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Honorable Eduardo Garcia  
Capitol Office  
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**IMPERIAL VALLEY HEALTHCARE DISTRICT: DISSOLUTION OF  
PIONEERS MEMORIAL AND HEFFERNAN MEMORIAL  
HEALTHCARE DISTRICTS - #2409042**

Dear Assembly Member Garcia:

Health and Safety Code [section 32499.5](#)<sup>1</sup> establishes the Imperial Valley Healthcare District, a county-wide health care district, for the entire County of Imperial.<sup>2</sup> [Section 32499.95](#) supports the implementation of that provision by requiring the Imperial County Local Agency Formation Commission (hereafter Imperial LAFCO) to dissolve the Pioneers Memorial Healthcare District and the Heffernan Memorial Healthcare District by January 1, 2025.<sup>3</sup>

You have informed us that the Imperial LAFCO is currently considering a resolution of application filed on January 24, 2023, by the Pioneers Memorial Healthcare district to expand the current boundary of the Pioneers Memorial Healthcare District to cover the entire County of Imperial and concurrently to dissolve the Heffernan Memorial Healthcare District (hereafter the Pioneers proposal).<sup>4</sup> In this context, you have asked us whether the Imperial LAFCO is required to dissolve the Pioneers Memorial Healthcare District and the Heffernan Memorial

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<sup>1</sup> This section was added by [Assembly Bill No. 918](#) of the 2023-2024 Regular Session (Stats. 2023, ch. 549) (hereafter A.B. 918). All further section references are to the Health and Safety Code unless otherwise indicated.

<sup>2</sup> [§ 32499.5](#), subd. (a) (The territory of the district includes “all of the County of Imperial, including those areas under the jurisdiction of the Pioneers Memorial Healthcare District and the Heffernan Memorial Healthcare District”).

<sup>3</sup> [§ 32499.95](#), subd. (a).

<sup>4</sup> Imperial LAFCO, [Executive Officer’s Report](#) (Nov. 6, 2023) relating to Pioneers Memorial Healthcare District Resolution of Application filed Jan. 24, 2023, available at <<https://www.iclafco.com/assets/hearings/20231116/item-9-pmhd.pdf>> (last accessed Feb. 2, 2024).

Healthcare District by January 1, 2025, under [section 32499.95](#) even if the Imperial LAFCO approves the Pioneers proposal.

### 1. Background: Local Agency Formation Commissions

A local agency formation commission (hereafter LAFCO) is an administrative body established within each county to oversee urban development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000<sup>5</sup> (hereafter [Cortese-Knox Act](#)).<sup>6</sup> A LAFCO “has only those express (or necessarily implied) powers which are specifically granted to it by statute.”<sup>7</sup> The general powers and duties of a LAFCO are set forth in Government Code [section 56375](#).

As relevant to this opinion, Government Code [section 56375](#), subdivision (a)(1) grants to a commission the authority to “review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.”<sup>8</sup> Thus, a LAFCO may review and approve with or without amendment, wholly, partially, or conditionally, or disapprove changes of organization, which include an annexation to a district or a district dissolution, that are initiated by petition or by resolution of application by an affected local agency, such as a healthcare district, consistent with written policies, procedures, and guidelines adopted by the LAFCO.

The Cortese-Knox Act prescribes the rules and procedures that govern a LAFCO’s proceedings with respect to a change of organization made by a special district, such as a healthcare district.<sup>9</sup> In this regard, the executive officer<sup>10</sup> shall review each application that is filed and prepare a report, including their recommendations, on the application.<sup>11</sup> There is a nonexhaustive list of factors that are to be considered by the LAFCO in the review of a proposal, including the effect of the proposed action, and of alternative actions, on adjacent areas and on the local governmental structure of the county;<sup>12</sup> the sphere of influence<sup>13</sup> of any local

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<sup>5</sup> Gov. Code, [§ 56000 et seq.](#)

<sup>6</sup> Gov. Code, [§ 56325](#); see [§§ 56300-56301](#).

<sup>7</sup> *Community Water Coalition v. Santa Cruz County Local Agency Formation Com.* (2011) 200 Cal.App.4th 1317, 1324, citing *City of Ceres v. City of Modesto* (1969) 274 Cal.App.2d 545, 550.

<sup>8</sup> Gov. Code, [§ 56375](#), subd. (a), emphasis added. A “change of organization” includes both an annexation to a district and a district dissolution. ([§ 56021](#), subds. (d) & (h).) “Annexation’ means the inclusion, attachment, or addition of territory to a city or district.” ([§ 56017](#).)

<sup>9</sup> Gov. Code, [§§ 56650-56668.5](#) (general proceedings) & [56821-56824.7](#) (proceedings for special districts); see [§ 56036](#), definition of “district” or “special district.”

<sup>10</sup> The day-to-day functions of the commission are conducted by an executive officer appointed by the commission. (Gov. Code, [§ 56384](#), subd. (a).)

<sup>11</sup> Gov. Code, [§ 56665](#).

<sup>12</sup> Gov. Code, [§ 56668](#), subd. (c).

agency that may be applicable to the proposal being reviewed;<sup>14</sup> and the comments of any affected local agency or other public agency.<sup>15</sup> The commission may terminate a proceeding relating to a proposed change of organization or reorganization under only two circumstances.<sup>16</sup>

In addition to these general provisions, the Legislature has imposed specific duties on Imperial LAFCO relative to the Imperial Valley Healthcare District. The territory of the Imperial Valley Healthcare District includes all of the County of Imperial, including areas presently under the jurisdiction of the Pioneers Memorial Healthcare District and the Heffernan Memorial Healthcare District.<sup>17</sup> Section 32499.95 requires the Imperial LAFCO to dissolve the Pioneers Memorial and Heffernan Memorial Healthcare Districts by January 1, 2025. That section and section 32499.95 set forth the procedures that govern the dissolution of these districts.<sup>18</sup>

Specifically, section 32499.95, subdivision (a) reads, in relevant part, as follows:

“32499.95. (a) Upon receipt of the recommendation from the Board of Directors of the Imperial Valley Healthcare District pursuant to paragraph (5) of subdivision (c) of Section 32499.6, the Imperial County Local Agency Formation Commission (LAFCO) shall determine the appropriate dates to dissolve the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District. The Imperial County LAFCO may decide on different dissolution dates for the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District. *The Imperial County LAFCO shall dissolve the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District by January 1, 2025.*”<sup>19</sup>

Thus, the Imperial LAFCO must determine the appropriate dates to dissolve the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District upon receipt from the initial board of directors of the Imperial Valley Healthcare District of its recommendation of a date for dissolution for the Heffernan Memorial and Pioneers Memorial

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(... continued)

<sup>13</sup> Gov. Code, § 56076; cf. *Modesto Irrigation Dist. v. Pacific Gas and Elec. Co.* (N.D.Cal. 2004) 309 F.Supp.2d 1156, 1159, fn. 4 (stating that “a ‘sphere of influence’ is a prospective measure, charting what a city’s or a district’s boundaries might be at some future point. [Citation.] A [city’s or a] district’s ‘sphere of influence’ is not necessarily coextensive with its existing service area”).

<sup>14</sup> Gov. Code, § 56668, subd. (i).

<sup>15</sup> Gov. Code, § 56668, subd. (j).

<sup>16</sup> See Gov. Code, §§ 56751, subds. (a), (c) & 56857, subds. (a), (c).

<sup>17</sup> § 32499.5.

<sup>18</sup> See §§ 32499.6, subd. (c)(5)(A)-(B) (the initial board of directors of the Imperial Valley Healthcare District shall recommend to the Imperial County LAFCO dates of dissolution for these districts) & 32499.95, subds. (b)-(c).

<sup>19</sup> Emphasis added.

healthcare districts. The Imperial LAFCO may decide on different dissolution dates for the Heffernan Memorial and Pioneers Memorial healthcare districts, but must dissolve both districts by January 1, 2025.

## 2. Analysis

You have asked us whether the Imperial LAFCO is required to dissolve the Pioneers Memorial Healthcare District and the Heffernan Memorial Healthcare District by January 1, 2025, under [section 32499.95](#) even if the Imperial LAFCO approves the Pioneers proposal. We begin our analysis with the language of section 32499.95. The fundamental goal of statutory construction is to ascertain the intent of the Legislature so as to effectuate the purpose of the law.<sup>20</sup> In determining the intent, the court will look first to the words of the statute, giving the language its usual and ordinary meaning.<sup>21</sup> If the statutory language is unambiguous, the plain meaning of the statute controls.<sup>22</sup>

Section 32499.95, subdivision (a) provides as follows:

“Upon receipt of the recommendation from the Board of Directors of the Imperial Valley Healthcare District . . . the Imperial [LAFCO] shall determine the appropriate dates to dissolve the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District . . . The Imperial [LAFCO] shall dissolve the Heffernan Memorial Healthcare District and the Pioneers Memorial Healthcare District by January 1, 2025.”

As an initial matter, in our view there is no ambiguity in the language of section 32499.95, subdivision (a). By using the term “shall,” which is mandatory, that subdivision plainly requires the Imperial LAFCO to dissolve the Pioneers Memorial Healthcare District and Heffernan Healthcare District by January 1, 2025.<sup>23</sup>

With respect to whether the approval of the Pioneers proposal would create an exception from this requirement, we think it is dispositive that there is no such exception set forth in the plain language of the statute. The Legislature was aware of the Pioneer proposal at the time it enacted [section 32499.95](#), and yet that section does not contain language that curtails or absolves the requirement imposed on the Imperial LAFCO to dissolve these healthcare

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<sup>20</sup> *Apple Inc. v. Superior Court* (2013) 56 Cal.4th 128, 135.

<sup>21</sup> *Dyna-Med, Inc. v. Fair Employment & Housing Com.* (1987) 43 Cal.3d 1379, 1386-1387.

<sup>22</sup> *In re W.B.* (2012) 55 Cal.4th 30, 52.

<sup>23</sup> In addition to the plain meaning of the word “shall” being mandatory, the Health and Safety Code explicitly provides that use of the term “shall” in its provisions is mandatory. (§ 16; see *Tarrant Bell Property, LLC v. Superior Court* (2011) 51 Cal.4th 538, 542 [Courts ordinarily construe the word “may” as permissive and the word “shall” as mandatory, particularly when a single statute uses both terms].)

districts under section 32499.95 in the event that the Pioneers proposal is approved.<sup>24</sup> We think a court would find, therefore, that had the Legislature intended to create an exception from the dissolution requirement if Imperial LAFCO approved the Pioneers proposal, it would have done so explicitly. Given that the language of section 32499.95 unequivocally requires the Imperial LAFCO to dissolve these healthcare districts by January 1, 2025, we think a court would find that approval of the Pioneers proposal has no legal effect upon the mandate imposed on the Imperial LAFCO contained in that section.<sup>25</sup>

Correspondingly, we note that no provision of law limits the authority of the Imperial LAFCO to exercise its powers under Government Code [section 56375](#), subdivision (a)(1) relative to the Pioneers proposal or to terminate this pending application.<sup>26</sup> We do not think that the authority granted by section 56375, nor the exercise of that authority, is in conflict with the mandate in Health and Safety Code [section 32499.95](#) to dissolve the Pioneers Memorial and Heffernan Memorial Healthcare Districts because these two provisions can be reasonably harmonized.<sup>27</sup> But even if there were a conflict between the two sections, the duty to dissolve Pioneers Memorial and the Heffernan Memorial Healthcare Districts under section 32499.95

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<sup>24</sup> As evidenced in the committee analyses of A.B. 918 prepared by the Senate Committee on Governance and Finance and the Assembly Committee on Local Government, the Legislature was aware that the Pioneers Memorial Healthcare District “adopted a resolution approving a preliminary application to the Imperial LAFCO for the potential expansion of” the healthcare district and the dissolution of the Heffernan Memorial Healthcare District. (Sen. Com. on Governance and Finance, [Analysis of A.B. 918](#), as amended July 6, 2023, p. 4 (hereafter Sen. Com. Analysis); Assem. Com. on Local Government, [Analysis of A.B. 918](#), as amended Apr. 17, 2023, p. 8.) With this knowledge, the Legislature did not either (1) condition or curtail the requirement that the Imperial LAFCO dissolve the Pioneers Memorial and Heffernan Memorial Healthcare Districts if the application was approved or the LAFCO process resulted in a single district for the county; or (2) limit the authority of the Imperial LAFCO to review and approve or disapprove any then-pending proposals for a change of organization. To the contrary, the bill analysis states that “[r]ather than follow the LAFCO process, the author wants legislation to outline the process to create a single healthcare district to manage healthcare across the county.” (Sen. Com. Analysis, *supra*, p. 4.)

<sup>25</sup> Courts cannot insert qualifying language into statute where it is not stated or rewrite it to conform to a presumed intention that is not expressed. (*Singh v. Southland Stone, U.S.A., Inc.* (2010) [186 Cal.App.4th 338, 363](#).)

<sup>26</sup> A LAFCO is authorized to terminate a pending proceeding under only two circumstances, which are not relevant here. (See Gov. Code, [§§ 56751](#), subs. (a), (c) & [56857](#), subs. (a), (c).)

<sup>27</sup> The courts are bound, if possible, to maintain the integrity of both statutes if the two may stand together. (*In re Greg F.* (2012) [55 Cal.4th 393, 407](#) (hereafter *Greg F.*))

would supersede the authority granted by Government Code section 56375, as section 32499.95 is a specific statute that was recently enacted.<sup>28</sup>

Accordingly, we conclude that the Imperial LAFCO has the power to review and approve or disapprove proposals for changes of organization, which it may properly exercise by approving the Pioneers proposal. However exercising the express power granted to it under Government Code section 56375 to review and approve or disapprove the Pioneers proposal does not curtail or absolve the Imperial LAFCO of its obligation to dissolve the Pioneers Memorial and Heffernan Memorial Healthcare Districts by January 1, 2025, under Health and Safety Code section 32499.95.

### 3. Conclusion

Accordingly, it is our opinion that the Imperial LAFCO must dissolve the Pioneers Memorial Healthcare District and the Heffernan Memorial Healthcare District by January 1, 2025, under section 32499.95 even if the Imperial LAFCO approves the Pioneers proposal.

Very truly yours,

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By  
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<sup>28</sup> Courts will rely on the principle that a specific statute prevails over a general one applies only when the two sections cannot be reconciled. If a court can reasonably harmonize two statutes dealing with the same subject, then the court must give concurrent effect to both, even though one is specific and the other general. The courts are bound, if possible, to maintain the integrity of both statutes if the two may stand together. (*Greg F.*, *supra*, 55 Cal.4th at p. 407.)