

November 4, 2013

10

TO: Local Agency Formation Commission
FROM: Executive Officer
Director, Legislative Research
SUBJECT: November 2013 Legislative Update Report

This is the final monthly Legislative Update Report for November, 2013, designed to keep the Commission informed about legislation in the first year of the 2013-14 Legislative Session. The Legislature has adjourned on August 30, 2013, until January 2014. The Governor has until midnight of October 13, 2013, to sign or veto bills. As of this time, October 11th, the Legislature and Governor have had this level of activity on bills:

2,540 bills were introduced

1,099 bills passed the Legislature; **4** bills are officially “dead”

930 bills have been signed by the Governor

48 bills have been vetoed by the Governor

121 await a decision by the Governor

1,437 bills will carry forward to the second year of the session

Several of the bills that staff identified for tracking have passed the Legislature and been signed by the Governor:

AB 1427 (*The Assembly Omnibus Bill*): This bill made non-controversial changes to the Cortese-Knox-Hertzberg Act and Government Code. CALAFCO was the sponsor of this bill. Adopted Position approved: **Support; Letter sent to Author and Governor**. This bill was signed by the Governor on August 13, 2013.

AB 743 (*Logue*) *Cortese–Knox–Hertzberg Act Island Annexation Sunset*: As discussed at the August meeting, current law provides for a process for cities to request a commission to annex qualified territory of up to 150 acre limit. Amendments made on April 3, 2013 to AB 743 retain the limit of island territory of a maximum of 150 acres. CALAFCO is the sponsor of the bill. Adopted Position: **Support; Letter sent to Author**. The bill was signed by the Governor on August 26, 2013.

AB 115 (Perea): Safe Drinking Water State Revolving Fund; Grants to Small Water Systems: this bill authorizes the State Department of Public Health to fund projects to multiple water system applicants for the purposes of consolidating water systems or extending services to households relying on private wells or benefiting disadvantaged communities that are not the applying agency. This is to encourage small system and agencies to work together to solve water quality or delivery problems. The bill passed the Legislature and was signed by the Governor on September 25, 2013.

SB 181, SB 182 and SB 183 (Committee on Governance and Finance): These are three annual validation bills that document the authority of public agencies and territories, etc. These bills are routine but essential for passage each year. Adopted Position: **Support**. These bills were all signed by the Governor.

Bills that did not pass and were not supported by our commission include:

AB 453 (Mullin) Sustainable Communities Grants: This bill would provide a Local Agency Formation Commission the ability to apply for Sustainable Community planning grant funds under the Strategic Growth Council oversight program. Position approved: Originally **Support; Letter sent to Author**. Position changed in August to **Oppose** due to amendments; Held in committee and now a two-year bill.

SB 772 (Emmerson) Mutual and Private Water Companies: This bill would require the State Department of Public Health or an applicable local health agency to provide information to the Public Utilities Commission and LAFCO for each public water system and private water system. It would also require a commission to include a review of all such systems in sphere of influence studies and municipal service reviews each five years. The bill has been held by the author and is now a two-year bill. Adopted Position: **Oppose unless amended; Letter sent to Author**.

Bill amended to deal with non-LAFCO issue and held in Assembly Governance & Finance Committee as a two-year bill. Staff no longer has concerns with this bill as amended.

Staff has provided an update on actions on each of the bills in the attached Tracking Report. No further direction is needed at this time. Therefore, it is:

RECOMMENDED: That your Commission

Receive and discuss, the November 4, 2013 Legislative Status Report and direct staff to continue to monitor legislative activity leading up to the second year of the 2013-14 Legislative Session as it convenes in January, 2013.

Respectfully submitted,

MICHAEL D. OTT
Executive Officer

HARRY EHRLICH
Director, Legislative Research

MDO:HE:trl

Attachment

Legislative Tracking Report

SAN DIEGO LAFCO
LEGISLATIVE TRACKING REPORT
November 4, 2013

AB 115 (Perea): Safe Drinking Water State Revolving Fund; Grants to Small Water Systems

Introduced: 1/14/2013

Status: 10/8/2013-Enrolled and signed by the Governor.

Summary: Authorizes the State Department of Public Health to fund projects, by grant, loan, or a combination of the two, where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells, as specified. The bill authorizes funding of a project to benefit a disadvantaged community that is not the applying agency. By authorizing the use of a continuously appropriated fund for new purposes, this bill would make an appropriation. This bill contains other existing laws. It addresses a problem of encouraging small agencies to develop water improvement projects together and consolidate agencies.

AB 168 (Wilk): Local government finance: vehicle license fee revenues: allocations

Introduced: 1/24/2013

Status: 1/25/2013-Failed to be heard by Committee; dead for this year.

Summary: Under existing law, the Controller is required to allocate vehicle license fee revenues in the Motor Vehicle License Fee Account according to a specified order, with moneys allocated on or after July 1, 2004, but before July 1, 2011, first to the County of Orange, next to each city and county meeting specified criteria, and on or after July 1, 2011, to the Local Law Enforcement Services Account in the Local Revenue Fund, for allocation to cities, counties, and cities and counties. This bill would make technical, nonsubstantive changes to these provisions. This bill appears to have been a spot bill to be amended at a later time.

AB 194 (Campos): Open Meetings: protections for public criticism

Introduced: 1/28/2013

Status: 4/24/2013: Failed to be considered; dead for the year.

Summary: Would make it a misdemeanor for a member of a legislative body, while acting as the chairperson of a legislative body of a local agency, to prohibit public criticism protected under the Ralph M. Brown Act. This bill would authorize a district attorney or any interested person to commence an action for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of the protection for public criticism is null and void, as specified.

AB 262 (Waldron): Local government: organization

Introduced: 2/7/2013

Status: 2/8/2013 Failed to be heard by Committee; bill dead for this year.

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 makes certain findings and declarations relating to local government organization, including, among other things, that it is the policy of the state to encourage orderly growth and development, and recognition that the logical formation and determination of the boundaries of local agencies, as specified. This bill would have made technical, nonsubstantive changes to these provisions.

AB 453 (Mullin): Sustainable Communities Grants

Introduced: 2/19/2013

Amended: 7/3/2013

Status: 8/30/2013 Failed to pass deadline in Appropriations Committee Suspense File on; now a two-year bill.

Summary: The Strategic Growth Council is required to manager and award grants and loans to a council of governments and other planning organizations for the purpose of developing regional plans to support the development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

San Diego LAFCO Position: Originally Support and Letter Sent; amended and San Diego LAFCO withdrew our support.

AB 678: (Gordon): Health Care Districts: community health needs assessment

Introduced: 2/21/2013

Amended: 4/15/2013

Status: 8/30/2013 Failed to pass deadline in Senate Appropriations Committee Suspense File; now a two-year bill.

Summary: Would require that each health care district that leases its facilities for operations conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. Also would require that a copy of the annual report on progress toward meeting the service needs in the district be provided to a local agency formation commission.

AB 743 (Logue): Cortese-Knox-Hertzberg Act Island Annexation Sunset

Introduced: 2/21/2013

Amended: 6/11/2013

Status: 8/26/2013 Signed by Governor, Chaptered by the Secretary of State.

Summary: The Cortese-Knox-Hertzberg Act in Section 56434 authorizes a local agency formation commission, until January 1, 2014, to approve, after notice and hearing, a request of a city to annex territory constituting an island as defined in the Act of up to 150 acres and to waive protest proceedings if certain requirements are met. This bill would repeal the January 1, 2013 sunset date.

San Diego LAFCO Recommended Position: Support and Sent Letter to Author

SB 56 (Roth): Local government finance, cities

Introduced: 1/7/2013

Amended: 6/11/2013

Status: 6/19/2013 Passed Senate Governance & Finance Committee referred to appropriations Committee; held as two-year bill.

Summary: Would restore funding to cities that either were incorporated or annexed territory after 2004 utilizing a sliding scale of funding over the next four years.

SB 181, SB 182 and SB 183: (Committee on Governance and Finance) Validations

Introduced: 2/6/2013

Status: 7/3/2013 Chaptered by the Secretary of State

Summary: These three Validating Act bills would validate the boundaries, organization, acts and proceedings of the state, counties, cities and specified districts for 2013. These are routine but required acts to continue authority and operations of various agencies of government.

San Diego LAFCO Position: Support

SB 772 (Emmerson): Mutual and Private Water Companies

Introduced: 2/22/2013

Amended: 9/6/2013

Status: 9/13/2013 Failed to pass committee, last location in Assembly Governance and Finance Committee; now a two-year bill to consider input from stakeholders.

Summary: Would require the State Department of Public Health or the local health agency to annually provide the address and telephone number for each public and state small water system to the Public Utilities Commission and as prescribed to a local agency formation commission; adds requirements for a commission to study all mutual and private water providers when undertaking a municipal service review of retail water services and to document service areas and spheres of influence of all providers, etc. The bill provides no additional authority to implement or funding for these required activities.

San Diego LAFCO Position: Oppose unless Amended – Letter Sent; Amended and no Longer a Concern of staff

AB 1427 (Committee on Local Government): Omnibus Bill on Cortese-Knox-Hertzberg Act

Introduced: 4/1/2013

Status: 8/13/2013 Signed by Governor and Chaptered by the Secretary of State

Summary: This is the annual Assembly Omnibus Bill that updates the Cortese-Knox-Hertzberg Act to make non-controversial changes to clarify the Act and revise definitions, etc. Proposed changes include clarifying definition of independent special district and designation of special district elected officials for nomination of special district representatives on a commission or advisory committee. The proposed bill has been reviewed by local government stakeholders prior to being introduced.

San Diego LAFCO Proposed Position: Support and Sent Letter to Committee