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GOVERNMENT CODE - GOV

TITLE 5. LOCAL AGENCIES [50001 - 57550] (Title 5 added by Stats. 1949, Ch. 81.)

DIVISION 3. CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000 [56000 - 57550] (Heading of Division 3 amended by Stats. 2001, Ch. 388, Sec. 1.)

PART 5. TERMS AND CONDITIONS AND EFFECT OF A CHANGE OF ORGANIZATION OR REORGANIZATION [57300 - 57550] (Part 5 added by Stats. 1985, Ch. 541, Sec. 3.)

CHAPTER 9. Mergers and the Establishment of Subsidiary Districts [57525 - 57535] (Chapter 9 added by Stats. 1985, Ch. 541, Sec. 3.)

57525. On and after the effective date of a merger of a district with a city, the district is extinguished, terminated, and its existence ceases, except as otherwise provided in this chapter.

(Amended by Stats. 2011, Ch. 300, Sec. 83. Effective January 1, 2012.)

57526. Upon the effective date of a merger, all of the moneys or funds, including cash on hand and moneys due but uncollected and all property, real or personal, of the merged district is vested in the city.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57527. No inhabitant, property owner, taxpayer, consumer, or user within the territory of a merged district shall be entitled to either of the following:

(a) All or any part, or to any payment on account of the moneys or funds, including cash on hand and moneys due but uncollected, and any property, real or personal, of the merged district.

(b) Any refund by reason of any taxes, assessments, service charges, rentals, or rates collected prior to the effective date of merger.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57528. Any moneys and funds of the merged district and any moneys or funds received by the city from the sale or other disposition of any property, real or personal, of the merged district shall be used, to the extent necessary, for the payment of principal, interest, and any other amounts then or thereafter due on account of any outstanding bonds, including revenue bonds, and other contracts and obligations of the merged district.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57529. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding obligations, which are payable in whole or in part from taxes or assessments upon any property within all or any part of the territory of a merged district, the city council shall in each year provide for the levy and collection of taxes and assessments upon the property sufficient to pay any principal, interest, and any other amounts owing on account of such obligations, as they become due. Those taxes and assessments shall be levied and collected in the manner provided by the principal act of the merged district.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57530. Until payment, or provision for payment, has been made of all principal, interest, and any other amounts owing on account of any outstanding bonds, contracts, or other obligations which are payable in whole or in part from the revenues of a revenue-producing enterprise of the merged district, the city shall not sell,

encumber, or otherwise dispose of all or any part of the revenue-producing enterprise or the revenues derived from the enterprise, except as expressly authorized by the ordinance, resolution, or indenture authorizing the bonds, contracts, or other obligations or providing for the issuance of any bonds, contracts, or other obligations.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57531. Where any bonds, including revenue bonds, contracts, or other obligations of the merged district are outstanding upon the effective date of merger, the city succeeds to all of the rights and liabilities of the merged district under any ordinance, resolution, indenture, contract, or other obligation or providing for or authorizing the issuance of any bonds, contracts, or other obligations and may sue and be sued upon those rights and liabilities in the same manner and to the same extent as the merged district.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57532. Any funds, money, or property of a merged district which have been impressed with any public trust, use, or purpose shall continue to be so impressed until the public trust, use, or purpose is vacated, abandoned, or terminated, in the manner provided by law.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57533. Subject to Section 57532, any funds, money, or property of a merged district may be used for any lawful purpose of the city. So far as may be practicable, as determined by the city council, any of these funds, money, or property shall be used for the benefit of the lands, inhabitants, and taxpayers within the territory of the merged district.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)

57534. On and after the effective date of an order establishing a district as a subsidiary district of a city, the city council shall be designated, and empowered to act, ex officio as the board of directors of the district. The district shall continue in existence with all of the powers, rights, duties, obligations, and functions provided for by the principal act, except for any provisions relating to the selection or removal of the members of the board of directors of the district.

(Amended by Stats. 2012, Ch. 162, Sec. 72. Effective January 1, 2013.)

57535. If any court determines that any incompatibility exists by reason of the same person or persons holding office both as a member of the city council and as a member of the board of directors of a subsidiary district, the court shall order the vacation of the office of that person as a member of the board of directors, but not as a member of the city council, and shall order the membership of the board of directors to be selected in the manner provided by the principal act.

(Added by Stats. 1985, Ch. 541, Sec. 3. Effective September 9, 1985. Operative January 1, 1986, by Sec. 5 of Ch. 541.)