



**Chairman**

Sam Abed  
Mayor  
City of Escondido

June 5, 2017

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**Vice Chairwoman**

Jo MacKenzie  
Vista Irrigation District

TO: San Diego Local Agency Formation Commission

**Members**

Bill Horn  
County Board of  
Supervisors

FROM: Executive Officer  
Director, Legislative Research

Dianne Jacob  
County Board of  
Supervisors

SUBJECT: Legislative Update Report

Andrew Vanderlaan  
Public Member

This is the monthly status report on LAFCO related legislation for 2017. As reported at the May 2017 Commission meeting, Attachment A is a legislative summary of selected bills that staff has identified for tracking. This summary is current through May 17, 2017.

Lorie Zapf  
Councilmember  
City of San Diego

Vacant  
City Member

Staff continues to coordinate with CALAFCO to monitor and track legislation impacting LAFCO or other related governance agencies. The bills are organized in an order of priority to CALAFCO from 1 (High priority) to 3 (Low priority). The following are the status on bills that the Commission approved Support and write letter positions for each.

Ed Sprague  
Olivenhain Municipal  
Water District

**Alternate Members**

Greg Cox  
County Board of  
Supervisors

**AB 464 (Gallagher) – Local government reorganization**

Chris Cate  
Councilmember  
City of San Diego

AB 464 is sponsored by CALAFCO to address a situation in current law wherein Government Code Section 56653 does not address certain conditions of services currently provided when a plan for services is submitted for an annexation. This bill would specify that the plan being submitted would also include information regarding services currently provided to the affected territory even if by contract. This situation arose from a court decision on a lawsuit (City of Patterson v. Turlock Irrigation District) in Stanislaus County.

Racquel Vasquez  
Mayor  
City of Lemon Grove

Harry Mathis  
Public Member

Judy Hanson  
Leucadia Wastewater  
District

**Executive Officer**

**Approved position: Support; Letter sent**

Michael D. Ott

**Legal Counsel**

**Status: Passed Assembly and now in Senate for Assignment**

Michael G. Colantuono

### **AB 979 (Lackey) Cortese-Knox-Hertzberg Act: Special District representation on LAFCO**

This bill is sponsored by CSDA and cosponsored by CALAFCO addressing the procedure for special districts to propose to hold an election on having representation on a commission. Additionally, in July 2018, in counties where multiple Redevelopment Agency (RDA) Oversight Boards have existed, LAFCO is to administer an election process for selecting a representative to the county-wide RDA Oversight Board, in accordance with SB 107 enacted in 2016. The proposed method is to have the Special Districts Selection Committee (officers of each independent special district) vote to select the representative. San Diego LAFCO has already used this method to select representatives to the Commission. Amendments were proposed and made on May 15, 2017, to address concerns of CALAFCO.

**Approved position: Support; Letter sent**

**Status: Passed Assembly Second Reading May 15, 2017**

### **SB 37 (Roth) Local government finance: property tax revenue allocations**

This bill is identical to SB 817 (Roth in 2016) that calls for reinstatement of the Vehicle License Fee through a change in ERAF funds for cities that incorporated between January 1, 2004 and 2012. Four cities lost several million in funding due to a change in law and the Governor has vetoed prior bills addressing this issue. Staff will continue to track this bill. It has been reported in the press that the Governor has reached an agreement with Senator Roth to support and sign the bill this year.

**Approved position: Support; Letter sent**

**This bill is not expected to move due to other legislation addressing the city funding issue.**

**Other Bill of Interest:**

### **AB 892 (Waldron) Municipal water districts: water service to Indian tribes**

As reported at the last meeting, this bill was amended on March 23, 2017 to authorize, rather than require, a Municipal Water District to provide water service to an Indian tribe. Sycuan has objected to the proposed change and the author has not moved the bill forward. This is now a two-year bill.

**Approved position: Watch with Concerns**

### **AB 1725 (ALGC) Omnibus Bill**

This is the annual Assembly Local Government Committee (ALGC) bill that usually addresses any issues involving the Cortese-Knox-Hertzberg Act and LAFCO. The bill

addresses non-controversial or clarification issues and currently only corrects one minor section. The bill is expected to be amended to address four more issues brought forward by CALAFCO but this has not been processed as of this time. Staff will continue to monitor this bill and once amended, consider a position of support on the bill. A copy of the current bill is attached as information (Attachment B).

**Recommended position: Watch to See if Amended**

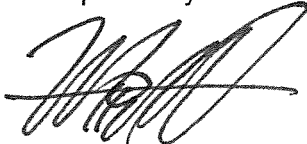
There are a number of other bills that staff will continue to monitor as the legislative session continues. The summary as provided in Attachment A, which is the CALAFCO Tracking Report, is current as of May 17, 2017.

San Diego LAFCO staff will provide the Commission with a verbal update at the meeting on any actions on these bills. Therefore, it is:

**RECOMMENDED:** That your Commission,

Receive this Legislative Update Report and provide direction to staff on the identified legislative bills as appropriate.

Respectfully submitted,



MICHAEL D. OTT  
Executive Officer



HARRY EHRLICH  
Director, Legislative Research

MDO:HE:eb

**Attachments**

- A) CALAFCO Tracking Report
- B) Assembly Bill No. 1725

**CALAFCO Daily Legislative Report  
as of Wednesday, May 17, 2017**

Attachment A

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**AB 464 (Gallagher R) Local government reorganization.****Current Text:** Amended: 3/14/2017 [Text](#)**Introduced:** 2/13/2017**Last Amended:** 3/14/2017**Status:** 5/11/2017-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

**Attachments:**[CALAFCO Letter of Support April 2017](#)**Position:** Sponsor**Subject:** Annexation Proceedings

**CALAFCO Comments:** This bill makes a fix to Gov. Code Sec. 56653 based on the court finding in the case of The City of Patterson v. Turlock Irrigation District. The court found that because the services were already being provided via an out of area service agreement, the application for annexation was deemed incomplete because it was not a new service to be provided. By making the fix in statute, any pending/future annexation for a territory that is already receiving services via an out of area service agreement will not be in jeopardy.

As amended, corrections were made to: 56653(b)(3) reading "proposed" rather than "provided", and in Government Code Section 56857 an exemption added pursuant to Public Utilities Code Section 9608 for territory already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Public Utilities Code Section 9608.

**AB 979 (Lackey R) Local agency formation commissions: district representation.****Current Text:** Amended: 5/15/2017 [Text](#)**Introduced:** 2/16/2017**Last Amended:** 5/15/2017**Status:** 5/16/2017-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

5/18/2017 #139 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides for the selection of representatives of independent special districts on each local agency

formation commission by an independent special district selection committee pursuant to a nomination and election process. This bill would additionally require the executive officer to call and hold a meeting of the special district selection committee upon the adoption of a resolution of intention by the committee relating to proceedings for representation of independent special districts upon the commission pursuant to specified law.

**Attachments:**

[CALAFCO Sponsor/Support Letter April 2017](#)

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This bill is co-sponsored by CALAFCO and CSDA. As amended, the bill amends code Sec. 56332.5 to streamline the process of seating special districts on LAFCo by mirroring current statute 56332 (the process for electing special district representatives into the special district seats). Keeping the process voluntary, it allows for voting by mail whether or not the district wants to have special districts represented on LAFCo. Further, it will allow for the consolidation of that question with the independent special district selection committee appointment to a countywide redevelopment agency oversight board pursuant to Health and Safety Code 34179 (j) (3).

**AB 1725 (Committee on Local Government) Local agency formation.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Introduced:** 3/20/2017

**Last Amended:** 5/2/2017

**Status:** 5/15/2017-Read second time. Ordered to Consent Calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

5/18/2017 #195 ASSEMBLY CONSENT CALENDAR 2ND DAY-ASSEMBLY BILLS

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified. The act authorizes a local agency formation commission to establish a schedule of fees and a schedule of service charges for proceedings taken pursuant to the act, as specified. This bill would revise that provision to authorize a local agency formation commission to establish a schedule of fees and a schedule of service charges pursuant to the act.

**Attachments:**

[CALAFCO Letter of Support April 2017](#)

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is the annual Omnibus bill. The bill currently has two items and will be amended soon to include four (4) additional items. The bill makes only minor, non-substantive technical changes to CKH.

**SB 37 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 4/3/2017-April 3 hearing: Placed on APPR. suspense file.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law

requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2017-18 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

**Attachments:**

[CALAFCO Support Letter Feb 2017](#)

**Position:** Support

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** This bill is identical to SB 817 (Roth, 2016), SB 25 (Roth, 2015) and SB 69 (Roth, 2014) with the exception of the chaptering out language included in the 2016 version (which addressed the companion bill AB 2277 (Melendez, 2016)). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2017/18 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**SB 448 ([Wieckowski D](#)) Local government: organization: districts.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Introduced:** 2/15/2017

**Last Amended:** 5/2/2017

**Status:** 5/15/2017-May 15 hearing: Placed on APPR. suspense file.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law requires a report of an audit of a special district's accounts and records made by a certified public accountant or public accountant to be filed with the Controller and the county auditor of the county in which the special district is located within 12 months of the end of the fiscal year or years under examination. This bill would require that those audit reports also be filed with the local agency formation commission of either the county in which the special district is located or, if the special district is located in 2 or more counties, the county containing the greatest percentage of the assessed value of taxable property of the district.

**Attachments:**

[CALAFCO Oppose Unless Amended Letter](#)

**Position:** Oppose unless amended

**Subject:** CKH General Procedures

**CALAFCO Comments:** As amended, this bill authorizes LAFCo to dissolve inactive districts by holding one hearing and without conducting a special study and with the waiver of protest proceedings. The bill creates an "idle" status for districts based on certain criteria, and authorizes LAFCo to dissolve idle districts under certain conditions.

The bill requires districts to conduct a biennial audit and submit to the State Controller's Office (SCO). The SCO will create a listing of idle districts based on those audits. Idle districts are defined as either: (1) no financial transactions and no revenue in the audit period; OR (2) district failed to submit the audit. The bill also adds a definition of inactive district as outlined in the bill. Once a district has been labeled idle, they have 180 days to file a statement of purpose with the SCO (criteria for content of the statement of purpose also outlined in the bill).

CALAFCO has several concerns with the processes identified in the bill, the location (code section) being used to address these new LAFCo powers, and several other minor technical issues. CALAFCO will work with the author's office and key stakeholders on amendments.

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**AB 267** (**Waldron R**) **Community services districts.**

**Current Text:** Introduced: 2/1/2017 [Text](#)

**Introduced:** 2/1/2017

**Status:** 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/1/2017)(May be acted upon Jan 2018)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

**Position:** Watch

**CALAFCO Comments:** According to the author's office this is a spot bill.

**AB 548** (**Steinorth R**) **Omnitrans Transit District.**

**Current Text:** Amended: 4/4/2017 [Text](#)

**Introduced:** 2/14/2017

**Last Amended:** 4/4/2017

**Status:** 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/23/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and unspecified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district.

**Position:** None at this time

**CALAFCO Comments:** This bill, as amended, appears to dissolve the Omnitrans JPA and form a new independent special district to be known as the Omnitrans Transit District. The formation process does not include LAFCo. CALAFCO is reaching out to the author's office for more details.

**AB 577** (**Caballero D**) **Disadvantaged communities.**

**Current Text:** Amended: 3/9/2017 [Text](#)

**Introduced:** 2/14/2017

**Last Amended:** 3/9/2017

**Status:** 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.S. & T.M. on 2/27/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, eligibility for certain entities to apply for funds from the State Water Pollution Cleanup and Abatement Account, and authorization for a community revitalization and investment authority to carry out a community revitalization plan. This bill would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income.

**Position:** Watch

**Subject:** Disadvantaged Communities

**CALAFCO Comments:** Sponsored by the Environmental Justice Coalition for Water, this bill is intended to expand the definition of disadvantaged communities to include multi-family households. According to the author's office this will be a two-year bill. CALAFCO will retain a Watch position until any amendments are in print.

**AB 645 (Quirk D) Local government: organization: dissolution.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Introduced:** 2/14/2017

**Status:** 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/2/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Under current law, if a change of organization consists of a dissolution, the commission is required to order the dissolution subject to confirmation of voters if, among other things, the proposal was not initiated by the commission and if a subject agency has not objected to the proposal, the commission has found that, for an inhabited territory protests have been signed by either 25% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 25% of the voters entitled to vote as a result of residing or owning land within the affected territory. This bill would decrease that threshold to 10% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 10% of the voters entitled to vote as a result of residing or owning land within the affected territory.

**Position:** Watch

**Subject:** CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

**CALAFCO Comments:** According to the author's office this is a spot bill pending the outcome of the Alameda LAFCo special study on Eden Healthcare District. Update: The author's office indicates they will hold off moving this bill. CALAFCO will continue to Watch.

**AB 892 (Waldron R) Municipal water districts: water service: Indian tribes.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amended:** 3/23/2017

**Status:** 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/23/2017)(May be acted upon Jan 2018)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, upon the request of certain Indian tribes and the satisfaction of certain



conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** According to the author's office, this may very well become a two-year bill. The intent of the bill was to make it permissive for an Indian tribe to negotiate directly with a water provider to obtain water services. This would circumvent LAFCo. This bill expands on last year's bill by Gonzalez-Fletcher, AB 2470. The author's office has indicated the bill will not move forward in it's current version. They understand CALAFCO's concerns. CALAFCO will continue to monitor the bill for any amendments and will consider a position if/when amendments are in print.

**AB 1728 (Committee on Local Government) Health care districts: board of directors.**

**Current Text:** Introduced: 3/22/2017 [Text](#)

**Introduced:** 3/22/2017

**Status:** 5/11/2017-Read second time. Ordered to Consent Calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

5/18/2017 #191 ASSEMBLY CONSENT CALENDAR 2ND DAY-ASSEMBLY BILLS

**Summary:**

Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district, including purchasing, receiving, having, taking, holding, leasing, using, and enjoying property. This bill would require the board of directors to adopt an annual budget in a public meeting, on or before September 1 of each year, that conforms to generally accepted accounting and budgeting procedures for special districts, establish and maintain an Internet Web site that lists contact information for the district, and adopt annual policies for providing assistance or grant funding, if the district provides assistance or grants.

**Attachments:**

[AB 1728 CALAFCO Letter of Support](#)

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** As introduced, this bill requires healthcare districts to adopt annual budgets, establish and maintain a website (and prescribes the required site content), and adopt policies for grant funding.

**SB 206 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/1/2017 [Text](#)

**Introduced:** 2/1/2017

**Status:** 3/23/2017-Read third time. Urgency clause adopted. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would enact the First Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

**Attachments:**[CALAFCO Support Feb 2017](#)**Position:** Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**SB 207 (Committee on Governance and Finance) Validations.****Current Text:** Introduced: 2/1/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 3/23/2017-Read third time. Urgency clause adopted. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would enact the Second Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

**Attachments:**[CALAFCO Support Feb 2017](#)**Position:** Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**SB 208 (Committee on Governance and Finance) Validations.****Current Text:** Introduced: 2/1/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 3/23/2017-Read third time. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would enact the Third Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**[CALAFCO Support Letter Feb 2017](#)**Position:** Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**SB 365 (Dodd D) Regional park and open-space districts: County of Solano.****Current Text:** Introduced: 2/14/2017 [Text](#)**Introduced:** 2/14/2017**Status:** 5/16/2017-In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law authorizes proceedings for the formation of a regional park and open-space or regional open-space district in specified counties in the state to be initiated by

resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill, in addition, would authorize the formation of a regional district in the County of Solano to be initiated by resolution of the county board of supervisors after a noticed hearing. The bill would specify the contents of the resolution, including the calling of an election, as prescribed.

**Attachments:**

[SB 365 CALAFCO Letter of Oppose 03 28 17](#)

**Position:** Oppose

**Subject:** LAFCo Administration

**CALAFCO Comments:** This bill calls for the formation of a regional park and open space district which will circumvent the LAFCo formation process. CALAFCO discussed our concerns with the author's office, who has made it clear they will not be considering any potential amendments unless requested by Solano LAFCo. As Solano LAFCo is now formally in support of the bill, it is not likely there will be any amendments.

**SB 435 (Dodd D) Williamson Act: payments to local governments.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Introduced:** 2/15/2017

**Last Amended:** 5/2/2017

**Status:** 5/11/2017-May 15 hearing postponed by committee.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

5/22/2017 11 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, LARA, Chair

**Summary:**

Would, under the Williamson act, reduce the amount per acre paid to a city, county, or city and county under these provisions to \$2.50 for prime agricultural land, \$0.50 for all other land devoted to open-space uses of statewide significance, and, for counties that have adopted farmland security zones, \$4 for land that is within, or within 3 miles of the sphere of influence of, each incorporated city.

**Position:** Watch

**Subject:** Ag Preservation - Williamson

**CALAFCO Comments:** According to the author's office, this bill (originally sponsored by the CA Farm Bureau but no longer) is intended to ensure ongoing subvention funding for counties and cities to enter into contracts with owners of agricultural land that commit to protecting and preserving the property as resource land and farmland. The current language is placeholder language and at present the author is working with the Dept. of Conservation and stakeholder groups to determine a reasonable path forward for the reinstatement of the Williamson Act funding.

CALAFCO will watch the bill for pending amendments.

**SB 634 (Wilk R) Santa Clarita Valley Water District.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amended:** 5/2/2017

**Status:** 5/15/2017-May 15 hearing: Placed on APPR. suspense file.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, the Castaic Lake Water Agency Law, created the Castaic Lake Water Agency and authorizes the agency to acquire water and water rights, including water from the State Water Project, and to provide, sell, and deliver water at wholesale for

municipal, industrial, domestic, and other purposes. This bill would repeal the Castaic Lake Water Agency Law. This bill contains other related provisions and other current laws.

**Attachments:**

[CALAFCO Letter Oppose Unless Amended 03 27 17](#)

**Position:** Oppose unless amended

**Subject:** Special District Consolidations

**CALAFCO Comments:** As amended, this bill consolidates two independent water districts in Los Angeles. The bill was amended to include LAFCo in the process via an application for binding conditions. There are still several minor technical changes that have been requested to the sponsors and author, and CALAFCO will retain our oppose unless amended position until those changes are in print.

**SB 693 (Mendoza D) Lower San Gabriel River Recreation and Park District.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 5/16/2017-Set for hearing May 22.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

**Calendar:**

5/22/2017 11 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, LARA, Chair

**Summary:**

Would specifically authorize the establishment of the Lower San Gabriel River Recreation and Park District, by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission before January 1, 2020, subject to specified existing laws governing recreation and park districts, including their formation, except as provided. The bill would authorize specified city councils and the Los Angeles County Board of Supervisors to appoint the initial board of directors of the district.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** This bill forms the Lower San Gabriel River Recreation and Park District while leaving a majority of the LAFCo process intact. CALAFCO will keep watching to ensure it stays that way.

Total Measures: 18

Total Tracking Forms: 18

5/17/2017 9:42:08 AM

AMENDED IN ASSEMBLY MAY 2, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1725**

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**Introduced by Committee on Local Government**

March 20, 2017

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An act to amend ~~Section 56383~~ *Sections 56383 and 56658* of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1725, as amended, Committee on Local Government. Local agency ~~formation commission: fees: formation.~~

The

(1) *The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, among other things, 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified.*

*The act authorizes a local agency formation commission to establish a schedule of fees and a schedule of service charges for proceedings taken pursuant to the act, as specified.*

This bill would revise that provision to authorize a local agency formation commission to establish a schedule of fees and a schedule of service charges pursuant to the act.

(2) *The act requires a petitioner or a legislative body desiring to initiate proceedings to submit an application to the executive officer of the principal county. Immediately after receiving an application and before issuing a certificate of filing, the act requires the executive officer to give mailed notice that the application has been received to specified entities.*

*This bill would make a technical correction to the notice requirement.*

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 56383 of the Government Code is  
2 amended to read:  
3 56383. (a) The commission may establish a schedule of fees  
4 and a schedule of service charges pursuant to this division,  
5 including, but not limited to, all of the following:  
6 (1) Filing and processing applications filed with the commission.  
7 (2) Proceedings undertaken by the commission and any  
8 reorganization committee.  
9 (3) Amending or updating a sphere of influence.  
10 (4) Reconsidering a resolution making determinations.  
11 (b) The fees shall not exceed the estimated reasonable cost of  
12 providing the service for which the fee is charged and shall be  
13 imposed pursuant to Section 66016. The service charges shall not  
14 exceed the cost of providing the service for which the service  
15 charge is charged and shall be imposed pursuant to Section 66016.  
16 (c) The commission may require that an applicant deposit some  
17 or all of the required amount that will be owed with the executive  
18 officer before any further action is taken. The deposit shall be  
19 made within the time period specified by the commission. No  
20 application shall be deemed filed until the applicant deposits the  
21 required amount with the executive officer. The executive officer  
22 shall provide the applicant with an accounting of all costs charged  
23 against the deposited amount. If the costs are less than the deposited  
24 amount, the executive officer shall refund the balance to the  
25 applicant after the executive officer verifies the completion of all  
26 proceedings. If the costs exceed the deposited amount, the applicant  
27 shall pay the difference prior to the completion of all proceedings.  
28 (d) The commission may reduce or waive a fee, service charge,  
29 or deposit if it finds that payment would be detrimental to the  
30 public interest. The reduction or waiver of any fee, service charge,  
31 or deposit is limited to the costs incurred by the commission in  
32 the proceedings of an application.  
33 (e) Any mandatory time limits for commission action may be  
34 deferred until the applicant pays the required fee, service charge,  
35 or deposit.

1 (f) The signatures on a petition submitted to the commission by  
2 registered voters shall be verified by the elections official of the  
3 county and the costs of verification shall be provided for in the  
4 same manner and by the same agencies which bear the costs of  
5 verifying signatures for an initiative petition in the same county.

6 (g) For incorporation proceedings that have been initiated by  
7 the filing of a sufficient number of voter signatures on petitions  
8 that have been verified by the county registrar of voters, the  
9 commission may, upon the receipt of a certification by the  
10 proponents that they are unable to raise sufficient funds to  
11 reimburse fees, service charges, or deposits for the proceedings,  
12 take no action on the proposal and request a loan from the General  
13 Fund of an amount sufficient to cover those expenses subject to  
14 availability of an appropriation for those purposes and in  
15 accordance with any provisions of the appropriation. Repayment  
16 of the loan shall be made a condition of approval of the  
17 incorporation, if successful, and shall become an obligation of the  
18 newly formed city. Repayment shall be made within two years of  
19 the effective date of incorporation. If the proposal is denied by the  
20 commission or defeated at an election, the loan shall be forgiven.

21 *SEC. 2. Section 56658 of the Government Code is amended to*  
22 *read:*

23 56658. (a) Any petitioner or legislative body desiring to initiate  
24 proceedings shall submit an application to the executive officer of  
25 the principal county.

26 (b) (1) Immediately after receiving an application and before  
27 issuing a certificate of filing, the executive officer shall give mailed  
28 notice that the application has been received to each affected *local*  
29 agency, the county committee on school district organization, and  
30 each school superintendent whose school district overlies the  
31 affected territory. The notice shall generally describe the proposal  
32 and the affected territory. The executive officer shall not be  
33 required to give notice pursuant to this subdivision if a local agency  
34 has already given notice pursuant to subdivision (c) of Section  
35 56654.

36 (2) It is the intent of the Legislature that a proposal for  
37 incorporation or disincorporation shall be processed in a timely  
38 manner. With regard to an application that includes an  
39 incorporation or disincorporation, the executive officer shall  
40 immediately notify all affected local agencies and any applicable

1 state agencies by mail and request the affected agencies to submit  
2 the required data to the commission within a reasonable timeframe  
3 established by the executive officer. Each affected agency shall  
4 respond to the executive officer within 15 days acknowledging  
5 receipt of the request. Each affected local agency and the officers  
6 and departments thereof shall submit the required data to the  
7 executive officer within the timelines established by the executive  
8 officer. Each affected state agency and the officers and departments  
9 thereof shall submit the required data to the executive officer within  
10 the timelines agreed upon by the executive officer and the affected  
11 state departments.

12 (3) If a special district is, or as a result of a proposal will be,  
13 located in more than one county, the executive officer of the  
14 principal county shall immediately give the executive officer of  
15 each other affected county mailed notice that the application has  
16 been received. The notice shall generally describe the proposal  
17 and the affected territory.

18 (c) Except when a commission is the lead agency pursuant to  
19 Section 21067 of the Public Resources Code, the executive officer  
20 shall determine within 30 days of receiving an application whether  
21 the application is complete and acceptable for filing or whether  
22 the application is incomplete.

23 (d) The executive officer shall not accept an application for  
24 filing and issue a certificate of filing for at least 20 days after giving  
25 the mailed notice required by subdivision (b). The executive officer  
26 shall not be required to comply with this subdivision in the case  
27 of an application which meets the requirements of Section 56662  
28 or in the case of an application for which a local agency has already  
29 given notice pursuant to subdivision (c) of Section 56654.

30 (e) If the appropriate fees have been paid, an application shall  
31 be deemed accepted for filing if no determination has been made  
32 by the executive officer within the 30-day period. An executive  
33 officer shall accept for filing, and file, any application submitted  
34 in the form prescribed by the commission and containing all of  
35 the information and data required pursuant to Section 56652.

36 (f) When an application is accepted for filing, the executive  
37 officer shall immediately issue a certificate of filing to the  
38 applicant. A certificate of filing shall be in the form prescribed by  
39 the executive officer and shall specify the date upon which the  
40 proposal shall be heard by the commission. From the date of



1 issuance of a certificate of filing, or the date upon which an  
2 application is deemed to have been accepted, whichever is earlier,  
3 an application shall be deemed filed pursuant to this division.

4 (g) If an application is determined not to be complete, the  
5 executive officer shall immediately transmit that determination to  
6 the applicant specifying those parts of the application which are  
7 incomplete and the manner in which they can be made complete.

8 (h) Following the issuance of the certificate of filing, the  
9 executive officer shall proceed to set the proposal for hearing and  
10 give published notice thereof as provided in this part. The date of  
11 the hearing shall be not more than 90 days after issuance of the  
12 certificate of filing or after the application is deemed to have been  
13 accepted, whichever is earlier. Notwithstanding Section 56106,  
14 the date for conducting the hearing, as determined pursuant to this  
15 subdivision, is mandatory.