



San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

5i

AGENDA REPORT
Consent | Information

August 4, 2025

TO: Chair Whitburn and Commissioners
FROM: Priscilla Mumpower, Assistant Executive Officer
SUBJECT: **Legislative Report**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on active legislation relevant to the agency's regulatory and planning responsibilities. The item is being presented for information with the opportunity for the Commission to pull for discussion and provide additional feedback.

BACKGROUND

Legislative Resources and Deadlines

San Diego LAFCO staff actively monitors pending and proposed legislation affecting the Commission's regulatory and planning responsibilities consistent with the workplan. Staff resources are supplemented through coordination with other agency members of the Alliance of California LAFCOs (ACL) on legislative inquiries, proposals, and positions. Notable approaching dates for the current year follows.

- August 18th – Legislature reconvenes from summer recess
- August 29th – Last day for fiscal committees to meet and report bills to the floor
- September 5th – Last day to amend bills on the floor
- September 12th – Last day for each house to pass bills (final passage deadline)

Administration Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619.321.3380 www.sdlafco.org lafco@sdcounty.ca.gov	Paloma Aguirre County of San Diego Joel Anderson County of San Diego Monica M. Steppe, Alt County of San Diego	Kristi Becker City of Solana Beach Dane White City of Escondido John McCann, Alt. City of Chula Vista	Chair Stephen Whitburn City of San Diego Marni von Wilpert, Alt. City of San Diego	Vice Chair Barry Willis Alpine Fire Protection Jo MacKenzie Vista Irrigation David A. Drake, Alt. Rincon del Diablo	Vacant General Public Brigitte Browning, Alt. General Public
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DISCUSSION

San Diego LAFCO will receive a legislative update on bills of interest to the agency's regulatory and planning responsibilities. Over 2,300 legislative proposals were introduced during the first year of the current two-year session with eight bills emerging as priorities for LAFCO due to their potential direct and indirect impacts on the Commission and/or local agencies under its oversight. These bills are summarized below with their status.

- **AB 259 (Rubio, Blanca)**

- **Open Meetings and Continued Access to Teleconferences**

- This bill is of statewide interest and would extend the authorization for legislative bodies of local agencies – including LAFCOs – to use modified teleconferencing procedures during declared emergencies through January 1, 2030. It preserves existing requirements related to public notice and agenda posting while allowing remote participation under defined emergency conditions. San Diego LAFCO adopted a support position on March 2nd. The bill passed the Assembly and currently awaiting hearing in the Senate Local Government Committee as of June 27, 2025.

- **AB 339 (Ortega, Liz)**

- **Local Public Employee Organizations: Notice Requirements**

- This bill is of statewide interest and would require public agencies regulated by the Meyers-Milias-Brown Act to provide recognized employee organizations or unions with at least 60 days' written notice before issuing requests for proposals or quotes, or before renewing or extending existing contracts that cover services within the scope of job classifications represented by the recognized employee organization. San Diego LAFCO employees are not presently represented by a recognized employee organization by most of the agencies under its oversight have labor organizations. The bill has passed the Assembly and scheduled for hearing next with the Senate Appropriations Committee on August 18th.

- **AB 351 (McKinnor, Tina)**

- **Campaign Contributions Involving Agency Officers**

- This bill is of statewide interest and proposes to raise the contribution limit for agency officers involved in permit or license proceedings under the Political Reform Act from \$500 to \$1,500. It also provides for future adjustments tied to inflation, based on changes in the Consumer Price Index. Although not the target of the bill, it is possible certain LAFCO actions - such as out-of-agency service approvals - could apply. The bill failed to pass out of committee in the Assembly on April 30, 2025; however, a motion for reconsideration was granted and bill remains active for the second year.

- **AB 356 (Patel, Darshana)**

- **Healthcare Districts in Northern San Diego County**

- This bill is of local interest and was initially introduced to establish a state-directed working group to assess healthcare access in northern San Diego County and focusing on the Palomar Healthcare District's service area. In response to the Commission taking a support-if-amended position, the bill has been updated to include LAFCO as one of the listed stakeholders and in doing so providing connectivity to the

Commission's oversight of Palomar and current municipal service review activities. LAFCO Consultant Adam Wilson provided supportive testimony for the author in conjunction with her accepting the Commission's amendments. Although the bill passed through the Assembly, amendments requested by other stakeholders are currently under review, with the author agreeing to transition to a two-year bill.

- **AB 448 (Patel, Darshana)**

- **Extend Loan Repayment for Palomar Healthcare District**

- This bill is of local interest and authorizes the State Treasurer's Office to extend and, if necessary, restructure a previously issued bridge loan to Palomar Healthcare District. The Commission took a support position on this bill in June given the extension provides administrative flexibility for Palomar to meet repayment obligations while continuing to provide essential healthcare services – including operating the only emergency room within the Escondido-Valley Center region. No substantive amendments have been made to date with the author agreeing to transition to a two-year bill to parallel AB 356.

- **AB 810 (Irwin, Jacqui)**

- **Government Website and Email Address Domains**

- Existing law requires that a local agency that maintains an internet website for use by the public to ensure that the internet website uses a .gov top-level domain or a .ca.gov second-level domain no later than January 1, 2029. This bill is of statewide interest and would extend the due date for compliance with this law for special districts, joint powers authorities (including San Diego LAFCO) to January 1, 2031, while maintaining the January 1, 2029, deadline for cities and counties. The bill is pending a hearing by the Assembly Appropriations Committee.

- **SB 740 (Rubio, Susan)**

- **Municipal Wastewater Filings with LAFCOs**

- This bill is of statewide interest and proposes extending the deadline for municipal wastewater agencies to notify LAFCOs of new or amended agreements related to stormwater management services from 30 days to 40 days. The intent is to provide agencies with additional administrative flexibility in meeting statutory reporting requirements. The bill did not pass out of the Senate by the June 6th deadline.

- **SB 777 (Richardson, Laura)**

- **Expanding LAFCOs Role to Include Endowment-Funded Cemeteries**

- This bill is of statewide interest and was initially introduced to require LAFCOs to identify local agencies to assume ownership and long-term maintenance responsibilities for abandoned (private) endowment-funded cemeteries, including title and fund transfers coordinated with the Cemetery and Funeral Bureau's procedures. In response to stakeholder feedback, the bill has been amended to remove direct mandates on LAFCOs and instead establish a state-convened working group with LAFCO participation - set to convene by March 1, 2026 - to evaluate the issue and develop policy recommendations. The bill passed the Senate and is currently awaiting hearing with the Assembly Appropriations Committee.

ANALYSIS

All eight bills outlined in the preceding section warrant monitoring by San Diego LAFCO. Staff believes three bills – AB 356, AB 448 and SB 777 – stand out in terms of significance with two having merited formal positions. At its June 2, 2025 meeting, the Commission adopted formal positions on two bills: “support if amended” for AB 356 and “support” for AB 448, with no position taken on SB 777. Following amendments to AB 356 that – among other changes – included San Diego LAFCO in the proposed working group, staff amended its position to full support and submitted a revised letter. The author has also since indicated intent to transition AB 356 to a two-year bill, allowing San Diego LAFCO to complete its municipal service review on healthcare districts, and in doing so directly inform the working group’s scope. No substantive amendments have been made to date on AB 448, however the author has agreed to transition to a two-year bill in parallel to AB 356. With respect to SB 777, originally opposed by LA LAFCO, recent amendments removed direct mandates on LAFCOs and have instead established a working group including CALAFCO. As a result, LA LAFCO has amended its position from oppose to neutral along with a request to include ACL representation in the proposed working group.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachments:

- 1) Letter from LA LAFCO to Senator Richardson (Neutral Position) + Amended Bill Text (SB777)
- 2) AB 356, Amended Letter of Support

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1st Vice-Chair

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Alisha O'Brien
Amber De La Torre
Doug Dorado
Taylor Morris

80 South Lake Avenue
Suite 870
Pasadena, CA 91101
Phone: 626.204.6500
Fax: 626.204.6507

www.lalafco.org

July 9, 2025

The Honorable Laura Richardson California
State Senate
10210 Street, Suite 7340
Sacramento, CA 95814

Re: **SB 777 (Richardson): NEUTRAL**

Dear Senator Richardson:

The Local Agency Formation Commission for the County of Los Angeles ("LA LAFCO" or "Commission") previously opposed an earlier version of SB 777.

At its July 9th Meeting, and given the Senator's amendments, the Commission voted to remove its "Oppose" position and take a "Neutral" position.

LA LAFCO requests that a representative of the "Alliance of California LAFCOs" ("ACL" or "Alliance") be added to the workgroup established by SB 777. This request is for the following reasons:

- The workgroup established by SB 777 includes a representative of the California Association of Local Agency Formation Commissions, an organization which represents most, but not all, LAFCOs.
- Given that two (2) of the six (6) existing "abandoned endowment cemeteries" are in Los Angeles County (the Lincoln Cemetery in the City of Carson, and the Verdugo Hills Cemetery in the City of Los Angeles), the Commission believes it would be prudent to include a representative of the "Alliance of California LAFCOs" ("ACL" or "Alliance") be added.

The Alliance of the "Alliance of California LAFCOs" ("ACL" or "Alliance") is an association of the LAFCOs of Los Angeles, Orange, San Bernardino, and San Diego Counties.

Should you have any questions or concerns, please feel free to contact LAFCO Executive Officer Paul Novak via e-mail (pnovak@lalafco.org) or telephone (626/204-6500).

Sincerely,



Donald L. Dear
Chair

Copy to: Assembly Local Government Committee
LAFCO Commissioners
Jose Henriquez, Interim Executive Director, California Association of Local Agency
Formation Commissions (CALAFCO)

AMENDED IN ASSEMBLY JULY 9, 2025
AMENDED IN ASSEMBLY JUNE 16, 2025
AMENDED IN SENATE MARCH 26, 2025

SENATE BILL

No. 777

Introduced by Senator Richardson

February 21, 2025

An act to amend ~~Sections 7612.6, 7653, 7712.5, 7729, 7729.11, 7730.3, 7730.8, 7730.10, 7730.11, and 7731.4 of the Business and Professions Code, and to amend the heading of Chapter 7 (commencing with Section 8825) of Part 3 of Division 8 of, and to add Chapter 6 (commencing with Section 8800) to Part 3 of Division 8 of, the Health and Safety Code, relating to cemeteries, and making an appropriation therefor. Section 7612.12 of the Business and Professions Code, relating to cemeteries.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 777, as amended, Richardson. ~~Cemeteries. Abandoned cemeteries: report.~~

~~(1) Existing~~

Existing law, the Cemetery and Funeral Act, establishes the Cemetery and Funeral Bureau within the Department of Consumer Affairs and sets forth its powers and duties relating to the licensure and regulation of, among others, cemeteries and cemetery authorities, which includes cemetery associations, corporations, limited liability companies, and other persons owning or controlling cemetery lands or property. A violation of the act is a crime. of cemeteries, crematories, funeral establishments, and their personnel. Existing law requires the bureau, on or before July 1, 2027, to convene a workgroup composed of

representatives from the cemetery, county government, and other interested stakeholders to discuss options for ensuring continued care, maintenance, and embellishment of abandoned cemeteries, including the possibility of requiring counties to assume responsibility for abandoned cemeteries. Existing law requires the bureau to submit a report to the Legislature summarizing the workgroup's discussions and its recommendations by January 1, 2028. Existing law repeals those provisions on January 1, 2029.

This bill would instead require the bureau to convene the workgroup on or before March 1, 2026, would revise the list of representatives required to be included in the workgroup, and would instead require the workgroup to discuss the possibility of requiring counties to assume responsibility for maintenance, irrigation, public works, and burial services for abandoned cemeteries. The bill would require the board to submit the report on June 1, 2026, and would repeal those provisions on January 1, 2027.

~~Existing law requires a cemetery authority to file with the bureau an annual written report that includes, among other things, the amount collected and deposited in endowment care funds segregated as to the amounts for crypts, niches, and grave space, as specified. Existing law requires that information to be accompanied by an annual audit report, prepared in accordance with generally accepted accounting principles, of the endowment care fund and special care fund signed by a certified public accountant or public accountant. Existing law requires the scope of the audit to include the inspection, review, and audit of the general purpose financial statements of the endowment care fund and special care fund, including the balance sheet, statement of revenues, expenditures, and changes in fund balance.~~

~~This bill would require the annual audit report to include a cemetery's 4th quarter bank statement. The bill would require the cemetery authority's financial institution to provide the bank statement electronically, and directly, to the bureau. The bill would require the above-described annual written report to include a map of the deceased and their location by parcel. The bill would require the bureau to submit the map to the applicable county recorder.~~

~~By expanding the crime of violating the Cemetery and Funeral Act, and to the extent the bill would impose a higher level of service on counties, the bill would impose a state-mandated local program.~~

~~(2) Existing law authorizes a cemetery authority that maintains a cemetery to place its cemetery under endowment care and to establish,~~

~~maintain, and operate an endowment care fund. Ninety days following the cancellation, surrender, or revocation of a certificate of authority, existing law gives the bureau title to any endowment care funds of a cemetery authority and possession of all necessary books, records, property, real and personal, and assets, and requires the bureau to act as conservator over the management of the endowment care funds.~~

~~Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides for the formation and change of organization of cities and special districts and establishes a local agency formation commission (LAFCO) in each county. Existing law, the Public Cemetery District Law, provides for the formation of public cemetery districts, and authorizes those districts to own, operate, improve, and maintain cemeteries and provide interment services within their boundaries.~~

~~This bill would require the bureau to notify the applicable city, county, or city and county with jurisdiction over Lincoln Memorial Park Cemetery, Dambacher Mountain Memorial Cemetery, Verdugo Hills Cemetery, Chapel of the Light, Evergreen Cemetery, and Mount Tamalpais Cemetery, or cemeteries that become abandoned endowment care cemeteries, as defined, after January 1, 2026. Upon receipt of notice, the bill would require the city, county, or city and county, within 120 days, to adopt and submit a resolution of application to the LAFCO in the applicable county for a change of organization to form a new public cemetery district or reorganize an existing public cemetery district for the purpose of maintaining the abandoned endowment care cemetery. The bill would require the bureau to cover the costs for creating a new public cemetery district or reorganizing an existing public cemetery district pursuant to these provisions, and would require the bureau to provide the necessary resources to the city, county, or city and county to facilitate the LAFCO process, as specified. The bill would require the LAFCO to determine whether to form a new public cemetery district or reorganize an existing public cemetery district within one year of receiving an application for a change of organization pursuant to these provisions. Upon that determination being made, the bill would require the bureau to work with the vacated owner or the county assessor to secure the title of the abandoned cemetery to ensure that fee title of the abandoned endowment care cemetery ultimately vests in the public cemetery district.~~

~~By imposing new duties on cities and counties, the bill would impose a state-mandated local program.~~

~~Existing law imposes various fees under the Cemetery and Funeral Act, including, among others, the application and renewal fees for a funeral director's, embalmer's, or cemetery manager's license, regulatory charges for cemetery authorities, timely filing fees for specified annual reports, and fees to obtain or renew a hydrolysis facility license. Existing law creates the Cemetery and Funeral Fund, a continuously appropriated fund, in the State Treasury for the deposit of those fees. Existing law requires moneys in the fund to be expended on actual and necessary expenses incurred in implementing the act.~~

~~This bill would increase those fees by 150%. The bill would require the bureau to establish and administer the Abandonment Grant Funding Program (program) to provide long-term viability to ensure services are maintained for abandoned endowment care cemeteries. The bill would require the program to be funded by 50% of moneys assessed from the increased fees, and would expand the purposes of the Cemetery and Funeral Fund to include the program. Because additional moneys would be deposited into a continuously appropriated fund, and by expanding the purposes of a continuously appropriated fund, the bill would make an appropriation.~~

~~This bill would authorize a private entity, as specified, to acquire title to an abandoned endowment care cemetery. The bill would require a public cemetery district or a private entity that takes over an abandoned endowment care cemetery to have access to the endowment fund, including principal and interest, of the applicable abandoned endowment care cemetery, and program funding to manage cemetery maintenance, burial services, and security items, and to address issues, including, but not limited to, prior repairs, deferred maintenance, or vandalism of property or gravesites, as necessary.~~

~~By imposing new duties on public cemetery districts, this bill would impose a state-mandated local program.~~

~~(3) 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 with regard to certain mandates no reimbursement is required by this act for a specified reason.~~

~~With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.~~

~~This bill would make legislative findings and declarations as to the necessity of a special statute for Lincoln Memorial Park Cemetery, Dambacher Mountain Memorial Cemetery, Verdugo Hills Cemetery, Chapel of the Light, Evergreen Cemetery, and Mount Tamalpais Cemetery.~~

Vote: $\frac{2}{3}$ -majority. Appropriation: ~~yes-no~~. Fiscal committee: yes. State-mandated local program: ~~yes-no~~.

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

1 ~~SECTION 1. Section 7612.12 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 ~~7612.12. (a) On or before July 1, 2027, March 1, 2026, the~~
4 ~~bureau shall convene a workgroup comprised of representatives~~
5 ~~from the cemetery industry, county government, and other~~
6 ~~composed of interested stakeholders including, but not limited to,~~
7 ~~representatives from the cemetery industry, the California~~
8 ~~Association of Local Agency Formation Commissions, the League~~
9 ~~of California Cities, the California State Association of Counties,~~
10 ~~the Urban Counties of California, the Rural County~~
11 ~~Representatives of California, public cemeteries, and legislative~~
12 ~~staff for the appropriate committees of the Legislature, to discuss~~
13 ~~options for ensuring continued care, maintenance, and~~
14 ~~embellishment of abandoned cemeteries, including the possibility~~
15 ~~of requiring counties to assume responsibility for maintenance,~~
16 ~~irrigation, public works, and burial services for cemeteries located~~
17 ~~within their boundaries that become abandoned.~~

18 ~~(b) In accordance with Section 9795 of the Government Code,~~
19 ~~the bureau shall submit a report to the Legislature summarizing~~
20 ~~the discussions of the workgroup, along with any recommendations,~~
21 ~~workgroup and its recommendations no later than January 1, 2028.~~
22 ~~June 1, 2026.~~

23 ~~(c) This section shall remain in effect only until January 1, 2029,~~
24 ~~2027, and as of that date is repealed.~~

25 ~~SECTION 1. Section 7612.6 of the Business and Professions~~
26 ~~Code is amended to read:~~

27 ~~7612.6. (a) Each cemetery authority shall file with the bureau~~
28 ~~annually, on or before June 1, or within five months after close of~~
29 ~~their fiscal year provided approval has been granted by the bureau~~

1 as provided for in Section 7612.7, a written report in a form
2 prescribed by the bureau setting forth the following:

3 (1) The number of square feet of grave space and the number
4 of crypts and niches sold or disposed of under endowment care by
5 specific periods as set forth in the form prescribed.

6 (2) The amount collected and deposited in both the general and
7 special endowment care funds segregated as to the amounts for
8 crypts, niches, and grave space by specific periods as set forth
9 either on the accrual or cash basis at the option of the cemetery
10 authority.

11 (3) A statement showing separately the total amount of the
12 general and special endowment care funds invested in each of the
13 investments authorized by law and the amount of cash on hand
14 not invested, which statement shall actually show the financial
15 condition of the funds.

16 (4) A statement showing separately the location, description,
17 and character of the investments in which the special endowment
18 care funds are invested. The statement shall show the valuations
19 of any securities held in the endowment care fund as valued
20 pursuant to Section 7614.7.

21 (5) A statement showing the transactions entered into between
22 the corporation or any officer, employee, or stockholder thereof
23 and the trustees of the endowment care funds with respect to those
24 endowment care funds. The statement shall show the dates,
25 amounts of the transactions, and shall contain a statement of the
26 reasons for those transactions.

27 (6) (A) A map of the deceased and their location by parcel.

28 (B) The bureau shall submit the map described in subparagraph
29 (A) to the applicable county recorder.

30 (b) (1) The report shall be verified by the president or vice
31 president and one other officer of the cemetery corporation. The
32 information submitted pursuant to paragraphs (2), (3), (4), (5), and
33 (6) of subdivision (a) shall be accompanied by an annual audit
34 report, prepared in accordance with generally accepted accounting
35 principles, of the endowment care fund and special care fund signed
36 by a certified public accountant or public accountant. The scope
37 of the audit shall include the inspection, review, and audit of the
38 general purpose financial statements of the endowment care fund
39 and special care fund, which shall include the balance sheet, the
40 statement of revenues, expenditures, and changes in fund balance.

1 ~~(2) The annual audit report described in paragraph (1) shall~~
2 ~~include a cemetery's fourth quarter bank statement. The cemetery~~
3 ~~authority's financial institution shall provide the bank statement~~
4 ~~electronically, and directly, to the bureau.~~

5 ~~(e) If a cemetery authority files a written request prior to the~~
6 ~~date the report is due, the bureau may, in its discretion, grant an~~
7 ~~extension for no more than an additional nine months within which~~
8 ~~to file the report.~~

9 ~~SEC. 2. Section 7653 of the Business and Professions Code is~~
10 ~~amended to read:~~

11 ~~7653. (a) The bureau shall adopt, and may from time to time~~
12 ~~amend, rules and regulations prescribing standards of knowledge~~
13 ~~and experience and financial responsibility for applicants for~~
14 ~~certificates of authority. In reviewing an application for a certificate~~
15 ~~of authority, the bureau may consider acts of incorporators, officers,~~
16 ~~directors, and stockholders of the applicant, which shall constitute~~
17 ~~grounds for the denial of a certificate of authority under Division~~
18 ~~1.5 (commencing with Section 475).~~

19 ~~(b) Upon receipt of an application for a certificate of authority,~~
20 ~~the bureau may cause an investigation to be made of the physical~~
21 ~~status, plans, specifications, and financing of the proposed~~
22 ~~cemetery, and any other qualifications required of the applicant~~
23 ~~under this act, and for this purpose may subpoena witnesses,~~
24 ~~administer oaths, and take testimony.~~

25 ~~(c) At the time of the filing of the application required by this~~
26 ~~section, the applicant shall pay to the Cemetery and Funeral Fund~~
27 ~~the sum of one thousand eight hundred seventy-five dollars~~
28 ~~(\$1,875) to defray the expenses of investigation. In the event the~~
29 ~~sum shall be insufficient to defray all of the expenses, the applicant~~
30 ~~shall, within five days after request, deposit an additional sum~~
31 ~~sufficient to defray those expenses, provided that the total sum~~
32 ~~shall not exceed two thousand two hundred fifty dollars (\$2,250).~~

33 ~~SEC. 3. Section 7712.5 of the Business and Professions Code~~
34 ~~is amended to read:~~

35 ~~7712.5. (a) The bureau shall adopt, and may from time to time~~
36 ~~amend, rules and regulations prescribing standards of knowledge~~
37 ~~and experience and financial responsibility for applicants for a~~
38 ~~crematory license. In reviewing an application for a crematory~~
39 ~~license, the bureau may consider acts of the applicant, including~~
40 ~~acts of incorporators, officers, directors, and stockholders of the~~

1 applicant, which shall constitute grounds for the denial of a
2 crematory license under Division 1.5 (commencing with Section
3 475).

4 (b) Upon receipt of an application for a crematory license, the
5 bureau may cause an investigation to be made of the physical
6 status, plans, specifications, and financing of the proposed
7 crematory, the character of the applicant, including, if applicable,
8 its officers, directors, shareholders, or members, and any other
9 qualifications required of the applicant under this article, and for
10 this purpose may subpoena witnesses, administer oaths, and take
11 testimony.

12 (c) At the time of the filing of the application required by this
13 article, the applicant shall pay to the Cemetery and Funeral Fund
14 the sum of one thousand eight hundred seventy-five dollars
15 (\$1,875) to defray the expenses of investigation. In the event the
16 sum shall be insufficient to defray all of the expenses, the applicant
17 shall, within five days after request therefor, deposit an additional
18 sum sufficient to defray such expenses, provided that the total sum
19 shall not exceed two thousand two hundred fifty dollars (\$2,250).

20 SEC. 4. Section 7729 of the Business and Professions Code is
21 amended to read:

22 7729. The amount of the fees prescribed by this chapter shall
23 be fixed according to the following schedule:

24 (a) The application fee for a funeral director's license shall be
25 nine hundred fifty dollars (\$950).

26 (b) The application fee for change of location of a funeral
27 establishment's license shall be one thousand one hundred
28 seventy-five dollars (\$1,175).

29 (c) The application fee for permission to assign a funeral
30 establishment's license shall be one thousand four hundred dollars
31 (\$1,400).

32 (d) The license renewal fee payable by a licensed funeral director
33 shall be nine hundred fifty dollars (\$950). The fee for a delinquent
34 renewal of a funeral director's license shall be 150 percent of the
35 timely renewal fee.

36 (e) The application fee for an embalmer's license and the
37 examination on the state's laws required under paragraph (2) of
38 subdivision (a) of Section 7646 for the license shall be seven
39 hundred dollars (\$700).

1 ~~(f) The renewal fee payable by a licensed embalmer shall be~~
2 ~~four hundred seventy-five dollars (\$475). The fee for a delinquent~~
3 ~~renewal of an embalmer's license shall be 150 percent of the timely~~
4 ~~renewal fee.~~

5 ~~(g) The application fee for a certificate of registration as an~~
6 ~~apprentice embalmer shall be three hundred dollars (\$300).~~

7 ~~(h) The fee for an application by a funeral establishment for~~
8 ~~approval to train apprentice embalmers and for renewal of that~~
9 ~~approval shall be four hundred seventy-five dollars (\$475).~~

10 ~~(i) The application fee for a funeral director's examination shall~~
11 ~~be four hundred seventy-five dollars (\$475).~~

12 ~~(j) The fee for a timely filing of an individual report or a~~
13 ~~combined report on preneed trust funds shall be one thousand two~~
14 ~~hundred fifty dollars (\$1,250). The fee for a late filing of any report~~
15 ~~on preneed trust funds shall be 150 percent of the applicable timely~~
16 ~~fee.~~

17 ~~(k) The application fee for permission to change the name~~
18 ~~appearing on a funeral establishment's license shall be seven~~
19 ~~hundred fifty dollars (\$750), and for permission to change the~~
20 ~~name on any other license or certificate, shall be sixty-two dollars~~
21 ~~and fifty cents (\$62.50).~~

22 ~~(l) The application fee for a duplicate funeral director's license,~~
23 ~~a duplicate funeral establishment's license, a duplicate embalmer's~~
24 ~~license, or a duplicate certificate of registration as an apprentice~~
25 ~~embalmer, shall be one hundred twenty-five dollars (\$125).~~

26 ~~(m) The fee for filing a report of a change of corporate officers,~~
27 ~~managers, or preneed trust fund trustees shall be one hundred~~
28 ~~twenty-five dollars (\$125).~~

29 ~~(n) The application fee for a funeral establishment license shall~~
30 ~~be one thousand eight hundred seventy-five dollars (\$1,875).~~

31 ~~(o) The license renewal fee for a licensed funeral establishment~~
32 ~~shall be one thousand eight hundred seventy-five dollars (\$1,875).~~
33 ~~The fee for a delinquent renewal of a funeral establishment license~~
34 ~~shall be 150 percent of the timely renewal fee.~~

35 ~~SEC. 5. Section 7729.11 of the Business and Professions Code~~
36 ~~is amended to read:~~

37 ~~7729.11. The fee for a timely filing of an annual report on the~~
38 ~~endowment care fund and special care fund by a certificate of~~
39 ~~authority shall be one thousand two hundred fifty dollars (\$1,250).~~
40 ~~The fee for a late filing of an annual report on the endowment care~~

1 fund and special care fund shall be 150 percent of the applicable
2 timely fee.

3 ~~SEC. 6. Section 7730.3 of the Business and Professions Code~~
4 ~~is amended to read:~~

5 ~~7730.3. For change of name or of address of licensee on the~~
6 ~~records of the bureau, the fee shall be sixty-two dollars and fifty~~
7 ~~cents (\$62.50).~~

8 ~~SEC. 7. Section 7730.8 of the Business and Professions Code~~
9 ~~is amended to read:~~

10 ~~7730.8. (a) The fee for a cemetery manager examination shall~~
11 ~~be two thousand dollars (\$2,000).~~

12 ~~(b) The license fee to obtain a cemetery manager license shall~~
13 ~~be three hundred twenty-five dollars (\$325).~~

14 ~~(c) The renewal fee for a cemetery manager license shall be~~
15 ~~three hundred seventy-five dollars (\$375).~~

16 ~~SEC. 8. Section 7730.10 of the Business and Professions Code~~
17 ~~is amended to read:~~

18 ~~7730.10. Every cemetery authority operating a cemetery shall~~
19 ~~pay an annual regulatory charge for each cemetery of one thousand~~
20 ~~eight hundred seventy-five dollars (\$1,875). In addition to an~~
21 ~~annual regulatory charge for each cemetery, an additional quarterly~~
22 ~~charge of twenty-eight dollars and seventy-five cents (\$28.75) for~~
23 ~~each burial, entombment, or inurnment made during the preceding~~
24 ~~quarter shall be paid to the bureau and these charges shall be~~
25 ~~deposited in the Cemetery and Funeral Fund. If the cemetery~~
26 ~~authority performs a burial, entombment, or inurnment, and the~~
27 ~~cremation was performed at a crematory located on the grounds~~
28 ~~of the cemetery and under common ownership with the cemetery~~
29 ~~authority, the total of all additional charges shall be not more than~~
30 ~~twenty-eight dollars and seventy-five cents (\$28.75).~~

31 ~~SEC. 9. Section 7730.11 of the Business and Professions Code~~
32 ~~is amended to read:~~

33 ~~7730.11. (a) The bureau shall establish the fee to obtain or~~
34 ~~renew a hydrolysis facility license, which shall not exceed the~~
35 ~~reasonable cost of license administration.~~

36 ~~(b) Every licensee operating a hydrolysis facility pursuant to a~~
37 ~~license issued pursuant to this article shall pay an additional charge~~
38 ~~of twenty-eight dollars and seventy-five cents (\$28.75) per~~
39 ~~hydrolysis made during the preceding quarter, which charges shall~~
40 ~~be deposited into the Cemetery and Funeral Fund.~~

1 SEC. 10. ~~Section 7731.4 of the Business and Professions Code~~
2 ~~is amended to read:~~

3 ~~7731.4. (a) All moneys paid into the State Treasury and~~
4 ~~credited to the Cemetery and Funeral Fund shall be expended in~~
5 ~~accordance with law for both of the following:~~

6 ~~(1) The payment of all actual and necessary expenses incurred~~
7 ~~in carrying out the provisions of this act.~~

8 ~~(2) The Abandonment Grant Funding Program, as described in~~
9 ~~Section 8803 of the Health and Safety Code.~~

10 ~~(b) This section shall become operative on July 1, 2016.~~

11 SEC. 11. ~~Chapter 6 (commencing with Section 8800) is added~~
12 ~~to Part 3 of Division 8 of the Health and Safety Code, to read:~~

13
14 ~~CHAPTER 6. ABANDONMENT OF ENDOWMENT CARE CEMETERIES~~
15

16 ~~8800. For purposes of this chapter, the following definitions~~
17 ~~apply:~~

18 ~~(a) "Abandoned endowment care cemetery" means a cemetery~~
19 ~~for which an endowment care fund was maintained, that was~~
20 ~~formerly licensed by the bureau, and for which the certificate of~~
21 ~~authority has been canceled, surrendered, or revoked and ownership~~
22 ~~has not been transferred pursuant to Section 8585 within one year~~
23 ~~of the cancellation, surrender, or revocation.~~

24 ~~(b) "Private entity" means a non-public entity that acquires title~~
25 ~~to an abandoned endowment care cemetery pursuant to this chapter.~~
26 ~~"Private entity" includes, but is not limited to, a corporation, LLC~~
27 ~~, or individual.~~

28 ~~(c) "Public cemetery district" means a public cemetery district,~~
29 ~~as described in Part 4 (commencing with Section 9000), that is~~
30 ~~formed or reorganized and acquires title to an abandoned~~
31 ~~endowment care cemetery pursuant to this chapter.~~

32 ~~8801. (a) Upon the expiration of the one-year period described~~
33 ~~in Section 8800, the bureau shall notify the applicable city, county,~~
34 ~~or city and county with jurisdiction over each of the following~~
35 ~~abandoned endowment care cemeteries:~~

- 36 ~~(1) Lincoln Memorial Park Cemetery.~~
- 37 ~~(2) Dambacher Mountain Memorial Cemetery.~~
- 38 ~~(3) Verdugo Hills Cemetery.~~
- 39 ~~(4) Chapel of the Light.~~
- 40 ~~(5) Evergreen Cemetery.~~

1 ~~(6) Mount Tamalpais Cemetery.~~

2 ~~(b) Upon the expiration of the one-year period described in~~
3 ~~Section 8800, the bureau shall review, and shall subsequently~~
4 ~~notify the applicable city, county, or city and county of, other~~
5 ~~cemeteries that are not listed in subdivision (a) and that become~~
6 ~~an abandoned endowment care cemetery after January 1, 2026.~~

7 ~~(e) (1) Upon receipt of notice pursuant to subdivision (a) or~~
8 ~~(b), a city, county, or city and county shall, within 120 days, adopt~~
9 ~~and submit a resolution of application to the local agency formation~~
10 ~~commission (LAFCO) in the applicable county for a change of~~
11 ~~organization to form a new public cemetery district or reorganize~~
12 ~~an existing public cemetery district pursuant to Part 3 (commencing~~
13 ~~with Section 56650) of Division 3 of Title 5 of the Government~~
14 ~~Code and Chapter 2 (commencing with Section 9010) of Part 4 of~~
15 ~~this division for the purpose of maintaining the abandoned~~
16 ~~endowment care cemetery.~~

17 ~~(2) (A) For an application for a change of organization required~~
18 ~~by this subdivision, the bureau shall provide the information~~
19 ~~required by Section 56652 of the Government Code.~~

20 ~~(B) The bureau shall ensure that a resolution of application~~
21 ~~prepared pursuant to this section establishes long-term viability~~
22 ~~for the public cemetery district.~~

23 ~~8802. (a) (1) When a LAFCO receives an application for a~~
24 ~~change of organization pursuant to Section 8801, the bureau shall~~
25 ~~provide the necessary resources to the city, county, or city and~~
26 ~~county to facilitate the LAFCO process, including resources for~~
27 ~~preparing documents required by the California Environmental~~
28 ~~Quality Act (CEQA).~~

29 ~~(2) The bureau shall cover the costs for creating a new public~~
30 ~~cemetery district or reorganizing an existing public cemetery~~
31 ~~district pursuant to this chapter, including costs associated with~~
32 ~~all of the following:~~

33 ~~(A) The LAFCO process.~~

34 ~~(B) The Department of Fish and Wildlife.~~

35 ~~(C) The county clerk and recorder.~~

36 ~~(D) The State Board of Equalization.~~

37 ~~(b) Within one year of receiving an application for a change of~~
38 ~~organization pursuant to Section 8810, the LAFCO shall determine~~
39 ~~whether to form a new public cemetery district or reorganize an~~

1 existing public cemetery district to maintain the abandoned
2 endowment care cemetery.

3 (e) After a determination is made pursuant to subdivision (b),
4 the bureau shall work with the vacated owner or the county assessor
5 to secure the title of the abandoned cemetery to ensure that fee
6 title of the abandoned endowment care cemetery ultimately vests
7 in the public cemetery district.

8 8803. (a) The bureau shall establish and administer the
9 Abandonment Grant Funding Program to provide long-term
10 viability to ensure services are maintained for abandoned
11 endowment care cemeteries.

12 (b) Commencing January 1, 2026, the program shall be funded
13 by 50 percent of moneys from the assessed fees described in
14 Sections 7653, 7712.5, 7729, 7729.11, 7730.3, 7730.8, 7730.10,
15 and 7730.11 of the Business and Professions Code.

16 (c) The bureau shall have discretion over the disbursement of
17 program funds and shall disburse those funds in accordance with
18 the purpose described in subdivision (a).

19 (d) The bureau may use program funds to cover the reasonable
20 costs of administering the program.

21 8804. (a) The public cemetery district formed or reorganized
22 pursuant to Section 8802 shall have access to the endowment fund,
23 including principal and interest, of the applicable abandoned
24 endowment care cemetery, and Abandonment Grant Funding
25 Program funding to manage cemetery maintenance, burial services,
26 and security items, and to address issues, including, but not limited
27 to, prior repairs, deferred maintenance, or vandalism of property
28 or gravesites, as necessary.

29 (b) The public cemetery district shall determine the hours of
30 operation, maintenance schedules, embellishment, and modicum
31 of security, including gate locks, cameras, or alarms.

32 8805. (a) A private entity that is licensed and regulated
33 pursuant to the Cemetery and Funeral Act may acquire title to an
34 abandoned endowment care cemetery.

35 (b) If eligible, a private entity that acquires title to an abandoned
36 endowment care cemetery shall manage the cemetery's endowment
37 care trust fund, including principal and interest, in accordance with
38 Chapter 5 (commencing with Section 8700).

39 (c) The bureau may provide funds from the Abandonment Grant
40 Funding Program to a private entity that acquires title to an

1 abandoned endowment care cemetery. Use of program funds shall
2 be limited to the purposes described in Section 8804.

3 ~~8806. (a) A public cemetery district or private entity that~~
4 ~~acquires title to an abandoned endowment care cemetery shall~~
5 ~~keep a record of, and honor, all remaining contracts for burial~~
6 ~~executed by the prior cemetery authority.~~

7 ~~(b) (1) A public cemetery district or a private entity that acquires~~
8 ~~title to an abandoned endowment care cemetery shall not be~~
9 ~~responsible for any actions of the vacated owner, including, but~~
10 ~~not limited to, mismanagement of the endowment fund or cemetery.~~

11 ~~(2) This subdivision shall not be applied to impair the obligation~~
12 ~~of any contract that is in effect as of January 1, 2026, in a manner~~
13 ~~that would violate either Section 9 of Article I of the California~~
14 ~~Constitution or Section 10 of Article I of the United States~~
15 ~~Constitution.~~

16 ~~SEC. 12. The heading of Chapter 7 (commencing with Section~~
17 ~~8825) of Part 3 of Division 8 of the Health and Safety Code is~~
18 ~~amended to read:~~

19
20 ~~CHAPTER 7. ABANDONED NONENDOWMENT CARE CEMETERIES~~
21

22 ~~SEC. 13. The Legislature finds and declares that a special~~
23 ~~statute is necessary and that a general statute cannot be made~~
24 ~~applicable within the meaning of Section 16 of Article IV of the~~
25 ~~California Constitution because, due to unique circumstances,~~
26 ~~Lincoln Memorial Park Cemetery, Dambacher Mountain Memorial~~
27 ~~Cemetery, Verdugo Hills Cemetery, Chapel of the Light, Evergreen~~
28 ~~Cemetery, and Mount Tamalpais Cemetery are abandoned and not~~
29 ~~being maintained.~~

30 ~~SEC. 14. No reimbursement is required by this act pursuant to~~
31 ~~Section 6 of Article XIII B of the California Constitution for certain~~
32 ~~costs that may be incurred by a local agency or school district~~
33 ~~because, in that regard, this act creates a new crime or infraction,~~
34 ~~eliminates a crime or infraction, or changes the penalty for a crime~~
35 ~~or infraction, within the meaning of Section 17556 of the~~
36 ~~Government Code, or changes the definition of a crime within the~~
37 ~~meaning of Section 6 of Article XIII B of the California~~
38 ~~Constitution.~~

39 ~~However, if the Commission on State Mandates determines that~~
40 ~~this act contains other costs mandated by the state, reimbursement~~

1 to local agencies and school districts for those costs shall be made
2 pursuant to Part 7 (commencing with Section 17500) of Division
3 4 of Title 2 of the Government Code.

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San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

June 26, 2025

The Honorable Caroline Menjivar, Chair
 Senate Committee on Health, California State Senate
 1021 O Street, Room 3310
 Sacramento, CA 95814

Re: **Support for AB 356, if amended** (Patel) – Health care districts: County of San Diego.

Dear Chair Menjivar and Members of the Committee:

The San Diego County Local Agency Formation Commission (LAFCO) respectfully submits this letter **in support of AB 356, if amended**, a measure authored by Assemblymember Darshana Patel (District 76). The bill aims to address healthcare access in northern San Diego County by establishing a state-directed working group to report on current healthcare service needs with particular focus within the service area of the Palomar Health District.

San Diego LAFCO supports the bill’s intent to bring together state, regional, and local stakeholders to explore long-term strategies for effective and equitable healthcare service delivery in north county. However, to avoid duplication and to strengthen local coordination, LAFCO respectfully requests the bill be amended to explicitly include a LAFCO representative as a member of the working group. Most notably, this amendment would readily sync with LAFCO’s existing responsibility to prepare Municipal Service Reviews (MSR) on all local agencies, which offer independent, data-driven evaluations of the level, range, and adequacy of municipal services provided by subject agencies as well as related accountability issues.

San Diego LAFCO’s current workplan includes completing an active MSR of the four healthcare districts in San Diego County, including Palomar Health. A complete MSR draft is expected to be released for public review by October 2025. Proceeding with the requested amendment will – among other benefits – provide a legislative bridge for LAFCO to connect the MSR and its recommendations to the working group, and in doing so provide stakeholders with relevant and timely information in proceeding in greater detail as it sees fit.

With appreciation,

Keene Simonds
 Executive Officer

cc: The Honorable Darshana Patel, Assemblymember, District 76
 Tasha Boerner, Assemblymember, District 77
 Members, Senate Committee on Health
 José Henriquez, Interim Executive Director, CALAFCO

<p>Administration Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619.321.3380 E lafco@sdcounty.ca.gov www.sdlafo.org</p>	<p>Joel Anderson County of San Diego</p> <p>Jim Desmond County of San Diego</p> <p>Vacant, Alt. County of San Diego</p>	<p>Kristi Becker City of Solana Beach</p> <p>Dane White City of Escondido</p> <p>John McCann, Alt. City of Chula Vista</p>	<p>Chair Stephen Whitburn City of San Diego</p> <p>Marni von Wilpert, Alt. City of San Diego</p>	<p>Vice Chair Barry Willis Alpine Fire Protection</p> <p>Jo MacKenzie Vista Irrigation</p> <p>David Drake, Alt. Rincon del Diablo</p>	<p>Vacant General Public</p> <p>Brigitte Browning, Alt. General Public</p>
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San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

July 7, 2025

The Honorable Caroline Menjivar, Chair
 Senate Committee on Health, California State Senate
 1021 O Street, Room 3310
 Sacramento, CA 95814

Re: **Support for AB 356 (Patel)** – Health care districts: County of San Diego.

Dear Chair Menjivar and Members of the Committee:

The San Diego County Local Agency Formation Commission (LAFCO) respectfully submits this letter **in support of AB 356** authored by Assemblymember Darshana Patel (District 76). The bill aims to address healthcare access in northern San Diego County by establishing a state-directed working group to report on current healthcare service needs with particular focus within the service area of the Palomar Health District.

San Diego LAFCO supports the bill’s intent to bring together state, regional, and local stakeholders to explore long-term strategies for effective and equitable healthcare service delivery in northern San Diego County. Most notably, to avoid duplication and strengthen local coordination, we strongly support the recent amendment to include San Diego LAFCO as a member of the working group, which readily syncs with LAFCO’s existing responsibility to prepare Municipal Service Reviews (MSR) on all local agencies, which offer independent, data-driven evaluations of the level, range, and adequacy of municipal services provided by subject agencies as well as related accountability issues.

San Diego LAFCO’s current workplan includes completing an active MSR of the four healthcare districts in San Diego County, including Palomar Health. A complete MSR draft is expected to be released for public review by October 2025. Formally integrating LAFCO into the working group provides a legislative bridge for LAFCO to connect the MSR and its recommendations to the working group, and in doing so provides stakeholders with relevant and timely information to proceed in greater detail as it sees fit.

With appreciation,

Keene Simonds
 Executive Officer

cc: The Honorable Darshana Patel, Assemblymember, District 76
 Tasha Boerner, Assemblymember, District 77
 Members, Senate Committee on Health
 José Henriquez, Interim Executive Director, CALAFCO

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	Jim Desmond County of San Diego	Dane White City of Escondido	Marni von Wilpert, Alt. City of San Diego	Jo MacKenzie Vista Irrigation	Brigitte Browning, Alt. General Public
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