

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
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October 1, 2008

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer *PB*  
RE: Legislative Update

**CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937**

**RECOMMENDATION**

Information only, no action is recommended.

**SUMMARY**

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 has considered and adopted positions on several bills. Staff will continue to track the bills, in collaboration with CALAFCO, and report back to the Commission.

**LEGISLATION**

**SB 301(Romero) Local Government Finance.**

**Status:** 9/17/2008 Sent to Governor for Action

**Summary:** The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state. Under existing law, the Controller is required to allocate VLF revenues in the Motor Vehicle License Fee Account in a specified order to, among others, each city that was incorporated from an unincorporated territory after August 5, 2004, but before July 1, 2009. Existing law also requires cities that were incorporated before August 5, 2004, be allocated additional VLF revenues in an amount determined pursuant to a specified formula. For purposes of this formula, existing law specifies that the population of a city that is incorporated before August 5, 2004, is that city's actual population, as defined, residing in areas annexed after August 5, 2004, but before July 1, 2009. This bill would require that cities that are incorporated from an unincorporated territory after August 5, 2004, but before July 1, 2014, be allocated VLF revenues. This bill would specify, for purposes of this formula used to determine additional VLF revenues for cities that were incorporated before August 5, 2004, that the city's actual population is the population residing in areas annexed after August 5, 2004. This bill contains other related provisions and other existing laws.

**SUPPORT:** (Verified 1/23/08)

Alamo Incorporation Movement

California Association of Local Agency Formation Commissions  
East Los Angeles Residents Association  
Eastvale Incorporation Committee  
League of California Cities  
Nahas Company, LLC  
Orange County Local Agency Formation Commissions

*Notes: This bill has been amended to remove the AB 1602 sunset on VLF subventions for annexations and to extend indefinitely the VLF subvention for incorporations*

**SB 375 (Steinberg)** Transportation Planning: Travel Demand Models:

**Sustainable Communities Strategy: Environmental Review.**

**Status:** 9/17/2008 Sent to Governor for Action

Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional transportation planning agencies, including development of a regional transportation plan. Existing law authorizes the California Transportation Commission, in cooperation with the regional agencies, to prescribe study areas for analysis and evaluation. This bill would require the commission, by July 1, 2009, to adopt guidelines for travel demand models used in the development of regional transportation plans by certain transportation planning entities. The bill would require the Department of Transportation to assist the commission, on request, in this regard, and would impose other related requirements. This bill contains other related provisions and other existing laws. **Position:** Support.