SACRAMENTO LOCAL AGENCY FORMATION COMMISSION 1112 I Street #100 Sacramento, California 95814 (916) 874-7458

April 5, 2006

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

CONTACT: Donald J. Lockhart, AICP, Assistant Executive Officer (916) 874-2937

<u>RECOMMENDATION</u>

Information only, no action is recommended. This is a status report on 2006-07 LAFCo related legislation.

<u>SUMMARY</u>

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters. An ad-hoc committee appointed by the CALAFCo Board of Directors is reviewing and formulating positions on several bills. Staff will continue to track the bills, in collaboration with CALAFCo, and report back to your Commission.

LEGISLATION

AB 3074 (Assembly Local Government Committee) Omnibus clean-up bill sponsored by CALAFCO. 1. Changes the wording from "All subject agencies have not submitted written opposition to a waiver of protest proceedings" to "No subject agency has submitted written opposition to waiver of protest proceedings." (GC 56663) 2. Corrects incorrect cross-references to LAFCO law in the Water Code (WC 21552.1 and 30500.1) 3. Corrects incorrect cross-references to LAFCO law in the Health and Safety Code. (4730.4, 6480.1 and 32100.05) 4. Corrects incorrect cross-reference to LAFCO law in the Public Resources Code. (PRC 9301.1) <u>Status</u>: May be heard in committee late April or early May.

<u>AB 2259 (Salinas)</u> Current law authorizes LAFCo, until January 1, 2007, to review and approve a proposal that extends services into previously unserved territory within unincorporated areas and to review the creation of new service providers to extend urban type development into previously unserved territory within unincorporated areas to ensure that the proposed extension is consistent with the policies of the commission and certain policies under state law. This bill would extend the operation of the above provision to January 1, 2013. Status: 03/02/2006 Referred to Assembly Local Government Committee.

<u>AB 2158</u> (Evans) Co-sponsored by CALAFCo and the League of California Cities. Adds consideration of adopted Spheres of Influence and LAFCo policies to the factors that Councils of Governance (COGs) must taking into account when distributing housing needs numbers (as part of the Regional Housing Needs Assessment process) to cities and counties. Status: Referred Assembly Local Government Committee, may be heard early April.

<u>AB 1602</u> (Laird) Restores VLF revenue to those newly incorporated cities and cities that annexed inhabited areas after the VLF-property tax swap system was enacted. This bill would require that cities that are incorporated from unincorporated territory after August 5, 2004, but before July 1, 2009, be allocated VLF revenues in an amount determined pursuant to a specified formula. This bill would also require that cities that were incorporated before August 5, 2004, be allocated additional VLF revenues in an amount determined pursuant to a specified formula. This bill would also establish a formula to determine, for purposes of these allocations, the population of a city that is incorporated after August 5, 2004. This bill would declare that it is to take effect immediately as an urgency statute. Status: In Senate Local Government Committee: Second hearing canceled at the request of author. *CALAFCo may provide a letter of support*.

DL:Maf Attachment: AB 3074

(Legislation Report April 2006)