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TO:Local Agency Formation CommissionFROM:Local Government Consultant
Executive OfficerSUBJECT:Legislative Report Update

This is the monthly status report on LAFCO related legislation for 2016. Attachment A is a legislative summary of selected bills that staff has identified for tracking. This summary is current through September 14, 2016. Legislative activity increased in the summer with the end of the Legislative Session being August 31, 2016. The Governor has until September 30, 2016 to sign or veto bills. The following are status notes on the four main bills of interest from actions this year.

AB 2470 (Gonzalez)–Municipal Water Districts: Provision of Water Service to Indian Tribal Lands

AB 2470 was discussed in detail at your June meeting, and the Commission took the following action: Adopted a *Watch* position that instructed LAFCO staff to monitor the bill to see if all issues of concern to Padre Dam, CWA and Metropolitan are addressed in future amendments. The bill has passed the Legislature and has been sent to the Governor for consideration for signature in early September. The Governor signed the report on September 12, 2016.

SB 1318 (Wolk)–Local government: Drinking water infrastructure or services; wastewater infrastructure or services

This bill would have extended the prohibition of annexation of areas greater than 10 acres where there exists areas designated as disadvantaged unincorporated communities (DUC) to a "qualified special district", defined as serving 500 or more service connections by amending Government Code Section 56375 and make other changes as outlined. The Commission took the following action: Adopted an *Oppose and Send Letter* position; the letter



was sent and a copy is attached as information. This bill was heavily opposed and the author decided to not move the bill this year. (Bill-dead)

AB 2910 (Committee on Local Government) – Local Government: organization; Omnibus Bill

This is the annual ALGC Omnibus Bill sponsored by CALAFCO that proposes non-controversial updates and changes to the Cortese–Knox–Hertzberg Act. The Commission took the following action: position–adopted a *Support* and *Send Letter* position; the letter was sent and a copy is attached as information. This bill was signed by the Governor on August 22, 2016.

SB 1266 (McGuire)–Joint Exercise of Powers Act; Filings

This bill was signed by the Governor on August 22, 2016, requires after January 17, 2017, that any JPA or agency of a JPA provide notification to LAFCO of change of membership or services by the JPA within thirty–days. LAFCO will have no oversight authority on a JPA except over the local agencies that may be members.

Little Hoover Commission Hearing on Special Districts on August 25, 2016

The Little Hoover Commission held an informational hearing on Special Districts in Sacramento. Several associations and invited agency representatives provided testimony at the hearing. Staff was not able to attend and will share more information once it is distributed. Another hearing is expected to be held in November this year.

There are a number of other bills that staff continues to monitor for possible action by the legislature and Governor before September 30, 2016. A summary is provided in Attachment A which is the CALAFCO Tracking report.

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

RECOMMENDED: That your Commission,

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

Respectfully submitted,

MICHAEL D. OTT Executive Officer HARRY EHRLICH Local Governmental Consultant

Attachment

Attachment A: CALAFCO Tracking Report

CALAFCO Daily Legislative Report as of Wednesday, September 14, 2016

AB 2032 (Linder) (R): Change of organization: cities: disincorporation

Current Text: Chaptered: 8/22/2016

Introduced: 2/16/2016

Last Amended: 6/6/2016

Status: 8/22/2016-Chaptered by Secretary of State - Chapter No. 163, Statutes of 2016

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation and the potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.

Attachments:

CALAFCO Request Governor Signature Letter_August 2016

CALAFCO Support Letter May 2016

CALAFCO Removal of Opposition Letter_April 2016

CALAFCO Oppose Letter_March 2016

Position: Support

Subject: CKH General Procedures, Disincorporation/dissolution

CALAFCO Comments: This bill is sponsored by the County Auditor's Association. After working closely with the author's office and the sponsor's representative, the bill has been substantially amended. The amendments in the April 5, 2016 version of the bill eliminate all of CALAFCO's concerns, and as a result we have removed our opposition. The amendments reflected in the April 11, 2016 version reflect the addition of one item inadvertently omitted by the author and a requested change in the ordering sequence by CALAFCO. The amendments in the June 6 version make a minor change to align with AB 2910. All amendments are minor and have been agreed to by CALAFCO and the other stakeholders with whom we worked last year on AB 851 (Mayes).

<u>AB 2277 (Melendez) (R)</u>: Local government finance: property tax revenue allocation: vehicle license fee adjustments

Current Text: Introduced: 2/18/2016

Introduced: 2/18/2016

Status: 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/20/2016)

Summary: Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current 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 2016-17 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_March 2016

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: UPDATE: This bill failed to make it out of the Assembly Appropriation Suspense File and has died. As introduced, this bill is identical to SB 817 (Roth, 2016) except that it does not incorporate changes to the R&T Code Section 97.70 related to AB 448 (Brown, 2015). 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

<u>AB 2470 (Gonzalez (D):</u> Municipal water districts: water service: Indian tribes

Current Text: Chaptered: 9/12/2016

Introduced: 2/19/2016

Last Amended: 4/26/2016

Status: 9/12/2016-Chaptered by Secretary of State - Chapter 301, Statutes of 2016.

Summary: Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe and the satisfaction of certain conditions, would require a district to provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements and the Indian tribe satisfies prescribed conditions.

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended, this bill requires a water agency to provide water service upon request of an Indian tribe and under certain conditions, to the tribe at substantially the same terms as existing customers of the water district even though no annexation of the land to be serviced is required. The proposed process bypasses entirely the LAFCo process and requires the water agency to provide the service without discretion. The author contends the criteria for qualification as outlined in the bill applies only to the Sycuan Indian tribe in San Diego. CALAFCO solicited feedback from members and based on the responses there are no other Indian tribes (at least for which LAFCo is aware) to which that criteria applies.

<u>AB 2910 (Committee on Local Government) Local government:</u> organization: omnibus bill

Current Text: Chaptered: 8/22/2016 Introduced: 3/15/2016 Last Amended: 6/1/2016 Status: 8/22/2016-Chaptered by Secretary of State - Chapter No. 165, Statutes of 2016 **Summary:** Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's jurisdictional boundaries.

Attachments:

CALAFCO Request Governor Signature Letter_August 2016

CALAFCO Support Letter_April 2016

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill that makes minor, non controversial changes to CKH. This year, the bill makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. Affected sections include: 56301, 56331, 56700.4, 56816, 56881, 57130 and 56134.

<u>SB 817 (Roth)(D)</u>: Local government finance: property tax revenue allocations: vehicle license fee adjustments

Current Text: Enrollment: 9/8/2016

Introduced: 1/5/2016

Last Amended: 8/18/2016

Status: 9/8/2016-Enrolled and presented to the Governor at 5 p.m.

Summary: Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current 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 2016-17 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 Request Governor Signature Letter August 2016

CALAFCO Support Letter_Febuary 29, 2016

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

<u>SB 1262 (Pavley) (D):</u> Water supply planning

Current Text: Enrollment: 8/30/2016

Introduced: 2/18/2016

Last Amended: 6/15/2016

Status: 8/30/2016-Enrolled and presented to the Governor at 1:30 p.m.

Summary: The Sustainable Groundwater Management Act authorizes the State Water Resources Control Board to designate a basin as a probationary basin if the state board makes a certain determination and to develop an interim plan for the probationary basin. This bill would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site. This bill would provide that hauled water is not a source of water for the purposes of a water supply assessment, as specified.

Attachments:

CALAFCO Letter of Concern_March 2016

Position: Watch

Subject: Water

CALAFCO Comments: As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

Recent amendments removed CALAFCO's primary concern of the timing requirements of the water supply assessment, and returns the statute to its original state. Other concerns remain unaddressed in the bill including the ongoing discussion of the appropriate size of a project (is 500 units the appropriate threshold) and how this bill will deal with phased development. Based on stakeholder discussions with the author, these issues will not be addressed in this bill.

<u>SB 1266 (McGuire D):</u> Joint Exercise of Powers Act: agreements: filings

Current Text: Chaptered: 8/22/2016

Introduced: 2/18/2016

Last Amended: 4/12/2016

Status: 8/22/2016-Chaptered by Secretary of State - Chapter No. 173, Statutes of 2016

Summary: Current law requires an agency or entity that files a notice of agreement or amendment with the Secretary of State to also file a copy of the original joint powers agreement, and any amendments to the agreement, with the Controller. This bill would require an agency or entity required to file documents with the Controller, as described above, that meets the definition of a joint powers authority or joint powers agency, as specified, that was formed for the purpose of providing municipal services, and that includes a local agency member, as specified, to also file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located within 30 days after the effective date of the agreement or amendment to the agreement.

Attachments:

CALAFCO Request Governor Signature Letter_August 2016

CALAFCO Support Letter_February 2016

CALAFCO Support as amended letter_March 2016

Position: Sponsor

Subject: Joint Power Authorities, LAFCo Administration

CALAFCO Comments: This is a CALAFCO sponsored bill. As amended, the bill requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file add punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

<u>SB 1318 (Wolk D):</u> Local government: drinking water infrastructure or services: wastewater infrastructure or services.

Current Text: Amended: 6/1/2016

Introduced: 2/19/2016

Last Amended: 6/1/2016

Status: 7/1/2016-Failed Deadline pursuant to Joint Rule 61(b)(13). (Last location was L. GOV. on 6/9/2016)

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. This bill would additionally authorize a local agency formation commission to initiate a proposal by resolution of application for the annexation of a disadvantaged unincorporated community, as specified. This bill contains other related provisions and other current laws.

Attachments:

CALAFCO Oppose As Amended Letter_April 2016

CALAFCO Oppose Letter_March 2016

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

CALAFCO Comments: MOST RECENT UPDATE: As of June 15, CALAFCO was notified by the author's office they were dropping the bill. At the request of the author, CALAFCO provided a second set of proposed amendments that were focused solely on bringing all LAFCos into compliance with SB 244. The sponsor of the bill ultimately could not agree to the proposed amendments, and as a result the author decided to drop the bill. CALAFCO's Oppose position will remain on record and we will continue to monitor the bill for any further activity.

PRIOR UPDATES: CALAFCO has been working closely with the author and sponsor on potential amendments to improve the April 12 version of the bill. Substantial amendments were provided, and the bill as amended on June 1, reflect only a portion of those amendments.

As amended, the bill still provides no funding for LAFCo to conduct the required studies and for agencies to complete any service extensions or annexations, which is one of the biggest obstacles for these areas to receive the service. (CALAFCOs amendments included the Water Board and Regional Water Quality Boards as funding mechanisms.) The bill changes the definition of a DUC (different from what CALAFCO proposed), retains protest provisions for the DUC only, and requires LAFCo to hold public hearings as close in proximity to the DUC. Several important amendments that were included are the proposed change to 56653, the removal of the prohibition to LAFCo for annexing or extending services to an area if all DUCs in the area have not been served, it moves the DUC mapping requirements from the SOI/MSR section to the LAFCo Powers section.

<u>AB 1362 (Gordon) (D):</u> San Mateo County Mosquito and Vector Control District: board of trustees: appointment of members

Current Text: Chaptered: 9/12/2016

Introduced: 2/27/2015

Last Amended: 8/2/2016

Status: 9/12/2016-Chaptered by Secretary of State - Chapter 288, Statutes of 2016.

Summary: Would authorize a change in the appointment of the board of trustees of the San Mateo County Mosquito and Vector Control District. If a majority of the legislative bodies that include the city councils in, and the Board of Supervisors of, the County of San Mateo adopt resolutions approving the change in board composition and forward a copy of the resolution to the local agency formation commission, the bill would require the commission to adopt procedures for the reorganization of the board of trustees of the San Mateo County Mosquito and Vector Control District.

Position: Watch

CALAFCO Comments: As amended on June 22, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of the San Mateo County Mosquito and Vector Control District (previous versions were statewide-this version is district specific). The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board.

AB 2414 (Garcia, Eduardo) (D): Desert Healthcare District

Current Text: Enrollment: 9/9/2016

Introduced: 2/19/2016

Last Amended: 8/19/2016

Status: 9/9/2016-Enrolled and presented to the Governor at 2:30 p.m.

Summary: Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the district to submit a resolution of application to the Riverside County Local Agency Formation Commission to initiate proceedings to expand the district. The bill would require the commission to order the expansion of the district subject to a vote of the registered voters residing within the territory to be annexed at an election following the completion of those proceedings.

Attachments:

CALAFCO Oppose as Amended Letter_August 2016

CALAFCO Oppose Letter_April 2016

Position: Oppose

Subject: Disincorporation/dissolution, LAFCo Administration

CALAFCO Comments: As amended, this bill requires Riverside LAFCo to approve the expansion of the district, providing a determination is made that the expansion is financially feasible. The bill requires the County of Riverside to file the application with the LAFCo by 1/1/17, and as the applicant, to pay all necessary fees. The bill gives Riverside LAFCo 150 days to conduct all proceedings and direct the election necessary to expand the district. While the amendments removed the unrealistic timelines prescribed in the original version, and removed the requirement for the LAFCo (and other agencies) to find a viable funding source for the expansion, the bill still divests Riverside LAFCo of its authority and discretion.

AB 2471 (Quirk) (D): Health care districts: dissolution

Current Text: Amended: 8/1/2016

Introduced: 2/19/2016

Last Amended: 8/1/2016

Status: 8/31/2016-Failed Deadline pursuant to Joint Rule 61(b)(17). (Last location was INACTIVE FILE on 8/29/2016)

Summary: Would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to specified provisions of the act that require dissolution by voter approval only if a majority protest exists, as specified. By requiring a higher level of service from the Alameda County local agency formation commission to analyze the criteria described above, the bill would impose a statemandated local program. This bill contains other related provisions and other existing laws.

Attachments:

CALAFCO Oppose Unless Amended Letter_April 2016

Position: Oppose unless amended

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

CALAFCO Comments: As amended, the bill makes the language specific to Eden Township Healthcare District, rather than the more generic statewide original approach. However, the bills till divests Alameda LAFCo of their authority and discretion. The bill requires the Alameda LAFCo to review Eden Township Healthcare District's compliance with certain criteria set forth in the bill. If all of the prescribed criteria is met, the bill requires the LAFCo to order the dissolution of the district.

<u>SB 1263 (Wieckowski) (D):</u> Public water system: permits

Current Text: Enrollment: 9/8/2016

Introduced: 2/18/2016

Last Amended: 8/19/2016

Status: 9/8/2016-Enrolled and presented to the Governor at 5 p.m.

Summary: Would require a person submitting an application for a permit for a proposed new public water system to first submit a preliminary technical report to the State Water Resources

Control Board at least 6 months before initiating construction of any water-related improvement, as defined. Because a misstatement in the report could be a crime under the provision described above, this bill would impose a state-mandated local program by expanding the scope of a crime. **Position:** Watch

Subject: Water

CALAFCO Comments: As amended, this bill would require an application for a permit for a proposed new public water system to first submit a preliminary technical report to the board at least 6 months before initiating construction of any water-related improvement, as defined.

The bill would allow the state board to direct the applicant to undertake additional discussion and negotiation with certain existing public water systems to provide an adequate and reliable supply of domestic water to the service area of the proposed new public water system and would require an applicant to comply before submitting an application for a permit to operate a system and would prohibit the application from being deemed complete unless the applicant has complied. The bill would authorize the board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. The bill also prohibits a local primacy agency from issuing a permit to operate a public water system without the concurrence of the state board. The bill prohibits water hauling as a viable source of water supply.

Amendments done on June 8, 2016 raised a concern for CALAFCO in that Section 116527(e) addresses what the board may do upon review of a prelim tech report. Subsection (1) states they may direct the applicant to undertake additional discussions if they have not already gone to LAFCo. It further states the board will not do that if, among other things, the LAFCo has already denied the project. However, there is no indication that the board's direction for the applicant to undertake additional discussions is NOT a replacement for going to LAFCo. CALAFCO has requested an amendment to add clarifying language on this point.

AB 1658 (Bigelow (R): Happy Homestead Cemetery District: nonresident burial

Current Text: Chaptered: 8/30/2016 Introduced: 1/13/2016 Status: 8/30/2016-Chaptered by Secretary of State - Chapter 242, Statutes of 2016. Summary: Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions. Position: Watch Subject: Special District Principle Acts

AB 1707 (Linder) (R): Public records: response to request

Current Text: Amended: 3/28/2016 Introduced: 1/25/2016 Last Amended: 3/28/2016 Status: 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. L. GOV. on 3/29/2016) Summary: The California Public Records Act requires state and local agencies to make public

records available for inspection, unless an exemption from disclosure applies. The act requires a

response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record. **Attachments:**

CALAFCO Oppose Letter_March 2016

Position: Oppose

Subject: Public Records Act

CALAFCO Comments: As amended, this bill would require public agencies, including LAFCos, when responding to a Public Records Request for which a determination has been made to deny the request, to identify the types of records being withheld and the specific exemption that applies to that record. The amendments did little to mitigate concerns, as the change is minor. (Removed the requirement of having to list every document and now requires them to be categorized.) CALAFCO understands this bill has been pulled by the author. We will continue to monitor.

AB 2142 (Steinorth) (R): Local government finance

Current Text: Introduced: 2/17/2016

Introduced: 2/17/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/17/2016)

Summary: Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

Position: Watch

CALAFCO Comments: As introduced, this appears to be a spot bill. The bill targets Section 96.15 of the Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

AB 2257 (Maienschein) (R): Local agency meetings: agenda: online posting

Current Text: Chaptered: 9/9/2016

Introduced: 2/18/2016

Last Amended: 6/22/2016

Status: 9/9/2016-Chaptered by Secretary of State - Chapter 265, Statutes of 2016.

Summary: The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill would require an online posting of an agenda for a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site to be posted on the local

agency's primary Internet Web site homepage accessible through a prominent, direct link, as specified.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: As amended, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda. Other requirements added in the April 11, 2016 version of the bill include: (1) The direct link to the agenda required shall not be in a contextual menu; (2) The agenda shall be posted in an open format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; is platform independent and machine readable; is available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.

AB 2389 (Ridley-Thomas) (D): Special districts: district-based elections: reapportionment

Current Text: Enrollment: 8/22/2016

Introduced: 2/18/2016

Last Amended: 5/9/2016

Status: 8/22/2016-Enrolled and presented to the Governor at 4 p.m.

Summary: Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

Position: Watch

CALAFCO Comments: As amended, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters for approval.

AB 2435 (Mayes R): Local government organization: disincorporated cities

Current Text: Introduced: 2/19/2016

Introduced: 2/19/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/19/2016)

Summary: Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

Position: Placeholder - monitor

Subject: Disincorporation/dissolution

CALAFCO Comments: This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code.

AB 2737 (Bonta) (D): Nonprovider health care districts

Current Text: Enrollment: 9/7/2016

Introduced: 2/19/2016

Last Amended: 6/20/2016

Status: 9/7/2016-Enrolled and presented to the Governor at 3 p.m.

Summary: Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. The bill would require a nonprovider health care district to pay any amount required to be paid in the district's annual budget year by a final judgment, court order, or arbitration award before payment of those grants or administrative expenses, as specified.

Position: Watch

CALAFCO Comments: This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District, although it is written in generic form. As amended, the bill requires a non-provider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses (as defined).

AB 2853 (Gatto) (D): Public records

Current Text: Chaptered: 9/9/2016

Introduced: 2/19/2016

Last Amended: 6/16/2016

Status: 9/9/2016-Chaptered by Secretary of State - Chapter 275, Statutes of 2016.

Summary: Would authorize a public agency that posts a public record on its Internet Web site to refer a member of the public that requests to inspect the public record to the public agency's Internet Web site where the public record is posted. This bill would require, if a member of the public requests a copy of the public record due to an inability to access or reproduce the public record from the Internet Web site where the public record is posted, the public agency to promptly provide a copy of the public record to the member of the public, as specified.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: As amended the bill simply allows a public agency that has received a public records request act request to refer the person making the request to the agency's website for the documents, should they be posted on the site.

<u>SB 552 (Wolk)(D):</u> Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services

Current Text: Enrollment: 9/8/2016

Introduced: 2/26/2015

Last Amended: 8/19/2016

Status: 9/8/2016-Enrolled and presented to the Governor at 5 p.m.

Summary: Would authorize the State Water Resources Control Board to order consolidation where a public water system or a state small water system is serving, rather than within, a disadvantaged community, and would limit the authority of the state board to order consolidation or extension of service to provide that authority only with regard to a disadvantaged community.

This bill would make a community disadvantaged for these purposes if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company. This bill contains other related provisions and other existing laws.

Attachments:

CALAFCO Request Governor Signature Letter August 2016

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: As amended, the bill makes the CALAFCO requested change to the Health & Safety Code by amending 116682 (g) which gives LAFCo the approval to do what is necessary to complete a consolidation of two systems, should they be required to do so by the State Water Board. (Previous language technically divested LAFCo of that authority.)

Further, the bill adds provisions that give the SWRCB the authority to appoint an Administrator to a water system (as opposed to mandating consolidation), which is a kind of receivership.

<u>SB 971:</u> (Committee on Governance and Finance) Validations

Current Text: Chaptered: 5/27/2016

Introduced: 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 15, Statutes of 2016.

Summary: This bill would enact the First Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

CALAFCO Support Letter_February 29, 2016

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

<u>SB 972</u>: (Committee on Governance and Finance) Validations

Current Text: Chaptered: 5/27/2016

Introduced: 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 16, Statutes of 2016.

Summary: This bill would enact the Second Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

CALAFCO Support Letter_February 29, 2016

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

<u>SB 973</u>: (Committee on Governance and Finance) Validations

Current Text: Chaptered: 5/27/2016 **Introduced:** 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 17, Statutes of 2016.

Summary: This bill would enact the Third Validating Act of 2016, 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_February 29, 2016

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

<u>SB 974</u>: (Committee on Governance and Finance) Local government: omnibus

Current Text: Enrollment: 8/30/2016

Introduced: 2/8/2016

Last Amended: 8/4/2016

Status: 8/30/2016-Enrolled and presented to the Governor at 1:30 p.m.

Summary: The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book. This bill would also authorize a county recorder to store records of survey in any other manner that will ensure the maps are kept together. This bill contains other related provisions and other current laws.

Position: Watch

CALAFCO Comments: As amended, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

SB 1009 (Nielsen) (R): Public cemeteries: nonresidents

Current Text: Introduced: 2/11/2016

Introduced: 2/11/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was GOV. & F. on 2/25/2016)

Summary: Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

Position: Watch

Subject: Special District Powers

CALAFCO Comments: This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

<u>SB 1276 (Moorlach) (R):</u> Local agencies

Current Text: Introduced: 2/19/2016

Introduced: 2/19/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS. on 3/3/2016)

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make nonsubstantive changes to the above-described law.

Position: Placeholder - monitor

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill to amend CKH.

SB 1292 (Stone) (R): Grand juries: reports

Current Text: Amended: 3/28/2016 Introduced: 2/19/2016

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/25/2016)

Summary: Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

Attachments:

CALAFCO Letter of Support_May 2016

Position: Support

Subject: Other

CALAFCO Comments: UPDATE: This bill did not make it out of the Assembly Appropriations Suspense File and therefore died.

Sponsored by CSDA. As amended, the bill requires the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. One the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those prelim comments public at the time the report is made public.

This will allow LAFCos, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFCo to respond to those findings and offer additional information or corrections. Further, it allows the LAFCo to provide preliminary comments that are required to be posted with the report when it is made public.

SB 1374 (Lara) (D): The Lower Los Angeles River Recreation and Park District

Current Text: Enrollment: 9/8/2016

Introduced: 2/19/2016

Last Amended: 8/19/2016

Status: 9/8/2016-Enrolled and presented to the Governor at 5 p.m.

Summary: Would specifically authorize the establishment of the Lower Los Angeles River Recreation and Park District, by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission before January 1, 2019, subject to specified current 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.

Attachments:

CALAFCO Removal of Opposition_August 2016

CALAFCO Letter of Oppose_June 2016

Position: Watch

CALAFCO Comments: Gut and amended on June 16, this bill creates a new district within the LA County area and does not involve LAFCo in the formation process. Amended on August 3, the bill now addresses only the special governance structure and powers of the new district. All local processes, including the LAFCo process and all LAFCo powers have been reinstated with the new amendments. As a result CALAFCO is removing our opposition.

<u>SB 1436 (Bates R):</u> Local agency meetings: local agency executive compensation: oral report of final action recommendation

Current Text: Chaptered: 8/22/2016

Introduced: 2/19/2016

Last Amended: 4/6/2016

Status: 8/22/2016-Chaptered by Secretary of State - Chapter No. 175, Statutes of 2016

Summary: Current law prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill, prior to taking final action, would require the legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration, Other

CALAFCO Comments: As amended, this bill requires public agencies, including LAFCos, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.