

AMENDED IN ASSEMBLY APRIL 17, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1999

Introduced by Assembly Member Chau

February 1, 2018

An act to amend Sections 25213, 53395.3.2, ~~61100~~, and ~~61105~~ 53398.52, and 61100 of, and to add Article 12 (commencing with Section 53167) to Chapter 1 of Part 1 of Division 2 of Title 5 of, the Government Code, and to add Sections 10001.5, 12801.5, and 16461.10 to the Public Utilities Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1999, as amended, Chau. Local government: public broadband services.

~~(1) Existing~~

(1) The County Service Area Law authorizes a county service area to provide any governmental services and facilities within the county service area that the county is authorized to perform, and that the county does not perform to the same extent on a countywide basis, and expressly authorizes a county service area to provide specified services and facilities, including, among others, television translator services and low-power television services.

This bill would expressly authorize a county service area to acquire, construct, improve, maintain, and operate broadband Internet access services, and would require a county service area that does so to take certain actions regarding the accessing of content on the Internet by end users of that service, as described below.

(2) Existing law authorizes any municipal corporation to acquire, construct, own, operate, or lease any public utility, and provides that

“public utility” for these purposes means to supply the inhabitants of that municipal corporation with specified services, including a means of communication. Existing law similarly authorizes a municipal utility district and a public utility district to acquire, construct, own, operate, control, or use works for supplying the inhabitants of the district with specified services, including a means of communication. Existing law, as described in more detail below, authorizes a community services district to construct, own, improve, maintain, and operate broadband facilities and to provide broadband services if certain conditions are met. ~~Existing law also authorizes an infrastructure finance district to finance public facilities or projects that include broadband.~~

This bill would, except as provided, prohibit a local agency that is authorized to engage in the provision of broadband Internet access service, as defined, in the state from taking certain actions regarding the accessing of content on the Internet by end users.

~~(2) The~~

(3) Existing law authorizes an infrastructure financing district to finance public capital facilities of communitywide significance that provide significant benefits to an area larger than the area of the district, including, among others, public capital facilities or projects that include broadband.

This bill would authorize an infrastructure financing district that finances public capital facilities or projects that include broadband to transfer the management and operation of any broadband facilities that were financed to a local agency that is authorized to provide broadband Internet access service, and would require any local agency that receives those facilities to take certain actions regarding the accessing of content on the Internet by end users of that service, as described above.

(4) Existing law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance. Existing law authorizes a district to finance, among other things, the purchase, construction, expansion, or rehabilitation of property and related planning and design work. Existing law prohibits a district from financing routine maintenance and repair work.

This bill would additionally authorize a district to finance capital facilities or projects of communitywide significance to acquire, construct, or improve broadband Internet access services. This bill would authorize a district that acquires, constructs, or improves broadband Internet access service to transfer the management and

control of those services to a local agency that is authorized to provide broadband Internet access services, and would prohibit any local agency that receives management and control of those services from taking certain actions regarding the accessing of content on the Internet by end users of that service, as described above.

(5) The Community Services District Law authorizes the establishment of community services districts to provide various services to the geographic area within each district, including, among other things, if the district is unable to locate a private person or entity who is willing or able to provide broadband service, constructing, owning, improving, maintaining, and operating broadband facilities and providing broadband services. Existing law provides that if a community service district exercises this power and later a private person or entity is ready, willing, and able to acquire, construct, improve, maintain, and operate broadband facilities and to provide broadband services at a comparable cost and quality of service to what is provided by the district, then the district is required to either transfer title to the broadband facilities so constructed to the private entity at fair market value or to lease the operation of those broadband facilities at a fair market value to that private person or entity.

~~Existing law provides that the Mountain House Community Services District is not authorized to operate television, cable, or telecommunications systems except as provided for community services districts with respect to broadband services, as described above.~~

~~This bill would, for all districts except for the Mountain House Community Services District, would broaden that authorization by removing the requirement that a district first determine that a private person or entity is unwilling or unable to provide broadband services before the district may contract, own, improve, and operate broadband facilities and provide broadband services. The bill would authorize a district to transfer title to the broadband facilities so constructed, or to lease the operation of those facilities, to a private entity that the district determines is ready, willing, and able to provide those services at a comparable cost and quality of service to what is provided by the district.~~

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

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

1 *SECTION 1. Section 25213 of the Government Code is*
2 *amended to read:*

3 25213. A county service area may provide any governmental
4 ~~services and facilities~~ *service and facility* within the county service
5 area that the county is authorized to perform and that the county
6 does not perform to the same extent on a countywide basis,
7 including, but not limited to, services and facilities for any of the
8 following:

9 (a) Law enforcement and police protection.

10 (b) Fire protection, fire suppression, vegetation management,
11 search and rescue, hazardous material emergency response, and
12 ambulances.

13 (c) Recreation, including, but not limited to, parks, parkways,
14 and open space.

15 (d) Libraries.

16 (e) Television translator stations and low-power television
17 services.

18 (f) Supplying water for any beneficial uses.

19 (g) The collection, treatment, or disposal of sewage, wastewater,
20 recycled water, and stormwater.

21 (h) The surveillance, prevention, abatement, and control of
22 pests, vectors, and vectorborne diseases.

23 (i) The acquisition, construction, improvement, and maintenance,
24 including, but not limited to, street sweeping and snow removal,
25 of public streets, roads, bridges, highways, rights-of-way,
26 easements, and any incidental works.

27 (j) The acquisition, construction, improvement, maintenance,
28 and operation of street lighting and landscaping on public property,
29 rights-of-way, and easements.

30 (k) The collection, transfer, handling, and disposal of solid
31 waste, including, but not limited to, source reduction, recycling,
32 and composting.

33 (l) Funding for land use planning within the county service area
34 by a planning agency established pursuant to Article 1
35 (commencing with Section 65100) of Chapter 3 of Title 7,
36 including, but not limited to, an area planning commission.

37 (m) Soil conservation.

38 (n) Animal control.

- 1 (o) Funding for the services of a municipal advisory council
2 established pursuant to Section 31010.
- 3 (p) Transportation.
- 4 (q) Geologic hazard abatement on public or private property or
5 structures where the board of supervisors determines that it is in
6 the public interest to abate geologic hazards.
- 7 (r) Cemeteries.
- 8 (s) The conversion of existing overhead electrical and
9 communications facilities, with the consent of the public agency
10 or public utility that owns the facilities, to underground locations
11 pursuant to Chapter 28 (commencing with Section 5896.1) of Part
12 3 of Division 7 of the Streets and Highways Code.
- 13 (t) Emergency medical services.
- 14 (u) Airports.
- 15 (v) Flood control and drainage.
- 16 (w) The acquisition, construction, improvement, maintenance,
17 and operation of community facilities, including, but not limited
18 to, cultural facilities, child care centers, community centers,
19 libraries, museums, and theaters.
- 20 (x) Open-space and habitat conservation, including, but not
21 limited to, the acquisition, preservation, maintenance, and operation
22 of land to protect unique, sensitive, threatened, or endangered
23 species, or historical or culturally significant properties. Any
24 setback or buffer requirements to protect open-space or habitat
25 lands shall be owned by a public agency and maintained by the
26 county service area so as not to infringe on the customary
27 husbandry practices of any neighboring commercially productive
28 agricultural, timber, or livestock operations.
- 29 (y) The abatement of graffiti.
- 30 (z) The abatement of weeds and rubbish.
- 31 *(aa) The acquisition, construction, improvement, maintenance,*
32 *or operation of broadband Internet access service. For purposes*
33 *of this section, "broadband Internet access service" has the same*
34 *meaning as defined in Section 53167. A county service area that*
35 *acquires, constructs, improves, maintains, or operates broadband*
36 *Internet access service shall comply with the requirements of*
37 *Article 12 (commencing with Section 53167) of Chapter 1 of Part*
38 *1 of Division 2 of Title 5.*

1 SECTION 1.

2 SEC. 2. Article 12 (commencing with Section 53167) is added
3 to Chapter 1 of Part 1 of Division 2 of Title 5 of the Government
4 Code, to read:

5

6

Article 12. Public Broadband Services

7

8 53167. For purposes of this article:

9 (a) "Broadband Internet access service" means a mass-market
10 retail service *provided by a local agency in California* by wire or
11 radio ~~in California~~ that provides the capability to transmit data to
12 and receive data from all or substantially all Internet endpoints,
13 including any capabilities that are incidental to and enable the
14 operation of the communications service, but excluding dial-up
15 Internet access service. "Broadband Internet access service" also
16 encompasses any service *provided by a local agency* in California
17 that provides a functional equivalent of that service or that is used
18 to evade the protections set forth in this article.

19 (b) "Edge provider" means any individual or entity ~~in California~~
20 that provides any content, application, or service over the Internet,
21 and any individual or entity ~~in California~~ that provides a device
22 used for accessing any content, application, or service over the
23 ~~Internet.~~ *Internet to an end user.*

24 (c) "End user" means any individual or entity in California that
25 uses a broadband Internet access ~~service.~~ *service that is provided*
26 *by a local agency.*

27 (d) "Fixed broadband Internet access service" means any
28 broadband Internet access service that serves end users primarily
29 at fixed endpoints using stationary ~~equipment in California.~~
30 *equipment.* Fixed broadband Internet access service includes fixed
31 wireless services, including fixed unlicensed wireless services,
32 and fixed satellite services.

33 (e) "Local agency" means any agency of local government
34 authorized by any other law to provide broadband internet access
35 service, including ~~a city, public capital facilities or projects~~
36 ~~financed by an infrastructure finance district, a community services~~
37 ~~district, a public utility district, and a municipal utility district.~~ *the*
38 *following:*

39 (1) A city.

40 (2) A county service area.

1 (3) *A community services district.*

2 (4) *A public utility district.*

3 (5) *A municipal utility district.*

4 (f) “Mobile broadband Internet access service” means any
5 broadband Internet access service that serves end users primarily
6 using mobile ~~stations in California.~~ *stations.*

7 (g) “*Network management practice*” means a practice that has
8 a primarily technical network management justification, but does
9 not include other business practices.

10 ~~(g)~~

11 (h) “Paid prioritization” means the management of a broadband
12 provider’s network to directly or indirectly favor some traffic over
13 other traffic, including through the use of techniques such as traffic
14 shaping, prioritization, resource reservation, or other forms of
15 preferential traffic management, ~~either (1) in that either:~~

16 (1) *Is in exchange for consideration, monetary or otherwise,*
17 *from a third party, or (2) to party.*

18 (2) *Done to benefit an affiliated entity.*

19 ~~(h)~~

20 (i) “Reasonable network management” means a network
21 management practice that ~~has a primarily technical network~~
22 ~~management justification, but does not include other business~~
23 ~~practices. A network management practice is reasonable if it is~~
24 ~~primarily used for, and tailored to, achieving a legitimate network~~
25 ~~management purpose, taking into account the particular network~~
26 ~~architecture and technology of the broadband Internet access~~
27 ~~service. is primarily used for and tailored to achieving a legitimate~~
28 ~~network management purpose, taking into account the particular~~
29 ~~network architecture and technology of the broadband Internet~~
30 ~~access service.~~

31 53167.1. It is the intent of the Legislature that this article
32 protect and promote the Internet as an open platform enabling
33 consumer choice, freedom of expression, end-user control,
34 competition, and the freedom to innovate without permission,
35 thereby encouraging the deployment of advanced
36 telecommunications capability and remove barriers to infrastructure
37 investment.

38 53167.2. Except for reasonable network management, a local
39 agency *insofar as it is engaged in the provision of broadband*

1 Internet access service shall not block lawful content, applications,
2 services, or nonharmful devices.

3 53167.3. Except for reasonable network management, a local
4 agency *insofar as it is* engaged in the provision of broadband
5 Internet access service shall not impair or degrade lawful Internet
6 traffic on the basis of Internet content, application, or service, or
7 use of a nonharmful device.

8 53167.4. A local agency *insofar as it is* engaged in the
9 provision of broadband Internet access service shall not engage in
10 paid prioritization.

11 53167.5. Except for reasonable network management, a local
12 agency *insofar as it is* engaged in the provision of broadband
13 Internet access service shall not unreasonably interfere with, or
14 unreasonably disadvantage, either of the following:

15 (a) An end user’s ability to select, access, and use broadband
16 Internet access service or the lawful Internet content, applications,
17 services, or devices of the end user’s choice.

18 (b) An edge provider’s ability to make lawful content,
19 applications, services, or devices available to an end user.

20 ~~SEC. 2.~~

21 *SEC. 3.* Section 53395.3.2 of the Government Code is amended
22 to read:

23 53395.3.2. (a) In addition to the projects authorized by Section
24 53395.3, any infrastructure financing district may finance public
25 capital facilities or projects that include broadband. A district ~~shall~~
26 ~~comply with that finances public capital facilities or projects that~~
27 *include broadband may transfer the management and operation*
28 *of any broadband facilities that were financed to a local agency*
29 *that is authorized to provide broadband Internet access service,*
30 *and that local agency when providing that service shall comply*
31 *with the requirements of Article 12 (commencing with Section*
32 *53167) of Chapter 1 of Part 1 of Division 2 of Title 5 when*
33 ~~financing broadband services pursuant to this section. 5.~~

34 (b) For purposes of this section, “broadband” means
35 communications network facilities that enable high-speed Internet
36 access.

37 *SEC. 4.* Section 53398.52 of the Government Code is amended
38 to read:

39 53398.52. (a) (1) A district may finance any of the following:

1 (A) The purchase, construction, expansion, improvement,
2 seismic retrofit, or rehabilitation of any real or other tangible
3 property with an estimated useful life of 15 years or longer that
4 satisfies the requirements of subdivision (b).

5 (B) The planning and design work that is directly related to the
6 purchase, construction, expansion, or rehabilitation of property.

7 (C) The costs described in Sections 53398.56 and 53398.57.

8 (2) The facilities are not required to be physically located within
9 the boundaries of the district. However, any facilities financed
10 outside of a district shall have a tangible connection to the work
11 of the district, as detailed in the infrastructure financing plan
12 adopted pursuant to Section 53398.69.

13 (3) A district shall not finance routine maintenance, repair work,
14 or the costs of an ongoing operation or providing services of any
15 kind.

16 (b) The district shall finance only public capital facilities or
17 other specified projects of communitywide significance that
18 provide significant benefits to the district or the surrounding
19 community, including, but not limited to, all of the following:

20 (1) Highways, interchanges, ramps and bridges, arterial streets,
21 parking facilities, and transit facilities.

22 (2) Sewage treatment and water reclamation plants and
23 interceptor pipes.

24 (3) Facilities for the collection and treatment of water for urban
25 uses.

26 (4) Flood control levees and dams, retention basins, and drainage
27 channels.

28 (5) Child care facilities.

29 (6) Libraries.

30 (7) Parks, recreational facilities, and open space.

31 (8) Facilities for the transfer and disposal of solid waste,
32 including transfer stations and vehicles.

33 (9) Brownfield restoration and other environmental mitigation.

34 (10) The development of projects on a former military base,
35 provided that the projects are consistent with the military base
36 authority reuse plan and are approved by the military base reuse
37 authority, if applicable.

38 (11) The repayment of the transfer of funds to a military base
39 reuse authority pursuant to Section 67851 that occurred on or after
40 the creation of the district.

1 (12) The acquisition, construction, or rehabilitation of housing
2 for persons of very low, low, and moderate income, as defined in
3 Sections 50105 and 50093 of the Health and Safety Code, for rent
4 or purchase.

5 (13) Acquisition, construction, or repair of industrial structures
6 for private use.

7 (14) Transit priority projects, as defined in Section 21155 of
8 the Public Resources Code, that are located within a transit priority
9 project area. For purposes of this paragraph, a transit priority
10 project area may include a military base reuse plan that meets the
11 definition of a transit priority project area and it may include a
12 contaminated site within a transit priority project area.

13 (15) Projects that implement a sustainable communities strategy,
14 when the State Air Resources Board, pursuant to Chapter 2.5
15 (commencing with Section 65080) of Division 1 of Title 7, has
16 accepted a metropolitan planning organization's determination
17 that the sustainable communities strategy or the alternative planning
18 strategy would, if implemented, achieve the greenhouse gas
19 emission reduction targets.

20 (16) Projects that enable communities to adapt to the impacts
21 of climate change, including, but not limited to, higher average
22 temperatures, decreased air and water quality, the spread of
23 infectious and vector-borne diseases, other public health impacts,
24 extreme weather events, sea level rise, flooding, heat waves,
25 wildfires, and drought.

26 (17) Port or harbor infrastructure, as defined by Section 1698
27 of the Harbors and Navigation Code.

28 (18) *The acquisition, construction, or improvement of broadband*
29 *Internet access service. For purposes of this section, "broadband*
30 *Internet access services" has the same meaning as defined in*
31 *Section 53167. A district that acquires, constructs, or improves*
32 *broadband Internet access service may transfer the management*
33 *and control of those facilities to a local agency that is authorized*
34 *to provide broadband Internet access service, and that local agency*
35 *when providing that service shall comply with the requirements*
36 *of Article 12 (commencing with Section 53167) of Chapter 1 of*
37 *Part 1 of Division 2 of Title 5.*

38 (c) The district shall require, by recorded covenants or
39 restrictions, that housing units built pursuant to this section shall
40 remain available at affordable housing costs to, and occupied by,

1 persons and families of very low, low-, or moderate-income
2 households for the longest feasible time, but for not less than 55
3 years for rental units and 45 years for owner-occupied units.

4 (d) The district may finance mixed-income housing
5 developments, but may finance only those units in such a
6 development that are restricted to occupancy by persons of very
7 low, low, or moderate incomes as defined in Sections 50105 and
8 50093 of the Health and Safety Code, and those onsite facilities
9 for child care, after school care, and social services that are
10 integrally linked to the tenants of the restricted units.

11 (e) A district may utilize any powers under either the Polanco
12 Redevelopment Act (Article 12.5 (commencing with Section
13 33459) of Chapter 4 of Part 1 of Division 24 of the Health and
14 Safety Code) or Chapter 6.10 (commencing with Section 25403)
15 of Division 20 of the Health and Safety Code, and finance any
16 action necessary to implement that act.

17 ~~SEC. 3.~~

18 *SEC. 5.* Section 61100 of the Government Code is amended
19 to read:

20 61100. Within its boundaries, a district may do any of the
21 following:

22 (a) Supply water for any beneficial uses, in the same manner as
23 a municipal water district, formed pursuant to the Municipal Water
24 District Law of 1911, Division 20 (commencing with Section
25 71000) of the Water Code. In the case of any conflict between that
26 division and this division, the provisions of this division shall
27 prevail.

28 (b) Collect, treat, or dispose of sewage, wastewater, recycled
29 water, and storm water, in the same manner as a sanitary district,
30 formed pursuant to the Sanitary District Act of 1923, Division 6
31 (commencing with Section 6400) of the Health and Safety Code.
32 In the case of any conflict between that division and this division,
33 the provisions of this division shall prevail.

34 (c) Collect, transfer, and dispose of solid waste, and provide
35 solid waste handling services, including, but not limited to, source
36 reduction, recycling, and composting activities, pursuant to
37 Division 30 (commencing with Section 40000), and consistent
38 with Section 41821.2 of the Public Resources Code.

39 (d) Provide fire protection services, rescue services, hazardous
40 material emergency response services, and ambulance services in

1 the same manner as a fire protection district, formed pursuant to
2 the Fire Protection District Law, Part 2.7 (commencing with
3 Section 13800) of Division 12 of the Health and Safety Code.

4 (e) Acquire, construct, improve, maintain, and operate recreation
5 facilities, including, but not limited to, parks and open space, in
6 the same manner as a recreation and park district formed pursuant
7 to the Recreation and Park District Law, Chapter 4 (commencing
8 with Section 5780) of Division 5 of the Public Resources Code.

9 (f) Organize, promote, conduct, and advertise programs of
10 community recreation, in the same manner as a recreation and park
11 district formed pursuant to the Recreation and Park District Law,
12 Chapter 4 (commencing with Section 5780) of Division 5 of the
13 Public Resources Code.

14 (g) Acquire, construct, improve, maintain, and operate street
15 lighting and landscaping on public property, public rights-of-way,
16 and public easements.

17 (h) Provide for the surveillance, prevention, abatement, and
18 control of vectors and vectorborne diseases in the same manner
19 as a mosquito abatement and vector control district formed pursuant
20 to the Mosquito Abatement and Vector Control District Law,
21 Chapter 1 (commencing with Section 2000) of Division 3 of the
22 Health and Safety Code.

23 (i) Provide police protection and law enforcement services by
24 establishing and operating a police department that employs peace
25 officers pursuant to Chapter 4.5 (commencing with Section 830)
26 of Title 3 of Part 2 of the Penal Code.

27 (j) Provide security services, including, but not limited to,
28 burglar and fire alarm services, to protect lives and property.

29 (k) Provide library services, in the same manner as a library
30 district formed pursuant to either Chapter 8 (commencing with
31 Section 19400) or Chapter 9 (commencing with Section 19600)
32 of Part 11 of the Education Code.

33 (l) Acquire, construct, improve, and maintain streets, roads,
34 rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks,
35 and any incidental works. A district shall not acquire, construct,
36 improve, or maintain any work owned by another public agency
37 unless that other public agency gives its written consent.

38 (m) Convert existing overhead electric and communications
39 facilities, with the consent of the public agency or public utility
40 that owns the facilities, to underground locations pursuant to

1 Chapter 28 (commencing with Section 5896.1) of Part 3 of Division
2 7 of the Streets and Highways Code.

3 (n) Provide emergency medical services pursuant to the
4 Emergency Medical Services System and the Prehospital
5 Emergency Medical Care Personnel Act, Division 2.5
6 (commencing with Section 1797) of the Health and Safety Code.

7 (o) Provide and maintain public airports and landing places for
8 aerial traffic, in the same manner as an airport district formed
9 pursuant to the California Airport District Act, Part 2 (commencing
10 with Section 22001) of Division 9 of the Public Utilities Code.

11 (p) Provide transportation services.

12 (q) Abate graffiti.

13 (r) Plan, design, construct, improve, maintain, and operate flood
14 protection facilities. A district shall not plan, design, construct,
15 improve, maintain, or operate flood protection facilities within the
16 boundaries of another special district that provides those facilities
17 unless the other special district gives its written consent. A district
18 shall not plan, design, construct, improve, maintain, or operate
19 flood protection facilities in unincorporated territory unless the
20 board of supervisors gives its written consent. A district shall not
21 plan, design, construct, improve, maintain, or operate flood
22 protection facilities within a city unless the city council gives its
23 written consent.

24 (s) Acquire, construct, improve, maintain, and operate
25 community facilities, including, but not limited to, community
26 centers, libraries, theaters, museums, cultural facilities, and child
27 care facilities.

28 (t) Abate weeds and rubbish pursuant to Part 5 (commencing
29 Section 14875) of the Health and Safety Code. For that purpose,
30 the board of directors shall be deemed to be a “board of
31 supervisors” and district employees shall be deemed to be the
32 “persons” designated by Section 14890 of the Health and Safety
33 Code.

34 (u) Acquire, construct, improve, maintain, and operate
35 hydroelectric power generating facilities and transmission lines,
36 consistent with the district’s water supply and wastewater
37 operations. The power generated shall be used for district purposes,
38 or sold to a public utility or another public agency that generates,
39 uses, or sells electrical power. A district shall not acquire

1 hydroelectric power generating facilities unless the facilities’ owner
2 agrees.

3 (v) Acquire, construct, improve, maintain, and operate television
4 translator facilities.

5 (w) Remove snow from public streets, roads, easements, and
6 rights-of-way. A district may remove snow from public streets,
7 roads, easements, and rights-of-way owned by another public
8 agency, only with the written consent of that other public agency.

9 (x) Provide animal control services pursuant to Section 30501
10 of the Food and Agricultural Code. Whenever the term “board of
11 supervisors,” “county,” “county clerk,” or “animal control officer”
12 is used in Division 14 (commencing with Section 30501) of the
13 Food and Agricultural Code, those terms shall also be deemed to
14 include the board of directors of a district, a district, the general
15 manager of the district, or the animal control officer of a district,
16 respectively. A district shall not provide animal control services
17 in unincorporated territory unless the county board of supervisors
18 gives its written consent. A district shall not provide animal control
19 services within a city unless the city council gives its written
20 consent.

21 (y) Control, abate, and eradicate pests, in the same manner as
22 a pest abatement district, formed pursuant to Chapter 8
23 (commencing with Section 2800) of Division 3 of the Health and
24 Safety Code. A district’s program to control, abate, or eradicate
25 local pine bark beetle infestations shall be consistent with any
26 required plan or program approved by the Department of Forestry
27 and Fire Protection.

28 (z) Construct, maintain, and operate mailboxes on a district’s
29 property or rights-of-way.

30 (aa) Provide mail delivery service under contract to the United
31 States Postal Service.

32 (ab) Own, operate, improve, and maintain cemeteries and
33 provide interment services, in the same manner as a public
34 cemetery district, formed pursuant to the Public Cemetery District
35 Law, Part 4 (commencing with Section 9000) of Division 8 of the
36 Health and Safety Code.

37 (ac) Finance the operations of area planning commissions
38 formed pursuant to Section 65101.

39 (ad) Finance the operations of municipal advisory councils
40 formed pursuant to Section 31010.

1 (ae) Acquire, own, improve, maintain, and operate land within
2 or without the district for habitat mitigation or other environmental
3 protection purposes to mitigate the effects of projects undertaken
4 by the district.

5 (af) Construct, own, improve, maintain, and operate broadband
6 facilities and provide broadband services. For purposes of this
7 section, broadband has the same meaning as in subdivision (a) of
8 Section 5830 of the Public Utilities Code. A district shall comply
9 with Article 12 (commencing with Section 53167) of Chapter 1
10 of Part 1 of Division 2 of Title 5 when providing broadband
11 services pursuant to this subdivision. If the district later determines
12 that a private person or entity is ready, willing, and able to acquire,
13 construct, improve, maintain, and operate broadband facilities and
14 to provide broadband services, and to sell those services at a
15 comparable cost and quality of service as provided by the district,
16 the district may do one of the following:

17 (1) Diligently transfer its title, ownership, maintenance, control,
18 and operation of those broadband facilities and services at a fair
19 market value to that private person or entity.

20 (2) Lease the operation of those broadband facilities at a fair
21 market value to that private person or entity.

22 ~~SEC. 4. Section 61105 of the Government Code is amended~~
23 ~~to read:~~

24 ~~61105. (a) The Legislature finds and declares that the unique~~
25 ~~circumstances that exist in certain communities justify the~~
26 ~~enactment of special statutes for specific districts. In enacting this~~
27 ~~section, the Legislature intends to provide specific districts with~~
28 ~~special statutory powers to provide special services and facilities~~
29 ~~that are not available to other districts.~~

30 ~~(b) (1) The Los Osos Community Services District may borrow~~
31 ~~money from public or private lenders and lend those funds to~~
32 ~~property owners within the district to pay for the costs of~~
33 ~~decommissioning septic systems and constructing lateral~~
34 ~~connections on private property to facilitate the connection of those~~
35 ~~properties to the district's wastewater treatment system. The district~~
36 ~~shall lend money for this purpose at rates not to exceed its cost of~~
37 ~~borrowing and the district's cost of making the loans. The district~~
38 ~~may require that the borrower pay the district's reasonable~~
39 ~~attorney's fees and administrative costs in the event that the district~~
40 ~~is required to take legal action to enforce the provisions of the~~

1 contract or note securing the loan. The district may elect to have
 2 the debt payments or any delinquency collected on the tax roll
 3 pursuant to Section 61116. To secure the loan as a lien on real
 4 property, the district shall follow the procedures for the creation
 5 of special tax liens in Section 53328.3 of this code and Section
 6 3114.5 of the Streets and Highways Code.

7 (2) (A) (i) Except as otherwise provided in this paragraph, on
 8 and after January 1, 2007, the Los Osos Community Services
 9 District shall not undertake any efforts to design, construct, and
 10 operate a community wastewater collection and treatment system
 11 within, or for the benefit of, the district. The district shall resume
 12 those powers on the date specified in any resolution adopted
 13 pursuant to subdivision (l) of Section 25825.5.

14 (ii) Upon resuming the powers pursuant to subdivision (i), the
 15 Los Osos Community Services District may continue the program
 16 to offset assessments or charges for very low or low-income
 17 households with funding sources, including, but not limited to,
 18 grants, adopted pursuant to subdivision (g) of Section 25825.5. If
 19 the county has not implemented that program, the Los Osos
 20 Community Services District may adopt a program that complies
 21 with subdivision (g) of Section 25825.5 to offset assessments or
 22 charges for very low or low-income households. The Los Osos
 23 Community Services District shall not include in an assessment
 24 or charge an amount to cover the costs to the county in carrying
 25 out the offset program.

26 (B) Nothing in this paragraph shall affect the district's power
 27 to do any of the following:

28 (i) Operate wastewater collection and treatment facilities within
 29 the district that the district was operating on January 1, 2006.

30 (ii) Provide facilities and services in the territory that is within
 31 the district, but outside the prohibition zone.

32 (iii) Provide facilities and services, other than wastewater
 33 collection and treatment, within the prohibition zone.

34 (C) Promptly upon the adoption of a resolution by the Board of
 35 Supervisors of the County of San Luis Obispo requesting this
 36 action pursuant to subdivision (i) of Section 25825.5, the district
 37 shall convey to the County of San Luis Obispo all retained
 38 rights-of-way, licenses, other interests in real property, funds, and
 39 other personal property previously acquired by the district in

1 connection with construction projects for which the district awarded
2 contracts in 2005.

3 ~~(e) The Heritage Ranch Community Services District may~~
4 ~~acquire, construct, improve, maintain, and operate petroleum~~
5 ~~storage tanks and related facilities for its own use, and sell those~~
6 ~~petroleum products to the district's property owners, residents,~~
7 ~~and visitors. The authority granted by this subdivision shall expire~~
8 ~~when a private person or entity is ready, willing, and able to~~
9 ~~acquire, construct, improve, maintain, and operate petroleum~~
10 ~~storage tanks and related facilities, and sell those petroleum~~
11 ~~products to the district and its property owners, residents, and~~
12 ~~visitors. At that time, the district shall either (1) diligently transfer~~
13 ~~its title, ownership, maintenance, control, and operation of those~~
14 ~~petroleum tanks and related facilities at a fair market value to that~~
15 ~~private person or entity, or (2) lease the operation of those~~
16 ~~petroleum tanks and related facilities at a fair market value to that~~
17 ~~private person or entity.~~

18 ~~(d) The Wallace Community Services District may acquire,~~
19 ~~own, maintain, control, or operate the underground gas distribution~~
20 ~~pipeline system located and to be located within Wallace Lake~~
21 ~~Estates for the purpose of allowing a privately owned provider of~~
22 ~~liquefied petroleum gas to use the underground gas distribution~~
23 ~~system pursuant to a mutual agreement between the private~~
24 ~~provider and the district or the district's predecessor in interest.~~
25 ~~The district shall require and receive payment from the private~~
26 ~~provider for the use of that system. The authority granted by this~~
27 ~~subdivision shall expire when the Pacific Gas and Electric~~
28 ~~Company is ready, willing, and able to provide natural gas service~~
29 ~~to the residents of Wallace Lake Estates. At that time, the district~~
30 ~~shall diligently transfer its title, ownership, maintenance, control,~~
31 ~~and operation of the system to the Pacific Gas and Electric~~
32 ~~Company.~~

33 ~~(e) The Cameron Park Community Services District, the El~~
34 ~~Dorado Hills Community Services District, the Golden Hills~~
35 ~~Community Services District, the Mountain House Community~~
36 ~~Services District, the Rancho Murieta Community Services District,~~
37 ~~the Salton Community Services District, the Stallion Springs~~
38 ~~Community Services District, and the Tenaja Meadows Community~~
39 ~~Services District, which enforced covenants, conditions, and~~
40 ~~restrictions prior to January 1, 2006, pursuant to former Section~~

1 ~~61601.7 and former Section 61601.10, may continue to exercise~~
2 ~~the powers set forth in former Section 61601.7 and former Section~~
3 ~~61601.10.~~

4 ~~(f) (1) The Bel Marin Keys Community Services District may~~
5 ~~enforce all or part of the covenants, conditions, and restrictions~~
6 ~~for a tract, and assume the duties of the architectural control~~
7 ~~committee, to the extent that a tract's covenants, conditions, and~~
8 ~~restrictions authorize an architectural control committee. Before~~
9 ~~the district can enforce covenants, conditions, and restrictions, and~~
10 ~~assume the duties of an architectural control committee, for a tract,~~
11 ~~the board of directors shall:~~

12 ~~(A) Receive a written request from the board of directors of the~~
13 ~~tract's property owners' association or homeowners' association,~~
14 ~~with a petition signed by not less than a majority of the property~~
15 ~~owners of the parcels within the tracts covered by those~~
16 ~~associations, requesting the district to enforce the covenants,~~
17 ~~conditions, and restrictions for that tract and assume the duties of~~
18 ~~the architectural control committee for that tract, if an architectural~~
19 ~~control committee is called for in the covenants, conditions, and~~
20 ~~restrictions.~~

21 ~~(B) Conduct a public hearing on the question, after giving mailed~~
22 ~~notice to each affected property owner of the date, time, and~~
23 ~~location of the meeting.~~

24 ~~(C) Submit an application to the local agency formation~~
25 ~~commission pursuant to Section 56824.10, specifying the exact~~
26 ~~nature and scope of the intended services to be provided by the~~
27 ~~district.~~

28 ~~(D) Receive the approval of the local agency formation~~
29 ~~commission, pursuant to Article 1.5 (commencing with Section~~
30 ~~56824.10) of Chapter 5 of Part 3 of Division 3 of Title 5, which~~
31 ~~may include completion terms deemed appropriate by the~~
32 ~~commission, to enforce covenants, conditions, and restrictions for~~
33 ~~a tract, and to assume the duties of the architectural control~~
34 ~~committee for that tract.~~

35 ~~(E) Adopt an ordinance assuming the power to enforce~~
36 ~~covenants, conditions, and restrictions for a tract, and to assume~~
37 ~~the duties of the architectural control committee for that tract,~~
38 ~~provided that the ordinance requires:~~

1 ~~(i) The property owners within the tract to finance the~~
2 ~~enforcement of the covenants, conditions, and restrictions, and the~~
3 ~~duties of the architectural control committee.~~

4 ~~(ii) The tract's property owners' association or homeowners'~~
5 ~~association to indemnify the district for the costs of any litigation,~~
6 ~~settlements, injuries, damages, or judgments arising from~~
7 ~~enforcement of the covenants, conditions, and restrictions, and the~~
8 ~~district's duties as the architectural control committee.~~

9 ~~(2) The Bel Marin Keys Community Services District may, by~~
10 ~~ordinance, divest itself of the power undertaken under this~~
11 ~~subdivision.~~

12 ~~(g) The Bear Valley Community Services District, the Bell~~
13 ~~Canyon Community Services District, the Cameron Estates~~
14 ~~Community Services District, the Lake Sherwood Community~~
15 ~~Services District, the Saddle Creek Community Services District,~~
16 ~~the Wallace Community Services District, and the Santa Rita Hills~~
17 ~~Community Services District may, for roads owned by the district~~
18 ~~and that are not formally dedicated to or kept open for use by the~~
19 ~~public for the purpose of vehicular travel, by ordinance, limit access~~
20 ~~to and the use of those roads to the landowners and residents of~~
21 ~~that district.~~

22 ~~(h) Notwithstanding any other provision of law, the transfer of~~
23 ~~the assets of the Stonchouse Mutual Water Company, including~~
24 ~~its lands, easements, rights, and obligations to act as sole agent of~~
25 ~~the stockholders in exercising the riparian rights of the~~
26 ~~stockholders, and rights relating to the ownership, operation, and~~
27 ~~maintenance of those facilities serving the customers of the~~
28 ~~company, to the Hidden Valley Lake Community Services District~~
29 ~~is not a transfer subject to taxes imposed by Part 11 (commencing~~
30 ~~with Section 23001) of Division 2 of the Revenue and Taxation~~
31 ~~Code.~~

32 ~~(i) The El Dorado Hills Community Services District and the~~
33 ~~Rancho Murieta Community Services District may each acquire,~~
34 ~~construct, improve, maintain, and operate television receiving,~~
35 ~~translating, or distribution facilities, provide television and~~
36 ~~television-related services to the district and its residents, or~~
37 ~~authorize the construction and operation of a cable television~~
38 ~~system to serve the district and its residents by franchise or license.~~
39 ~~In authorizing the construction and operation of a cable television~~

1 system by franchise or license, the district shall have the same
2 powers as a city or county under Section 53066.

3 (j) The Mountain House Community Services District may
4 provide facilities for television and telecommunications systems,
5 including the installation of wires, cables, conduits, fiber optic
6 lines, terminal panels, service space, and appurtenances required
7 to provide television, telecommunication, and data transfer services
8 to the district and its residents, and provide facilities for a cable
9 television system, including the installation of wires, cables,
10 conduits, and appurtenances to service the district and its residents
11 by franchise or license, except that the district may not provide or
12 install any facilities pursuant to this subdivision unless one or more
13 cable franchises or licenses have been awarded under Section
14 53066 and the franchised or licensed cable television and
15 telecommunications services providers are permitted equal access
16 to the utility trenches, conduits, service spaces, easements, utility
17 poles, and rights-of-way in the district necessary to construct their
18 facilities concurrently with the construction of the district's
19 facilities. The district shall not have the authority to operate
20 television, cable, or telecommunications systems, unless a private
21 person or entity is unable or unwilling to deploy broadband service,
22 construct, own, improve, maintain, and operate broadband facilities
23 and to provide broadband services. For purposes of this section,
24 broadband has the same meaning as in subdivision (a) of Section
25 5830 of the Public Utilities Code. The district shall first make a
26 reasonable effort to identify a private person or entity willing to
27 deploy service. The district shall comply with Article 12
28 (commencing with Section 53167) of Chapter 1 of Part 1 of
29 Division 2 of Title 5 when providing broadband services pursuant
30 to this subdivision. The authority granted by this subdivision shall
31 expire when a private person or entity is ready, willing, and able
32 to acquire, construct, improve, maintain, and operate broadband
33 facilities and to provide broadband services, and to sell those
34 services at a comparable cost and quality of service as provided
35 by the district. At that time, the district shall either diligently
36 transfer its title, ownership, maintenance, control, and operation
37 of those broadband facilities and services at a fair market value to
38 that private person or entity, or lease the operation of those
39 broadband facilities at a fair market value to that private person
40 or entity. The district shall have the same powers as a city or county

1 under Section 53066 in granting a franchise or license for the
2 operation of a cable television system.

3 ~~SEC. 5.~~

4 *SEC. 6.* Section 10001.5 is added to the Public Utilities Code,
5 to read:

6 10001.5. A municipal corporation that provides broadband
7 *Internet access* services shall comply with the requirements of
8 Article 12 (commencing with Section 53167) of Chapter 1 of Part
9 1 of Division 2 of Title 5 of the Government Code.

10 ~~SEC. 6.~~

11 *SEC. 7.* Section 12801.5 is added to the Public Utilities Code,
12 to read:

13 12801.5. A district that provides broadband *Internet access*
14 services shall comply with the requirements of Article 12
15 (commencing with Section 53167) of Chapter 1 of Part 1 of
16 Division 2 of Title 5 of the Government Code.

17 ~~SEC. 7.~~

18 *SEC. 8.* Section 16461.10 is added to the Public Utilities Code,
19 to read:

20 16461.10. A district that provides broadband *Internet access*
21 services shall comply with the requirements of Article 12
22 (commencing with Section 53167) of Chapter 1 of Part 1 of
23 Division 2 of Title 5 of the Government Code.