty bank's trust department
10 or separate safekeeping department may be used for the physical
11 delivery of the security if the security is held in the name of the
12 local agency. Where this section specifies a percentage limitation
13 for a particular category of investment, that percentage is applicable
14 only at the date of purchase. Where this section does not specify
15 a limitation on the term or remaining maturity at the time of the
16 investment, no investment shall be made in any security, other
17 than a security underlying a repurchase or reverse repurchase
18 agreement or securities lending agreement authorized by this
19 section, that at the time of the investment has a term remaining to
20 maturity in excess of five years, unless the legislative body has
21 granted express authority to make that investment either
22 specifically or as a part of an investment program approved by the
23 legislative body no less than three months prior to the investment:

24 (a) Bonds issued by the local agency, including bonds payable
25 solely out of the revenues from a revenue-producing property
26 owned, controlled, or operated by the local agency or by a
27 department, board, agency, or authority of the local agency.

28 (b) United States Treasury notes, bonds, bills, or certificates of
29 indebtedness, or those for which the faith and credit of the United
30 States are pledged for the payment of principal and interest.

31 (c) Registered state warrants or treasury notes or bonds of this
32 state, including bonds payable solely out of the revenues from a
33 revenue-producing property owned, controlled, or operated by the
34 state or by a department, board, agency, or authority of the state.

35 (d) Registered treasury notes or bonds of any of the other 49
36 states in addition to California, including bonds payable solely out
37 of the revenues from a revenue-producing property owned,
38 controlled, or operated by a state or by a department, board, agency,
39 or authority of any of the other 49 states, in addition to California.

1 (e) Bonds, notes, warrants, or other evidences of indebtedness
2 of a local agency within this state, including bonds payable solely
3 out of the revenues from a revenue-producing property owned,
4 controlled, or operated by the local agency, or by a department,
5 board, agency, or authority of the local agency.

6 (f) Federal agency or United States government-sponsored
7 enterprise obligations, participations, or other instruments,
8 including those issued by or fully guaranteed as to principal and
9 interest by federal agencies or United States government-sponsored
10 enterprises.

11 (g) Bankers' acceptances otherwise known as bills of exchange
12 or time drafts that are drawn on and accepted by a commercial
13 bank. Purchases of bankers' acceptances shall not exceed 180
14 days' maturity or 40 percent of the agency's moneys that may be
15 invested pursuant to this section. However, no more than 30 percent
16 of the agency's moneys may be invested in the bankers'
17 acceptances of any one commercial bank pursuant to this section.

18 This subdivision does not preclude a municipal utility district
19 from investing moneys in its treasury in a manner authorized by
20 the Municipal Utility District Act (Division 6 (commencing with
21 Section 11501) of the Public Utilities Code).

22 (h) Commercial paper of "prime" quality of the highest ranking
23 or of the highest letter and number rating as provided for by a
24 nationally recognized statistical rating organization (NRSRO).
25 The entity that issues the commercial paper shall meet all of the
26 following conditions in either paragraph (1) or (2):

27 (1) The entity meets the following criteria:

28 (A) Is organized and operating in the United States as a general
29 corporation.

30 (B) Has total assets in excess of five hundred million dollars
31 (\$500,000,000).

32 (C) Has debt other than commercial paper, if any, that is rated
33 *in a rating category of "A" or its equivalent* or higher by an
34 NRSRO.

35 (2) The entity meets the following criteria:

36 (A) Is organized within the United States as a special purpose
37 corporation, trust, or limited liability company.

38 (B) Has programwide credit enhancements including, but not
39 limited to, overcollateralization, letters of credit, or a surety bond.

1 (C) Has commercial paper that is rated “A-1” or higher, or the
2 equivalent, by an NRSRO.

3 Eligible commercial paper shall have a maximum maturity of
4 270 days or less. Local agencies, other than counties or a city and
5 county, may invest no more than 25 percent of their moneys in
6 eligible commercial paper. Local agencies, other than counties or
7 a city and county, may purchase no more than 10 percent of the
8 outstanding commercial paper of any single issuer. Counties or a
9 city and county may invest in commercial paper pursuant to the
10 concentration limits in subdivision (a) of Section 53635.

11 (i) Negotiable certificates of deposit issued by a nationally or
12 state-chartered bank, a savings association or a federal association
13 (as defined by Section 5102 of the Financial Code), a state or
14 federal credit union, or by a federally licensed or state-licensed
15 branch of a foreign bank. Purchases of negotiable certificates of
16 deposit shall not exceed 30 percent of the agency’s moneys that
17 may be invested pursuant to this section. For purposes of this
18 section, negotiable certificates of deposit do not come within
19 Article 2 (commencing with Section 53630), except that the amount
20 so invested shall be subject to the limitations of Section 53638.
21 The legislative body of a local agency and the treasurer or other
22 official of the local agency having legal custody of the moneys
23 are prohibited from investing local agency funds, or funds in the
24 custody of the local agency, in negotiable certificates of deposit
25 issued by a state or federal credit union if a member of the
26 legislative body of the local agency, or a person with investment
27 decisionmaking authority in the administrative office manager’s
28 office, budget office, auditor-controller’s office, or treasurer’s
29 office of the local agency also serves on the board of directors, or
30 any committee appointed by the board of directors, or the credit
31 committee or the supervisory committee of the state or federal
32 credit union issuing the negotiable certificates of deposit.

33 (j) (1) Investments in repurchase agreements or reverse
34 repurchase agreements or securities lending agreements of
35 securities authorized by this section, as long as the agreements are
36 subject to this subdivision, including the delivery requirements
37 specified in this section.

38 (2) Investments in repurchase agreements may be made, on an
39 investment authorized in this section, when the term of the
40 agreement does not exceed one year. The market value of securities

1 that underlie a repurchase agreement shall be valued at 102 percent
2 or greater of the funds borrowed against those securities and the
3 value shall be adjusted no less than quarterly. Since the market
4 value of the underlying securities is subject to daily market
5 fluctuations, the investments in repurchase agreements shall be in
6 compliance if the value of the underlying securities is brought back
7 up to 102 percent no later than the next business day.

8 (3) Reverse repurchase agreements or securities lending
9 agreements may be utilized only when all of the following
10 conditions are met:

11 (A) The security to be sold using a reverse repurchase agreement
12 or securities lending agreement has been owned and fully paid for
13 by the local agency for a minimum of 30 days prior to sale.

14 (B) The total of all reverse repurchase agreements and securities
15 lending agreements on investments owned by the local agency
16 does not exceed 20 percent of the base value of the portfolio.

17 (C) The agreement does not exceed a term of 92 days, unless
18 the agreement includes a written codicil guaranteeing a minimum
19 earning or spread for the entire period between the sale of a security
20 using a reverse repurchase agreement or securities lending
21 agreement and the final maturity date of the same security.

22 (D) Funds obtained or funds within the pool of an equivalent
23 amount to that obtained from selling a security to a counterparty
24 using a reverse repurchase agreement or securities lending
25 agreement shall not be used to purchase another security with a
26 maturity longer than 92 days from the initial settlement date of the
27 reverse repurchase agreement or securities lending agreement,
28 unless the reverse repurchase agreement or securities lending
29 agreement includes a written codicil guaranteeing a minimum
30 earning or spread for the entire period between the sale of a security
31 using a reverse repurchase agreement or securities lending
32 agreement and the final maturity date of the same security.

33 (4) (A) Investments in reverse repurchase agreements, securities
34 lending agreements, or similar investments in which the local
35 agency sells securities prior to purchase with a simultaneous
36 agreement to repurchase the security may be made only upon prior
37 approval of the governing body of the local agency and shall be
38 made only with primary dealers of the Federal Reserve Bank of
39 New York or with a nationally or state-chartered bank that has or
40 has had a significant banking relationship with a local agency.

1 (B) For purposes of this chapter, “significant banking
2 relationship” means any of the following activities of a bank:
3 (i) Involvement in the creation, sale, purchase, or retirement of
4 a local agency’s bonds, warrants, notes, or other evidence of
5 indebtedness.
6 (ii) Financing of a local agency’s activities.
7 (iii) Acceptance of a local agency’s securities or funds as
8 deposits.

9 (5) (A) “Repurchase agreement” means a purchase of securities
10 by the local agency pursuant to an agreement by which the
11 counterparty seller will repurchase the securities on or before a
12 specified date and for a specified amount and the counterparty will
13 deliver the underlying securities to the local agency by book entry,
14 physical delivery, or by third-party custodial agreement. The
15 transfer of underlying securities to the counterparty bank’s
16 customer book-entry account may be used for book-entry delivery.

17 (B) “Securities,” for purposes of repurchase under this
18 subdivision, means securities of the same issuer, description, issue
19 date, and maturity.

20 (C) “Reverse repurchase agreement” means a sale of securities
21 by the local agency pursuant to an agreement by which the local
22 agency will repurchase the securities on or before a specified date
23 and includes other comparable agreements.

24 (D) “Securities lending agreement” means an agreement under
25 which a local agency agrees to transfer securities to a borrower
26 who, in turn, agrees to provide collateral to the local agency.
27 During the term of the agreement, both the securities and the
28 collateral are held by a third party. At the conclusion of the
29 agreement, the securities are transferred back to the local agency
30 in return for the collateral.

31 (E) For purposes of this section, the base value of the local
32 agency’s pool portfolio shall be that dollar amount obtained by
33 totaling all cash balances placed in the pool by all pool participants,
34 excluding any amounts obtained through selling securities by way
35 of reverse repurchase agreements, securities lending agreements,
36 or other similar borrowing methods.

37 (F) For purposes of this section, the spread is the difference
38 between the cost of funds obtained using the reverse repurchase
39 agreement and the earnings obtained on the reinvestment of the
40 funds.

1 (k) Medium-term notes, defined as all corporate and depository
2 institution debt securities with a maximum remaining maturity of
3 five years or less, issued by corporations organized and operating
4 within the United States or by depository institutions licensed by
5 the United States or any state and operating within the United
6 States. Notes eligible for investment under this subdivision shall
7 be rated *in a rating category of “A” or its equivalent* or better by
8 an NRSRO. Purchases of medium-term notes shall not include
9 other instruments authorized by this section and shall not exceed
10 30 percent of the agency’s moneys that may be invested pursuant
11 to this section.

12 (l) (1) Shares of beneficial interest issued by diversified
13 management companies that invest in the securities and obligations
14 as authorized by subdivisions (a) to (k), inclusive, and subdivisions
15 (m) to (q), inclusive, and that comply with the investment
16 restrictions of this article and Article 2 (commencing with Section
17 53630). However, notwithstanding these restrictions, a counterparty
18 to a reverse repurchase agreement or securities lending agreement
19 is not required to be a primary dealer of the Federal Reserve Bank
20 of New York if the company’s board of directors finds that the
21 counterparty presents a minimal risk of default, and the value of
22 the securities underlying a repurchase agreement or securities
23 lending agreement may be 100 percent of the sales price if the
24 securities are marked to market daily.

25 (2) Shares of beneficial interest issued by diversified
26 management companies that are money market funds registered
27 with the Securities and Exchange Commission under the
28 Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

29 (3) If investment is in shares issued pursuant to paragraph (1),
30 the company shall have met either of the following criteria:

31 (A) Attained the highest ranking or the highest letter and
32 numerical rating provided by not less than two NRSROs.

33 (B) Retained an investment adviser registered or exempt from
34 registration with the Securities and Exchange Commission with
35 not less than five years’ experience investing in the securities and
36 obligations authorized by subdivisions (a) to (k), inclusive, and
37 subdivisions (m) to (q), inclusive, and with assets under
38 management in excess of five hundred million dollars
39 (\$500,000,000).

1 (4) If investment is in shares issued pursuant to paragraph (2),
2 the company shall have met either of the following criteria:

3 (A) Attained the highest ranking or the highest letter and
4 numerical rating provided by not less than two NRSROs.

5 (B) Retained an investment adviser registered or exempt from
6 registration with the Securities and Exchange Commission with
7 not less than five years' experience managing money market
8 mutual funds with assets under management in excess of five
9 hundred million dollars (\$500,000,000).

10 (5) The purchase price of shares of beneficial interest purchased
11 pursuant to this subdivision shall not include commission that the
12 companies may charge and shall not exceed 20 percent of the
13 agency's moneys that may be invested pursuant to this section.
14 However, no more than 10 percent of the agency's funds may be
15 invested in shares of beneficial interest of any one mutual fund
16 pursuant to paragraph (1).

17 (m) Moneys held by a trustee or fiscal agent and pledged to the
18 payment or security of bonds or other indebtedness, or obligations
19 under a lease, installment sale, or other agreement of a local
20 agency, or certificates of participation in those bonds, indebtedness,
21 or lease installment sale, or other agreements, may be invested in
22 accordance with the statutory provisions governing the issuance
23 of those bonds, indebtedness, or lease installment sale, or other
24 agreement, or to the extent not inconsistent therewith or if there
25 are no specific statutory provisions, in accordance with the
26 ordinance, resolution, indenture, or agreement of the local agency
27 providing for the issuance.

28 (n) Notes, bonds, or other obligations that are at all times secured
29 by a valid first priority security interest in securities of the types
30 listed by Section 53651 as eligible securities for the purpose of
31 securing local agency deposits having a market value at least equal
32 to that required by Section 53652 for the purpose of securing local
33 agency deposits. The securities serving as collateral shall be placed
34 by delivery or book entry into the custody of a trust company or
35 the trust department of a bank that is not affiliated with the issuer
36 of the secured obligation, and the security interest shall be perfected
37 in accordance with the requirements of the Uniform Commercial
38 Code or federal regulations applicable to the types of securities in
39 which the security interest is granted.

1 (o) A mortgage passthrough security, collateralized mortgage
2 obligation, mortgage-backed or other pay-through bond, equipment
3 lease-backed certificate, consumer receivable passthrough
4 certificate, or consumer receivable-backed bond of a maximum of
5 five years' maturity. Securities eligible for investment under this
6 subdivision shall be issued by an issuer ~~having an~~ *rated in a rating*
7 *category of "A" or higher rating its equivalent or better* for the
8 issuer's debt as provided by an NRSRO and rated in a rating
9 category of "AA" or its equivalent or better by an NRSRO.
10 Purchase of securities authorized by this subdivision shall not
11 exceed 20 percent of the agency's surplus moneys that may be
12 invested pursuant to this section.

13 (p) Shares of beneficial interest issued by a joint powers
14 authority organized pursuant to Section 6509.7 that invests in the
15 securities and obligations authorized in subdivisions (a) to (q),
16 inclusive. Each share shall represent an equal proportional interest
17 in the underlying pool of securities owned by the joint powers
18 authority. To be eligible under this section, the joint powers
19 authority issuing the shares shall have retained an investment
20 adviser that meets all of the following criteria:

21 (1) The adviser is registered or exempt from registration with
22 the Securities and Exchange Commission.

23 (2) The adviser has not less than five years of experience
24 investing in the securities and obligations authorized in
25 subdivisions (a) to (q), inclusive.

26 (3) The adviser has assets under management in excess of five
27 hundred million dollars (\$500,000,000).

28 (q) United States dollar denominated senior unsecured
29 unsubordinated obligations issued or unconditionally guaranteed
30 by the International Bank for Reconstruction and Development,
31 International Finance Corporation, or Inter-American Development
32 Bank, with a maximum remaining maturity of five years or less,
33 and eligible for purchase and sale within the United States.
34 Investments under this subdivision shall be rated *in a rating*
35 *category of "AA" or its equivalent* or better by an NRSRO and
36 shall not exceed 30 percent of the agency's moneys that may be
37 invested pursuant to this section.

38 *SEC. 11. Section 65091 of the Government Code is amended*
39 *to read:*

1 65091. (a) When a provision of this title requires notice of a
2 public hearing to be given pursuant to this section, notice shall be
3 given in all of the following ways:

4 (1) Notice of the hearing shall be mailed or delivered at least
5 10 days prior to the hearing to the owner of the subject real
6 property as shown on the latest equalized assessment roll. Instead
7 of using the assessment roll, the local agency may use records of
8 the county assessor or tax collector if those records contain more
9 recent information than the information contained on the
10 assessment roll. Notice shall also be mailed to the owner’s duly
11 authorized agent, if any, and to the project applicant.

12 (2) When the Subdivision Map Act (Div. 2 (commencing with
13 Section 66410)) requires notice of a public hearing to be given
14 pursuant to this section, notice shall also be given to any owner of
15 a mineral right pertaining to the subject real property who has
16 recorded a notice of intent to preserve the mineral right pursuant
17 to Section 883.230 of the Civil Code.

18 (3) Notice of the hearing shall be mailed or delivered at least
19 10 days prior to the hearing to each local agency expected to
20 provide water, sewage, streets, roads, schools, or other essential
21 facilities or services to the project, whose ability to provide those
22 facilities and services may be significantly affected.

23 (4) Notice of the hearing shall be mailed or delivered at least
24 10 days prior to the hearing to all owners of real property as shown
25 on the latest equalized assessment roll within 300 feet of the real
26 property that is the subject of the hearing. In lieu of using the
27 assessment roll, the local agency may use records of the county
28 assessor or tax collector which contain more recent information
29 than the assessment roll. If the number of owners to whom notice
30 would be mailed or delivered pursuant to this paragraph or
31 paragraph (1) is greater than 1,000, a local agency, in lieu of mailed
32 or delivered notice, may provide notice by placing a display
33 advertisement of at least one-eighth page in at least one newspaper
34 of general circulation within the local agency in which the
35 proceeding is conducted at least 10 days prior to the hearing.

36 (5) If the notice is mailed or delivered pursuant to paragraph
37 ~~(3)~~, (4), the notice shall also either be:

38 (A) Published pursuant to Section 6061 in at least one newspaper
39 of general circulation within the local agency which is conducting
40 the proceeding at least 10 days prior to the hearing.

1 (B) Posted at least 10 days prior to the hearing in at least three
2 public places within the boundaries of the local agency, including
3 one public place in the area directly affected by the proceeding.

4 (b) The notice shall include the information specified in Section
5 65094.

6 (c) In addition to the notice required by this section, a local
7 agency may give notice of the hearing in any other manner it deems
8 necessary or desirable.

9 (d) Whenever a hearing is held regarding a permit for a
10 drive-through facility, or modification of an existing drive-through
11 facility permit, the local agency shall incorporate, where necessary,
12 notice procedures to the blind, aged, and disabled communities in
13 order to facilitate their participation in any hearing on, or appeal
14 of the denial of, a drive-through facility permit. The Legislature
15 finds that access restrictions to commercial establishments affecting
16 the blind, aged, or disabled, is a critical statewide problem;
17 therefore, this subdivision shall be applicable to charter cities.

18 ~~SEC. 2.~~

19 *SEC. 12.* Section 65302 of the Government Code, as amended
20 by Section 1 of Chapter 608 of the Statutes of 2015, is amended
21 to read:

22 65302. The general plan shall consist of a statement of
23 development policies and shall include a diagram or diagrams and
24 text setting forth objectives, principles, standards, and plan
25 proposals. The plan shall include the following elements:

26 (a) A land use element that designates the proposed general
27 distribution and general location and extent of the uses of the land
28 for housing, business, industry, open space, including agriculture,
29 natural resources, recreation, and enjoyment of scenic beauty,
30 education, public buildings and grounds, solid and liquid waste
31 disposal facilities, and other categories of public and private uses
32 of land. The location and designation of the extent of the uses of
33 the land for public and private uses shall consider the identification
34 of land and natural resources pursuant to paragraph (3) of
35 subdivision (d). The land use element shall include a statement of
36 the standards of population density and building intensity
37 recommended for the various districts and other territory covered
38 by the plan. The land use element shall identify and annually
39 review those areas covered by the plan that are subject to flooding
40 identified by flood plain mapping prepared by the Federal

1 Emergency Management Agency (FEMA) or the Department of
2 Water Resources. The land use element shall also do both of the
3 following:

4 (1) Designate in a land use category that provides for timber
5 production those parcels of real property zoned for timberland
6 production pursuant to the California Timberland Productivity Act
7 of 1982 (Chapter 6.7 (commencing with Section 51100) of Part 1
8 of Division 1 of Title 5).

9 (2) Consider the impact of new growth on military readiness
10 activities carried out on military bases, installations, and operating
11 and training areas, when proposing zoning ordinances or
12 designating land uses covered by the general plan for land, or other
13 territory adjacent to military facilities, or underlying designated
14 military aviation routes and airspace.

15 (A) In determining the impact of new growth on military
16 readiness activities, information provided by military facilities
17 shall be considered. Cities and counties shall address military
18 impacts based on information from the military and other sources.

19 (B) The following definitions govern this paragraph:

20 (i) “Military readiness activities” mean all of the following:

21 (I) Training, support, and operations that prepare the men and
22 women of the military for combat.

23 (II) Operation, maintenance, and security of any military
24 installation.

25 (III) Testing of military equipment, vehicles, weapons, and
26 sensors for proper operation or suitability for combat use.

27 (ii) “Military installation” means a base, camp, post, station,
28 yard, center, homeport facility for any ship, or other activity under
29 the jurisdiction of the United States Department of Defense as
30 defined in paragraph (1) of subsection (g) of Section 2687 of Title
31 10 of the United States Code.

32 (b) (1) A circulation element consisting of the general location
33 and extent of existing and proposed major thoroughfares,
34 transportation routes, terminals, any military airports and ports,
35 and other local public utilities and facilities, all correlated with the
36 land use element of the plan.

37 (2) (A) Commencing January 1, 2011, upon any substantive
38 revision of the circulation element, the legislative body shall
39 modify the circulation element to plan for a balanced, multimodal
40 transportation network that meets the needs of all users of streets,

1 roads, and highways for safe and convenient travel in a manner
2 that is suitable to the rural, suburban, or urban context of the
3 general plan.

4 (B) For purposes of this paragraph, “users of streets, roads, and
5 highways” mean bicyclists, children, persons with disabilities,
6 motorists, movers of commercial goods, pedestrians, users of public
7 transportation, and seniors.

8 (c) A housing element as provided in Article 10.6 (commencing
9 with Section 65580).

10 (d) (1) A conservation element for the conservation,
11 development, and utilization of natural resources including water
12 and its hydraulic force, forests, soils, rivers and other waters,
13 harbors, fisheries, wildlife, minerals, and other natural resources.
14 The conservation element shall consider the effect of development
15 within the jurisdiction, as described in the land use element, on
16 natural resources located on public lands, including military
17 installations. That portion of the conservation element including
18 waters shall be developed in coordination with any countywide
19 water agency and with all district and city agencies, including
20 flood management, water conservation, or groundwater agencies
21 that have developed, served, controlled, managed, or conserved
22 water of any type for any purpose in the county or city for which
23 the plan is prepared. Coordination shall include the discussion and
24 evaluation of any water supply and demand information described
25 in Section 65352.5, if that information has been submitted by the
26 water agency to the city or county.

27 (2) The conservation element may also cover all of the
28 following:

29 (A) The reclamation of land and waters.

30 (B) Prevention and control of the pollution of streams and other
31 waters.

32 (C) Regulation of the use of land in stream channels and other
33 areas required for the accomplishment of the conservation plan.

34 (D) Prevention, control, and correction of the erosion of soils,
35 beaches, and shores.

36 (E) Protection of watersheds.

37 (F) The location, quantity and quality of the rock, sand, and
38 gravel resources.

39 (3) Upon the next revision of the housing element on or after
40 January 1, 2009, the conservation element shall identify rivers,

1 creeks, streams, flood corridors, riparian habitats, and land that
2 may accommodate floodwater for purposes of groundwater
3 recharge and stormwater management.

4 (e) An open-space element as provided in Article 10.5
5 (commencing with Section 65560).

6 (f) (1) A noise element that shall identify and appraise noise
7 problems in the community. The noise element shall analyze and
8 quantify, to the extent practicable, as determined by the legislative
9 body, current and projected noise levels for all of the following
10 sources:

11 (A) Highways and freeways.

12 (B) Primary arterials and major local streets.

13 (C) Passenger and freight online railroad operations and ground
14 rapid transit systems.

15 (D) Commercial, general aviation, heliport, helistop, and military
16 airport operations, aircraft overflights, jet engine test stands, and
17 all other ground facilities and maintenance functions related to
18 airport operation.

19 (E) Local industrial plants, including, but not limited to, railroad
20 classification yards.

21 (F) Other ground stationary noise sources, including, but not
22 limited to, military installations, identified by local agencies as
23 contributing to the community noise environment.

24 (2) Noise contours shall be shown for all of these sources and
25 stated in terms of community noise equivalent level (CNEL) or
26 day-night average sound level (L_{dn}). The noise contours shall be
27 prepared on the basis of noise monitoring or following generally
28 accepted noise modeling techniques for the various sources
29 identified in paragraphs (1) to (6), inclusive.

30 (3) The noise contours shall be used as a guide for establishing
31 a pattern of land uses in the land use element that minimizes the
32 exposure of community residents to excessive noise.

33 (4) The noise element shall include implementation measures
34 and possible solutions that address existing and foreseeable noise
35 problems, if any. The adopted noise element shall serve as a
36 guideline for compliance with the state's noise insulation standards.

37 (g) (1) A safety element for the protection of the community
38 from any unreasonable risks associated with the effects of
39 seismically induced surface rupture, ground shaking, ground
40 failure, tsunami, seiche, and dam failure; slope instability leading

1 to mudslides and landslides; subsidence; liquefaction; and other
2 seismic hazards identified pursuant to Chapter 7.8 (commencing
3 with Section 2690) of Division 2 of the Public Resources Code,
4 and other geologic hazards known to the legislative body; flooding;
5 and wildland and urban fires. The safety element shall include
6 mapping of known seismic and other geologic hazards. It shall
7 also address evacuation routes, military installations, peakload
8 water supply requirements, and minimum road widths and
9 clearances around structures, as those items relate to identified fire
10 and geologic hazards.

11 (2) The safety element, upon the next revision of the housing
12 element on or after January 1, 2009, shall also do the following:

13 (A) Identify information regarding flood hazards, including,
14 but not limited to, the following:

15 (i) Flood hazard zones. As used in this subdivision, “flood
16 hazard zone” means an area subject to flooding that is delineated
17 as either a special hazard area or an area of moderate or minimal
18 hazard on an official flood insurance rate map issued by the Federal
19 Emergency Management Agency (FEMA). The identification of
20 a flood hazard zone does not imply that areas outside the flood
21 hazard zones or uses permitted within flood hazard zones will be
22 free from flooding or flood damage.

23 (ii) National Flood Insurance Program maps published by
24 FEMA.

25 (iii) Information about flood hazards that is available from the
26 United States Army Corps of Engineers.

27 (iv) Designated floodway maps that are available from the
28 Central Valley Flood Protection Board.

29 (v) Dam failure inundation maps prepared pursuant to Section
30 8589.5 that are available from the Office of Emergency Services.

31 (vi) Awareness Floodplain Mapping Program maps and 200-year
32 flood plain maps that are or may be available from, or accepted
33 by, the Department of Water Resources.

34 (vii) Maps of levee protection zones.

35 (viii) Areas subject to inundation in the event of the failure of
36 project or nonproject levees or floodwalls.

37 (ix) Historical data on flooding, including locally prepared maps
38 of areas that are subject to flooding, areas that are vulnerable to
39 flooding after wildfires, and sites that have been repeatedly
40 damaged by flooding.

- 1 (x) Existing and planned development in flood hazard zones,
2 including structures, roads, utilities, and essential public facilities.
- 3 (xi) Local, state, and federal agencies with responsibility for
4 flood protection, including special districts and local offices of
5 emergency services.
- 6 (B) Establish a set of comprehensive goals, policies, and
7 objectives based on the information identified pursuant to
8 subparagraph (A), for the protection of the community from the
9 unreasonable risks of flooding, including, but not limited to:
- 10 (i) Avoiding or minimizing the risks of flooding to new
11 development.
- 12 (ii) Evaluating whether new development should be located in
13 flood hazard zones, and identifying construction methods or other
14 methods to minimize damage if new development is located in
15 flood hazard zones.
- 16 (iii) Maintaining the structural and operational integrity of
17 essential public facilities during flooding.
- 18 (iv) Locating, when feasible, new essential public facilities
19 outside of flood hazard zones, including hospitals and health care
20 facilities, emergency shelters, fire stations, emergency command
21 centers, and emergency communications facilities or identifying
22 construction methods or other methods to minimize damage if
23 these facilities are located in flood hazard zones.
- 24 (v) Establishing cooperative working relationships among public
25 agencies with responsibility for flood protection.
- 26 (C) Establish a set of feasible implementation measures designed
27 to carry out the goals, policies, and objectives established pursuant
28 to subparagraph (B).
- 29 (3) Upon the next revision of the housing element on or after
30 January 1, 2014, the safety element shall be reviewed and updated
31 as necessary to address the risk of fire for land classified as state
32 responsibility areas, as defined in Section 4102 of the Public
33 Resources Code, and land classified as very high fire hazard
34 severity zones, as defined in Section 51177. This review shall
35 consider the advice included in the Office of Planning and
36 Research's most recent publication of "Fire Hazard Planning,
37 General Plan Technical Advice Series" and shall also include all
38 of the following:
- 39 (A) Information regarding fire hazards, including, but not limited
40 to, all of the following:

- 1 (i) Fire hazard severity zone maps available from the Department
2 of Forestry and Fire Protection.
- 3 (ii) Any historical data on wildfires available from local
4 agencies or a reference to where the data can be found.
- 5 (iii) Information about wildfire hazard areas that may be
6 available from the United States Geological Survey.
- 7 (iv) General location and distribution of existing and planned
8 uses of land in very high fire hazard severity zones and in state
9 responsibility areas, including structures, roads, utilities, and
10 essential public facilities. The location and distribution of planned
11 uses of land shall not require defensible space compliance measures
12 required by state law or local ordinance to occur on publicly owned
13 lands or open space designations of homeowner associations.
- 14 (v) Local, state, and federal agencies with responsibility for fire
15 protection, including special districts and local offices of
16 emergency services.
- 17 (B) A set of goals, policies, and objectives based on the
18 information identified pursuant to subparagraph (A) for the
19 protection of the community from the unreasonable risk of wildfire.
- 20 (C) A set of feasible implementation measures designed to carry
21 out the goals, policies, and objectives based on the information
22 identified pursuant to subparagraph (B) including, but not limited
23 to, all of the following:
- 24 (i) Avoiding or minimizing the wildfire hazards associated with
25 new uses of land.
- 26 (ii) Locating, when feasible, new essential public facilities
27 outside of high fire risk areas, including, but not limited to,
28 hospitals and health care facilities, emergency shelters, emergency
29 command centers, and emergency communications facilities, or
30 identifying construction methods or other methods to minimize
31 damage if these facilities are located in a state responsibility area
32 or very high fire hazard severity zone.
- 33 (iii) Designing adequate infrastructure if a new development is
34 located in a state responsibility area or in a very high fire hazard
35 severity zone, including safe access for emergency response
36 vehicles, visible street signs, and water supplies for structural fire
37 suppression.
- 38 (iv) Working cooperatively with public agencies with
39 responsibility for fire protection.

1 (D) If a city or county has adopted a fire safety plan or document
2 separate from the general plan, an attachment of, or reference to,
3 a city or county's adopted fire safety plan or document that fulfills
4 commensurate goals and objectives and contains information
5 required pursuant to this paragraph.

6 (4) Upon the next revision of a local hazard mitigation plan,
7 adopted in accordance with the federal Disaster Mitigation Act of
8 2000 (Public Law 106-390), on or after January 1, 2017, or, if a
9 local jurisdiction has not adopted a local hazard mitigation plan,
10 beginning on or before January 1, 2022, the safety element shall
11 be reviewed and updated as necessary to address climate adaptation
12 and resiliency strategies applicable to the city or county. This
13 review shall consider advice provided in the Office of Planning
14 and Research's General Plan Guidelines and shall include all of
15 the following:

16 (A) (i) A vulnerability assessment that identifies the risks that
17 climate change poses to the local jurisdiction and the geographic
18 areas at risk from climate change impacts, including, but not limited
19 to, an assessment of how climate change may affect the risks
20 addressed pursuant to paragraphs (2) and (3).

21 (ii) Information that may be available from federal, state,
22 regional, and local agencies that will assist in developing the
23 vulnerability assessment and the adaptation policies and strategies
24 required pursuant to subparagraph (B), including, but not limited
25 to, all of the following:

26 (I) Information from the Internet-based Cal-Adapt tool.

27 (II) Information from the most recent version of the California
28 Adaptation Planning Guide.

29 (III) Information from local agencies on the types of assets,
30 resources, and populations that will be sensitive to various climate
31 change exposures.

32 (IV) Information from local agencies on their current ability to
33 deal with the impacts of climate change.

34 (V) Historical data on natural events and hazards, including
35 locally prepared maps of areas subject to previous risk, areas that
36 are vulnerable, and sites that have been repeatedly damaged.

37 (VI) Existing and planned development in identified at-risk
38 areas, including structures, roads, utilities, and essential public
39 facilities.

1 (VII) Federal, state, regional, and local agencies with
2 responsibility for the protection of public health and safety and
3 the environment, including special districts and local offices of
4 emergency services.

5 (B) A set of adaptation and resilience goals, policies, and
6 objectives based on the information specified in subparagraph (A)
7 for the protection of the community.

8 (C) A set of feasible implementation measures designed to carry
9 out the goals, policies, and objectives identified pursuant to
10 subparagraph (B) including, but not limited to, all of the following:

11 (i) Feasible methods to avoid or minimize climate change
12 impacts associated with new uses of land.

13 (ii) The location, when feasible, of new essential public facilities
14 outside of at-risk areas, including, but not limited to, hospitals and
15 health care facilities, emergency shelters, emergency command
16 centers, and emergency communications facilities, or identifying
17 construction methods or other methods to minimize damage if
18 these facilities are located in at-risk areas.

19 (iii) The designation of adequate and feasible infrastructure
20 located in an at-risk area.

21 (iv) Guidelines for working cooperatively with relevant local,
22 regional, state, and federal agencies.

23 (v) The identification of natural infrastructure that may be used
24 in adaptation projects, where feasible. Where feasible, the plan
25 shall use existing natural features and ecosystem processes, or the
26 restoration of natural features and ecosystem processes, when
27 developing alternatives for consideration. For the purposes of this
28 clause, “natural infrastructure” means the preservation or
29 restoration of ecological systems, or utilization of engineered
30 systems that use ecological processes, to increase resiliency to
31 climate change, manage other environmental hazards, or both.
32 This may include, but is not limited to, floodplain and wetlands
33 restoration or preservation, combining levees with restored natural
34 systems to reduce flood risk, and urban tree planting to mitigate
35 high heat days.

36 (D) (i) If a city or county has adopted the local hazard
37 mitigation plan, or other climate adaptation plan or document that
38 fulfills commensurate goals and objectives and contains the
39 information required pursuant to this paragraph, separate from the

1 general plan, an attachment of, or reference to, the local hazard
2 mitigation plan or other climate adaptation plan or document.

3 (ii) Cities or counties that have an adopted hazard mitigation
4 plan, or other climate adaptation plan or document that substantially
5 complies with this section, or have substantially equivalent
6 provisions to this subdivision in their general plans, may use that
7 information in the safety element to comply with this subdivision,
8 and shall summarize and incorporate by reference into the safety
9 element the other general plan provisions, climate adaptation plan
10 or document, specifically showing how each requirement of this
11 subdivision has been met.

12 (5) After the initial revision of the safety element pursuant to
13 paragraphs (2) and (3), upon each revision of the housing element,
14 the planning agency shall review and, if necessary, revise the safety
15 element to identify new information that was not available during
16 the previous revision of the safety element.

17 (6) Cities and counties that have flood plain management
18 ordinances that have been approved by FEMA that substantially
19 comply with this section, or have substantially equivalent
20 provisions to this subdivision in their general plans, may use that
21 information in the safety element to comply with this subdivision,
22 and shall summarize and incorporate by reference into the safety
23 element the other general plan provisions or the flood plain
24 ordinance, specifically showing how each requirement of this
25 subdivision has been met.

26 (7) Prior to the periodic review of its general plan and prior to
27 preparing or revising its safety element, each city and county shall
28 consult the California Geological Survey of the Department of
29 Conservation, the Central Valley Flood Protection Board, if the
30 city or county is located within the boundaries of the Sacramento
31 and San Joaquin Drainage District, as set forth in Section 8501 of
32 the Water Code, and the Office of Emergency Services for the
33 purpose of including information known by and available to the
34 department, the agency, and the board required by this subdivision.

35 (8) To the extent that a county's safety element is sufficiently
36 detailed and contains appropriate policies and programs for
37 adoption by a city, a city may adopt that portion of the county's
38 safety element that pertains to the city's planning area in
39 satisfaction of the requirement imposed by this subdivision.

1 *SEC. 13. Section 67661 of the Government Code is amended*
2 *to read:*

3 67661. The following may serve as ex officio nonvoting
4 members of the board:

5 (a) A representative appointed by the Monterey Peninsula
6 Community College District.

7 (b) A representative appointed by the Monterey Peninsula
8 Unified School District.

9 (c) A representative designated by the Member of Congress
10 ~~from the 17th~~ *that has the majority portion of Ford Ord in his or*
11 *her Congressional District.*

12 (d) A representative designated by the Senator ~~from the 15th~~
13 *that has the majority portion of Ford Ord in his or her Senate*
14 *District.*

15 (e) A representative designated by the Assembly Member ~~from~~
16 ~~the 27th~~ *that has the majority portion of Ford Ord in his or her*
17 *Assembly District.*

18 (f) A representative designated by the United States Army.

19 (g) A representative designated by the Chancellor of the
20 California State University.

21 (h) A representative designated by the President of the
22 University of California.

23 (i) A representative designated by the Monterey County Water
24 Resources Agency.

25 (j) A representative designated by the Transportation Agency
26 of Monterey County.

27 *SEC. 14. Section 5471 of the Health and Safety Code is*
28 *amended to read:*

29 5471. (a) In addition to the powers granted in the principal
30 act, any entity shall have power, by an ordinance *or resolution*
31 approved by a two-thirds vote of the members of the legislative
32 body thereof, to prescribe, revise and collect, fees, tolls, rates,
33 rentals, or other charges for services and facilities furnished by it,
34 either within or without its territorial limits, in connection with its
35 water, sanitation, storm drainage, or sewerage system.

36 (b) In addition to the powers granted in the principal act, any
37 entity shall have power, pursuant to the notice, protest, and hearing
38 procedures in Section 53753 of the Government Code, to prescribe,
39 revise, and collect water, sewer, or water and sewer standby or
40 immediate availability charges for services and facilities furnished

1 by it, either within or without its territorial limits, in connection
2 with its water, sanitation, storm drainage, or sewerage system.

3 (c) The entity may provide that the charge for the service shall
4 be collected with the rates, tolls, and charges for any other utility,
5 and that any or all of these charges may be billed upon the same
6 bill. Where the charge is to be collected with the charges for any
7 other utility service furnished by a department or agency of the
8 entity and over which its legislative body does not exercise control,
9 the consent of the department or agency shall be obtained prior to
10 collecting water, sanitation, storm drainage, or sewerage charges
11 with the charges for any other utility. Revenues derived under the
12 provisions in this section, shall be used only for the acquisition,
13 construction, reconstruction, maintenance, and operation of water
14 systems and sanitation, storm drainage, or sewerage facilities, to
15 repay principal and interest on bonds issued for the construction
16 or reconstruction of these water systems and sanitary, storm
17 drainage, or sewerage facilities and to repay federal or state loans
18 or advances made to the entity for the construction or
19 reconstruction of water systems and sanitary, storm drainage, or
20 sewerage facilities. However, the revenue shall not be used for the
21 acquisition or construction of new local street sewers or laterals
22 as distinguished from main trunk, interceptor and outfall sewers.

23 (d) If the procedures set forth in this section as it read at the
24 time a standby charge was established were followed, the entity
25 may, by ordinance *or resolution* adopted by a two-thirds vote of
26 the members of the legislative body thereof, continue the charge
27 pursuant to this section in successive years at the same rate. If new,
28 increased, or extended assessments are proposed, the entity shall
29 comply with the notice, protest, and hearing procedures in Section
30 53753 of the Government Code.

31 *SEC. 15. Section 5473 of the Health and Safety Code is*
32 *amended to read:*

33 5473. Any entity which has adopted an ordinance *or resolution*
34 pursuant to this article or an order pursuant to Section 6520.5 may,
35 by such ordinance *or resolution* or by separate ordinances or
36 resolutions approved by a two-thirds vote of the members of the
37 legislative body thereof, elect to have such charges collected on
38 the tax roll in the same manner, by the same persons, and at the
39 same time as, together with and not separately from, its general
40 taxes. In such event, it shall cause a written report to be prepared

1 each year and filed with the clerk, which shall contain a description
2 of each parcel of real property receiving such services and facilities
3 and the amount of the charge for each parcel for the year, computed
4 in conformity with the charges prescribed by the ordinance or
5 resolution.

6 Any ordinance or resolution adopted pursuant to this section
7 authorizing the collection of charges on the tax roll shall remain
8 in effect for the time specified in the ordinance or resolution or, if
9 no time is specified in the ordinance or resolution, until repealed
10 or until a change is made in the rates charged by the entity.

11 The powers authorized by this section shall be alternative to all
12 other powers of any entity, and alternative to other procedures
13 adopted by the legislative body thereof for the collection of such
14 charges.

15 The real property may be described by reference to maps
16 prepared in accordance with Section 327, Revenue and Taxation
17 Code, and on file in the office of the county assessor or by
18 reference to plats or maps on file in the office of the clerk.

19 *SEC. 16. Section 5474 of the Health and Safety Code is*
20 *amended to read:*

21 5474. An entity shall have the power by ordinance *or resolution*
22 approved by two-thirds vote of the members of the legislative body
23 thereof to fix fees or charges for the privilege of connecting to its
24 sanitation or sewerage facilities and improvements constructed by
25 the entity pursuant to Sections 5463 and 5464, to fix the time or
26 times at which the fees or charges shall become due, to provide
27 for the payment of the fees or charges prior to connection or in
28 installments over a period of not to exceed 30 years, to provide
29 the rate of interest, not to exceed 12 percent per annum, to be
30 charged on the unpaid balance of the fees or charges, and to provide
31 that the amount of the fees or charges and the interest thereon shall
32 constitute a lien against the respective lots or parcels of land to
33 which the facilities are connected at the time and in the manner
34 specified in Sections 5473.5 and 5473.8. Prior to making the fees
35 or charges a lien against the land, the legislative body shall give
36 notice to the owners of the lots or parcels of land affected, and the
37 notice shall set forth all of the following:

38 (a) The schedule of fees or charges to be imposed by the entity.

39 (b) A description of the property subject to the fees or charges,
40 which description may be by reference to a plat or diagram on file

1 in the office of the clerk of the legislative body, or to maps prepared
2 in accordance with Section 327 of the Revenue and Taxation Code,
3 and on file in the office of the county assessor.

4 (c) The time or times at which the fees or charges shall become
5 due.

6 (d) The number of installments in which the fees or charges
7 shall be payable.

8 (e) The rate of interest, not to exceed 12 percent per annum, to
9 be charged on the unpaid balance of the fees or charges.

10 (f) That it is proposed that the fees or charges and interest
11 thereon shall constitute a lien against the lots or parcels of land to
12 which the facilities are furnished.

13 (g) The time and place at which the legislative body will hold
14 a hearing at which persons may appear and present any and all
15 objections they may have to the imposition of the fees or charges
16 as a lien against the land.

17 *SEC. 17. Section 5474.8 of the Health and Safety Code is*
18 *amended to read:*

19 5474.8. Fees or charges imposed by an entity by ordinance *or*
20 *resolution* adopted pursuant to Section 5474 may differ in amount
21 or method of computation from fees or charges imposed by any
22 other ordinance *or resolution* of such entity adopted pursuant to
23 said Section 5474.

24 ~~SEC. 3.~~

25 *SEC. 18. Section 13822 of the Health and Safety Code is*
26 *amended to read:*

27 13822. Once the chief petitioners have filed a sufficient petition
28 or a legislative body has filed a resolution of application, the local
29 agency formation commission shall proceed pursuant to Chapter
30 5 (commencing with Section 56825) of Part 3 of Division 3 of
31 Title 5 of the Government Code.

32 ~~SEC. 4.~~

33 *SEC. 19. Section 22161 of the Public Contract Code, as*
34 *amended by Section 2 of Chapter 715 of the Statutes of 2015, is*
35 *amended to read:*

36 22161. For purposes of this chapter, the following definitions
37 apply:

38 (a) “Best value” means a value determined by evaluation of
39 objective criteria that relate to price, features, functions, life-cycle
40 costs, experience, and past performance. A best value determination

1 may involve the selection of the lowest cost proposal meeting the
2 interests of the local agency and meeting the objectives of the
3 project, selection of the best proposal for a stipulated sum
4 established by the procuring agency, or a tradeoff between price
5 and other specified factors.

6 (b) “Construction subcontract” means each subcontract awarded
7 by the design-build entity to a subcontractor that will perform work
8 or labor or render service to the design-build entity in or about the
9 construction of the work or improvement, or a subcontractor
10 licensed by the State of California that, under subcontract to the
11 design-build entity, specially fabricates and installs a portion of
12 the work or improvement according to detailed drawings contained
13 in the plans and specifications produced by the design-build team.

14 (c) “Design-build” means a project delivery process in which
15 both the design and construction of a project are procured from a
16 single entity.

17 (d) “Design-build entity” means a corporation, limited liability
18 company, partnership, joint venture, or other legal entity that is
19 able to provide appropriately licensed contracting, architectural,
20 and engineering services as needed pursuant to a design-build
21 contract.

22 (e) “Design-build team” means the design-build entity itself
23 and the individuals and other entities identified by the design-build
24 entity as members of its team. Members shall include the general
25 contractor and, if utilized in the design of the project, all electrical,
26 mechanical, and plumbing contractors.

27 (f) “Local agency” means the following:

28 (1) A city, county, or city and county.

29 (2) A special district that operates wastewater facilities, solid
30 waste management facilities, water recycling facilities, or fire
31 protection facilities.

32 (3) Any transit district, included transit district, municipal
33 operator, included municipal operator, any consolidated agency,
34 as described in Section 132353.1 of the Public Utilities Code, any
35 joint powers authority formed to provide transit service, any county
36 transportation commission created pursuant to Section 130050 of
37 the Public Utilities Code, or any other local or regional agency,
38 responsible for the construction of transit projects.

39 (4) The San Diego Association of Governments, as referenced
40 in the San Diego Regional Transportation Consolidation Act

1 (Chapter 3 (commencing with Section 132350) of Division 12.7
2 of the Public Utilities Code).

3 (g) (1) For a local agency defined in paragraph (1) of
4 subdivision (f), “project” means the construction of a building or
5 buildings and improvements directly related to the construction
6 of a building or buildings, county sanitation wastewater treatment
7 facilities, and park and recreational facilities, but does not include
8 the construction of other infrastructure, including, but not limited
9 to, streets and highways, public rail transit, or water resources
10 facilities and infrastructure. For a local agency defined in paragraph
11 (1) of subdivision (f) that operates wastewater facilities, solid waste
12 management facilities, or water recycling facilities, “project” also
13 means the construction of regional and local wastewater treatment
14 facilities, regional and local solid waste facilities, or regional and
15 local water recycling facilities.

16 (2) For a local agency defined in paragraph (2) of subdivision
17 (f), “project” means the construction of regional and local
18 wastewater treatment facilities, regional and local solid waste
19 facilities, regional and local water recycling facilities, or fire
20 protection facilities.

21 (3) For a local agency defined in paragraph (3) of subdivision
22 (f), “project” means a transit capital project that begins a project
23 solicitation on or after January 1, 2015. A “project,” as defined by
24 this paragraph, that begins the solicitation process before January
25 1, 2015, is subject to Article 6.8 (commencing with Section
26 20209.5) of Chapter 1. “Project,” as defined by this paragraph,
27 does not include state highway construction or local street and
28 road projects.

29 (4) For a local agency defined in paragraph (4) of subdivision
30 (f), “project” has the same meaning as in paragraph (3), and in
31 addition shall include development projects adjacent, or physically
32 or functionally related, to transit facilities developed or jointly
33 developed by the local agency.

34 *SEC. 20. Section 11005 of the Revenue and Taxation Code is*
35 *amended to read:*

36 11005. After payment of refunds therefrom and after making
37 the deductions authorized by Section 11003 and reserving the
38 amount determined necessary by the Pooled Money Investment
39 Board to meet the transfers ordered or proposed to be ordered
40 pursuant to Section 16310 of the Government Code, the balance

1 of all motor vehicle license fees and any other money appropriated
2 by law for expenditure pursuant to this section, deposited to the
3 credit of the Motor Vehicle License Fee Account in the
4 Transportation Tax Fund, and remaining unexpended in that
5 account at the close of business on the last day of the calendar
6 month, shall be allocated by the Controller by the 10th day of the
7 following month in accordance with the following:

8 (a) On and after July 1, 2011, to the Local Law Enforcement
9 Services Account in the Local Revenue Fund 2011, as established
10 by Section 30025 of the Government Code, for allocation to cities,
11 counties, and cities and counties.

12 (b) On or after July 1, 2004, but before July 1, 2011:

13 (1) First, to the County of Orange. For the 2004–05 fiscal year,
14 that county shall be allocated fifty-four million dollars
15 (\$54,000,000) in monthly installments. For the 2005–06 fiscal year
16 and each fiscal year thereafter, that county shall receive, in monthly
17 installments, an amount equal to the amount allocated under this
18 section for the prior fiscal year, adjusted for the percentage change
19 in the amount of revenues credited to the Motor Vehicle License
20 Fee Account in the Transportation Tax Fund from the revenues
21 credited to that account in the prior fiscal year. Moneys allocated
22 to the County of Orange under this subdivision shall be used first
23 for the service of indebtedness as provided in paragraph (1) of
24 subdivision (a) of Section 11001.5. Any amounts in excess of the
25 amount required for this service of indebtedness may be used by
26 that county for any lawful purpose.

27 (2) Second, to each city, the population of which is determined
28 under Section 11005.3 on August 5, 2004, in an amount equal to
29 the additional amount of vehicle license fee revenue, including
30 offset transfers, that would be allocated to that city under Sections
31 11000 and 11005, as those sections read on January 1, 2004, as a
32 result of that city’s population being determined under subdivision
33 (a) or (b) of Section 11005.3.

34 (3) Third, to each city that was incorporated from an
35 unincorporated territory after August 5, 2004, in an amount equal
36 to the product of the following two amounts:

37 (A) The quotient derived from the following fraction:

38 (i) The numerator is the product of the following two amounts:

39 (I) Fifty dollars (\$50) per year.

1 (II) The fraction determined as the total amount of vehicle
2 license fee revenue collected during the most recent fiscal year
3 divided by the total amount of vehicle license fee revenue collected
4 during the 2004–05 fiscal year.

5 (ii) The denominator is the fraction determined as the actual
6 population, as defined in subdivision-(e) (d) of Section 11005.3,
7 of all cities during the most recent fiscal year, divided by the actual
8 population, as defined in subdivision-(e) (d) of Section 11005.3,
9 of all cities in the 2004–05 fiscal year.

10 (B) The city’s population determined in accordance with Section
11 11005.3.

12 (4) Fourth, to each city that was incorporated before August 5,
13 2004, in an amount equal to the product of the following two
14 amounts:

15 (A) The quotient derived from the following fraction:

16 (i) The numerator is the product of the following two amounts:

17 (I) Fifty dollars (\$50) per year.

18 (II) The fraction determined as the total amount of vehicle
19 license fee revenue collected during the most recent fiscal year
20 divided by the total amount of vehicle license fee revenue collected
21 during the 2004–05 fiscal year.

22 (ii) The denominator is the fraction determined as the actual
23 population, as defined in subdivision-(e) (d) of Section 11005.3,
24 of all cities during the most recent fiscal year, divided by the actual
25 population, as defined in subdivision-(e) (d) of Section 11005.3,
26 of all cities in the 2004–05 fiscal year.

27 (B) The actual population, as defined in subdivision-(e) (d) of
28 Section 11005.3, residing in areas annexed after August 5, 2004,
29 as of the date of annexation.

30 (5) Fifth, to the cities and cities and counties of this state in the
31 proportion that the population of each city or city and county bears
32 to the total population of all cities and cities and counties in this
33 state, as determined by the Demographic Research Unit of the
34 Department of Finance. For the purpose of this subdivision, the
35 population of each city or city and county shall be determined in
36 accordance with Section 11005.3.

37 ~~SEC. 5.~~

38 *SEC. 21.* Section 11005.3 of the Revenue and Taxation Code
39 is amended to read:

1 11005.3. (a) In the case of a city that incorporated on or after
2 January 1, 1987, and before August 5, 2004, the Controller shall
3 determine that the population of the city for its first 10 full fiscal
4 years, and any portion of the first year in which the incorporation
5 is effective if less than a full fiscal year, is the greater of either:

6 (1) The number of registered voters in the city multiplied by
7 three. The number of registered voters shall be calculated as of the
8 effective date of the incorporation of the city.

9 (2) The actual population, as defined in subdivision (d).

10 (b) In the case of a city that incorporated on or after January 1,
11 1987, and before August 5, 2004, and for which the application
12 for incorporation was filed with the executive officer of the local
13 agency formation commission pursuant to subdivision (a) of
14 Section 56828 of the Government Code on or after January 1,
15 1991, the Controller shall determine that the population of the city
16 for its first seven full fiscal years, and any portion of the first year
17 in which the incorporation is effective if less than a full fiscal year,
18 is the greater of either:

19 (1) The number of registered voters in the city multiplied by
20 three. The number of registered voters shall be calculated as of the
21 effective date of the incorporation of the city.

22 (2) The actual population, as defined in subdivision (d).

23 (c) In the case of a city that was incorporated from
24 unincorporated territory after August 5, 2004, the Controller shall
25 determine the population of the city as follows:

26 (1) For its first 12 months, 150 percent of the city's actual
27 population.

28 (2) For its 13th through 24th months, 140 percent of the city's
29 actual population.

30 (3) For its 25th through 36th months, 130 percent of the city's
31 actual population.

32 (4) For its 37th through 48th months, 120 percent of the city's
33 actual population.

34 (5) For its 49th through 60th months, 110 percent of the city's
35 actual population.

36 (6) After its 60th month, the city's actual population.

37 (d) For purposes of this section, "actual population" means the
38 population determined by the last federal decennial or special
39 census, or a subsequent census validated by the Demographic
40 Research Unit of the Department of Finance or subsequent estimate

1 prepared pursuant to Section 2107.2 of the Streets and Highways
 2 Code.

3 (e) In the case of unincorporated territory being annexed to a
 4 city, during the 10-year, seven-year, or five-year period following
 5 incorporation, as the case may be, subsequent to the last federal
 6 census, or a subsequent census validated by the Demographic
 7 Research Unit of the Department of Finance, the unit shall
 8 determine the population of the annexed territory by the use of
 9 any federal decennial or special census or any estimate prepared
 10 pursuant to Section 2107.2 of the Streets and Highways Code. The
 11 population of the annexed territory as determined by the
 12 Demographic Research Unit shall be added to the city’s population
 13 as previously determined by the Controller pursuant to paragraph
 14 (1) or (2) of subdivision (a), paragraph (1) or (2) of subdivision
 15 (b), or subdivision (c), as applicable.

16 (f) After the 10-year, seven-year, or five-year period following
 17 incorporation, as the case may be, the Controller shall determine
 18 the population of the city as the city’s actual population, as defined
 19 in subdivision (d).

20 (g) The amendments made to this section by the act adding this
 21 subdivision shall not apply with respect to either of the following:

22 (1) Any city that has adopted an ordinance or resolution,
 23 approved a ballot measure, or is subject to a consent decree or
 24 court order, that annually limits the number of housing units that
 25 may be constructed within the city.

26 (2) Any city that has not prepared and adopted a housing element
 27 in compliance with Section 65585 of the Government Code.

28 (h) This section shall become operative July 1, 1991.

29 *SEC. 22. Section 19201 of the Revenue and Taxation Code is*
 30 *amended to read:*

31 19201. If any amount due under Part 10 (commencing with
 32 Section 17001), Part 11 (commencing with Section 23001), or any
 33 amount that may be collected by the Franchise Tax Board as though
 34 it were a tax, is not paid, the Franchise Tax Board may file in the
 35 Office of the ~~County~~ Clerk of the Court of Sacramento County,
 36 or any other county, a certificate specifying the amount due, the
 37 name and last known address of the taxpayer liable for the amount
 38 due, and the fact that the Franchise Tax Board has complied with
 39 all provisions of the law in the computation and levy of the amount

1 due, and a request that judgment be entered against the taxpayer
2 in the amount set forth in the certificate.

3 *SEC. 23. Section 19202 of the Revenue and Taxation Code is*
4 *amended to read:*

5 19202. The ~~county clerk~~ *Clerk of the Court* immediately upon
6 the filing of the certificate shall enter a judgment for the people
7 of the State of California against the taxpayer in the amount set
8 forth in the certificate. The ~~county clerk~~ *Clerk of the Court* may
9 file the judgment in a loose-leaf book entitled “Personal Income
10 Tax Judgments” or “Bank and Corporation Tax Judgments,” as
11 appropriate.

12 ~~SEC. 6.~~

13 *SEC. 24. Section 2105 of the Streets and Highways Code is*
14 *amended to read:*

15 2105. Notwithstanding Section 13340 of the Government Code,
16 in addition to the apportionments prescribed by Sections 2104,
17 2106, and 2107, from the revenues derived from a per gallon tax
18 imposed pursuant to Section 7360 of the Revenue and Taxation
19 Code, and a per gallon tax imposed pursuant to Sections 8651,
20 8651.5, and 8651.6 of the Revenue and Taxation Code, and a per
21 gallon tax imposed pursuant to Sections 60050 and 60115 of the
22 Revenue and Taxation Code, the following apportionments shall
23 be made:

24 (a) A sum equal to 1.035 cents (\$0.01035) per gallon from the
25 tax under Section 7360 of the Revenue and Taxation Code, 11.5
26 percent of any per gallon tax in excess of nine cents (\$0.09) per
27 gallon under Sections 8651, 8651.5, and 8651.6 of the Revenue
28 and Taxation Code, and 1.035 cents (\$0.01035) per gallon from
29 the tax under Sections 60050 and 60115 of the Revenue and
30 Taxation Code, shall be apportioned among the counties, including
31 a city and county.

32 The amount of apportionment to each county, including a city
33 and county, during a fiscal year shall be calculated as follows:

34 (1) One million dollars (\$1,000,000) for apportionment to all
35 counties, including a city and county, in proportion to each county’s
36 receipts during the prior fiscal year under Sections 2104 and 2106.

37 (2) One million dollars (\$1,000,000) for apportionment to all
38 counties, including a city and county, as follows:

39 (A) Seventy-five percent in the proportion that the number of
40 fee-paid and exempt vehicles which are registered in the county

1 bears to the number of fee-paid and exempt vehicles registered in
2 the state.

3 (B) Twenty-five percent in the proportion that the number of
4 miles of maintained county roads in the county bears to the miles
5 of maintained county roads in the state.

6 (3) For each county, determine its factor which is the higher
7 amount calculated pursuant to paragraph (1) or (2) divided by the
8 sum of the higher amounts for all of the counties.

9 (4) The amount to be apportioned to each county is equal to its
10 factor multiplied by the amount available for apportionment.

11 (b) A sum equal to 1.035 cents (\$0.01035) per gallon from the
12 tax under Section 7360 of the Revenue and Taxation Code, 11.5
13 percent of any per gallon tax in excess of nine cents (\$0.09) per
14 gallon under ~~Section 8651~~ Sections 8651, 8651.5, and 8651.6 of
15 the Revenue and Taxation Code, and 1.035 cents (\$0.01035) per
16 gallon from the tax under Sections 60050 and 60115 of the
17 Revenue and Taxation Code, shall be apportioned to cities,
18 including a city and county, in the proportion that the total
19 population of the city bears to the total population of all the cities
20 in the state.

21 (c) (1) Transfers of revenues from the Highway Users Tax
22 Account to counties or cities pursuant to this section collected
23 during the months of March, April, May, June, and July of 2008,
24 shall be made with the transfer of August 2008 revenues in
25 September of 2008. This suspension shall not apply to a county
26 with a population of less than 40,000.

27 (2) For the purpose of meeting the cash obligations associated
28 with ongoing budgeted costs, a city or county may make use of
29 any cash balance in the city account that is designated for the
30 receipt of state funds allocated for local streets and roads or the
31 county road fund, including that resulting from the receipt of funds
32 pursuant to the Highway Safety, Traffic Reduction, Air Quality,
33 and Port Security Bond Act of 2006 (Chapter 12.49 (commencing
34 with Section 8879.20) of Division 1 of Title 2 of the Government
35 Code (hereafter bond act)) for local streets and roads maintenance,
36 during the period of this suspension, without the use of this cash
37 being reflected as an expenditure of bond act funds, provided the
38 cash is replaced once this suspension is repaid in September of
39 2008. Counties and cities may accrue the revenue received in
40 September 2008 as repayment of these suspensions for the months

1 of April, May, and June of 2008 back to the 2007–08 fiscal year.
2 Nothing in this paragraph shall change the fact that expenditures
3 must be accrued and reflected from the appropriate funding sources
4 for which the moneys were received and meet all the requirements
5 of those funding sources.

6 (d) (1) The transfer of revenues from the Highway Users Tax
7 Account to counties or cities pursuant to this section collected
8 during the months of January, February, and March 2009 shall be
9 made with the transfer of April 2009 revenues in May 2009.

10 (2) For the purpose of meeting the cash obligations associated
11 with ongoing budgeted costs, a city or county may make use of
12 any cash balance in the city account that is designated for the
13 receipt of state funds allocated for local streets and roads or the
14 county road fund, including that resulting from the receipt of funds
15 pursuant to the Highway Safety, Traffic Reduction, Air Quality,
16 and Port Security Bond Act of 2006 (Chapter 12.49 (commencing
17 with Section 8879.20) of Division 1 of Title 2 of the Government
18 Code (bond act)) for local streets and roads maintenance, during
19 the period of this suspension, and the use of this cash shall not be
20 considered as an expenditure of bond act funds, if the cash is
21 replaced when the payments that are suspended pursuant to this
22 subdivision are repaid in May 2009.

23 (3) This subdivision shall not affect any requirement that an
24 expenditure is required to be accrued and reflected from the
25 appropriate funding source for which the money was received and
26 to meet all the requirements of its funding source.

27 *SEC. 25. Section 7.3 of the Kern County Water Agency Act*
28 *(Chapter 1003 of the Statutes of 1961), as amended by Section 2*
29 *of Chapter 832 of the Statutes of 1972, is repealed.*

30 ~~Sec. 7.3. Unless previously approved by the board of~~
31 ~~supervisors, no tax or assessment shall be levied hereunder, no~~
32 ~~zone of benefit shall be created pursuant to Section 14.2 hereof,~~
33 ~~and no expenditure of funds unless previously approved in the~~
34 ~~form of a budget by the board of supervisors shall be made. The~~
35 ~~board of supervisors may, in connection with any of the foregoing,~~
36 ~~conduct public hearings. Such hearings shall be declared by a~~
37 ~~resolution specifying the purpose and the day, hour, and place~~
38 ~~where all interested persons may appear and be heard. This~~
39 ~~resolution shall be published in the agency pursuant to Section~~
40 ~~6063 of the Government Code in a newspaper of general circulation~~

1 in the agency. The hearing may be adjourned from time to time at
 2 the discretion of the board of supervisors and at its conclusion the
 3 board of supervisors shall declare its decision.

4 *SEC. 26. Section 7.6 of the Kern County Water Agency Act*
 5 *(Chapter 1003 of the Statutes of 1961), as added by Section 2 of*
 6 *Chapter 49 of the Statutes of 1982, is amended to read:*

7 *Sec. 7.6. (a) The board of directors shall not approve an*
 8 *agency budget or submit it to the board of supervisors for approval*
 9 *unless the board has first conducted a public hearing.*

10 ~~The~~

11 *(b) The board shall publish a notice of the hearing pursuant to*
 12 *Section 6066 of the Government Code.*

13 *SEC. 27. Section 8 of the Kern County Water Agency Act*
 14 *(Chapter 1003 of the Statutes of 1961) is repealed.*

15 ~~*Sec. 8. If the county surveyor is a registered civil engineer and*~~
 16 ~~*is employed to supervise the engineering work of the agency, the*~~
 17 ~~*board may provide compensation for his services in addition to*~~
 18 ~~*his salary as county surveyor which shall be payable from the*~~
 19 ~~*funds of the agency. The board may employ the county counsel*~~
 20 ~~*as the attorney for the agency and may provide compensation for*~~
 21 ~~*his services in addition to his salary as county counsel which shall*~~
 22 ~~*be payable from the funds of the agency. All other officers of the*~~
 23 ~~*county, and their assistants, deputies, clerks, and employees, shall*~~
 24 ~~*be ex officio officers, assistants, deputies, clerks and employees*~~
 25 ~~*respectively of the agency, and shall perform, unless otherwise*~~
 26 ~~*provided by the board, the same duties for the agency as performed*~~
 27 ~~*for the county.*~~

28 *SEC. 28. If the Commission on State Mandates determines that*
 29 *this act contains costs mandated by the state, reimbursement to*
 30 *local agencies and school districts for those costs shall be made*
 31 *pursuant to Part 7 (commencing with Section 17500) of Division*
 32 *4 of Title 2 of the Government Code.*