

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

August 1, 2012

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

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

**RECOMMENDATION**

No action is recommended.

**BACKGROUND**

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

**PENDING LEGISLATION**

**AB 2238** (**Perea D**) Public water systems: drinking water.

**Current Text:** Amended: 6/25/2012

**Introduced:** 2/24/2012

**Last Amended:** 6/25/2012

**Status:** 7/3/2012-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (July 2).  
Re-referred to Com. on APPR.

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

**Calendar:**

8/6/2012 11 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, KEHOE, Chair

**Summary:**

Current law , the Safe Drinking Water State Revolving Fund Law of 1997, requires the State Department of Public Health to administer programs to fund specified projects for public water systems that will enable suppliers to meet safe drinking water standards . This bill would require the department to take specified actions in considering an application for funding pursuant to these provisions, including, but not limited to, reviewing and considering the determinations and recommendations made by the affected local agency formation commission within the previous 5 calendar years in certain specified studies.

**Attachments:**

[CALAFCO Support Letter - June 2012](#)

**Position:** Support

**Subject:** Water, Municipal Services

**CALAFCO Comments:** This bill has been significantly amended to address the concerns raised by CALAFCO. The requirements for LAFCo to conduct reorganization studies in all water and wastewater MSRs has been entirely removed. There are no mandates or requirements for LAFCo in the June amended bill. The bill now would require local water agencies which receive grants for a feasibility study to consider reorganization and efficiency recommendations in a LAFCo MSR, SOI update or special study in that study. It also requires the Department of Public Health to consult with the LAFCo prior to issuing infrastructure grants to ensure alternative delivery options identified by a LAFCo were considered in the feasibility study.

**AB 2624 (Smyth R) Sustainable communities.**

**Current Text:** Introduced: 2/24/2012

**Introduced:** 2/24/2012

**Status:** 6/25/2012-In committee: Placed on APPR. suspense file.

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

**Summary:**

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative measure approved by the voters at the November 7, 2006, statewide general election makes about \$5,400,000,000 in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements. Current law establishes the Strategic Growth Council and appropriated \$500,000 from the funding provided by the initiative to the Natural Resources Agency to support the council and its activities. The council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

**Position:** Support

**Subject:** Sustainable Community Plans

**CALAFCO Comments:** Makes LAFCo an eligible agency to apply for Strategic Growth Council grants. Sponsored by CALAFCO.

**AB 2698 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

**Current Text:** Chaptered: 7/9/2012

**Introduced:** 3/21/2012

**Last Amended:** 6/6/2012

**Status:** 7/9/2012-Chaptered by the Secretary of State, Chapter Number 62, Statutes of 2012

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

**Summary:**

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sets forth the powers and duties of a local agency formation commission, including, among others, the power to approve the annexation of a contiguous disadvantaged community, under specified circumstances. Current law provides that an application to annex a contiguous disadvantaged community is not required if a commission finds that a majority of the residents within the affected territory are opposed to annexation. This bill would provide that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the registered voters within the affected territory are opposed to annexation. This bill contains other related provisions and other current laws.

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** CALAFCO-sponsored annual CKH Omnibus bill. Amended on April 30th to include CALAFCO protest provision and waiver of notice and hearing language.

**[AB 2208](#) (Perea D) Drinking water.**

**Current Text:** Amended: 6/12/2012

**Introduced:** 2/23/2012

**Last Amended:** 6/12/2012

**Status:** 7/5/2012-Read second time. Ordered to consent calendar. Ordered to inactive file at the request of Senator Simitian.

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

**Summary:**

Current law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer provisions relating to the regulation of drinking water to protect public health. Current law, the Safe Drinking Water State Revolving Fund Law of 1997, establishes the Safe Drinking Water State Revolving Fund, which is continuously appropriated to the department for the provision of grants and revolving fund loans for the design and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards. Current law prohibits the department from approving applications for this funding unless the department determines the proposed study or project meets specified criteria. This bill would authorize the department , with the consent of the applicants, to combine proposed studies and projects from multiple applicants.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** While currently this bill does not directly affect LAFCos it is sponsored by the same people at AB 2238 (CRLA) and is in many ways tied to that bill. The current amendments do affect water and wastewater agencies which may be of concern to LAFCos and CALAFCO. It is also likely this bill will be significantly amended but at this time we don't know where it is going.

**[ACA 17](#) (Logue R) State-mandated local programs.**

**Current Text:** Introduced: 2/15/2011

**Introduced:** 2/15/2011

**Status:** 4/14/2011-Referred to Com. on L. GOV.

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

**Summary:**

Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, the state is required to provide a subvention of funds to reimburse the local government. With regard to certain mandates imposed on a city, county, city and county, or special district that have been determine to be payable, the Legislature is required either to appropriate, in the annual Budget Act, the full payable amount of the mandate, determined as specified, or to suspend the operation of the mandate for the fiscal year. The California Constitution provides that the Legislature is not required to appropriate funds for specified mandates.

**Position:** None at this time

**Subject:** LAFCo Administration

**CALAFCO Comments:** Changes state mandate law in a proposed constitutional amendment. Included is specific language that releases mandate responsibility if the local agency can change an individual or

applicant for the cost of providing the mandated service. Would likely exempt some mandates to LAFCo from state funding.

**SB 46 (Correa D) Public officials: compensation disclosure.**

**Current Text:** Amended: 6/2/2011

**Introduced:** 12/9/2010

**Last Amended:** 6/2/2011

**Status:** 8/22/2011-In Assembly. Read first time. Held at Desk.

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

**Summary:**

Current provisions of the Political Reform Act of 1974 require certain persons employed by agencies to file annually a written statement of the economic interests they possess during specified periods. The act requires that state agencies promulgate a conflict of interest code that must contain, among other topics, provisions that require designated employees to file statements disclosing reportable investments, business positions, interests in real property, and income. The act requires that every report and statement filed pursuant to the act is a public record and is open to public inspection. This bill would, commencing on January 1, 2013, and continuing until January 1, 2019, require every designated employee and other person, except a candidate for public office, who is required to file a statement of economic interests to include, as a part of that filing, a compensation disclosure form that provides compensation information for the preceding calendar year, as specified. This bill contains other related provisions and other current laws.

**Position:** Oppose

**Subject:** LAFCo Administration

**CALAFCO Comments:** Similar to a 2010 bill, this would require all those who file a Form 700 to also file an extensive compensation and reimbursement disclosure report. Would require all local agencies, including LAFCo, to annually post the forms on their website.

**SB 1090 (Committee on Governance and Finance) Local government: omnibus bill.**

**Current Text:** Amended: 6/15/2012

**Introduced:** 2/15/2012

**Last Amended:** 6/15/2012

**Status:** 6/27/2012-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 9. Noes 0.) (June 27). Re-referred to Com. on APPR.

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

**Summary:**

Current law requires the Controller to compile and publish reports of the financial transactions of each county, city, and special district within this state, together with any other matter he or she deems of public interest. Current law requires the Controller to annually publish reports of the financial transactions of each school district within this state, together with any other matter he or she deems of public interest. This bill would require the Controller to publish the annual reports of the financial transactions of each school district on the Internet Web site of the Controller. This bill contains other related provisions and other current laws.

**Position:** None at this time

**CALAFCO Comments:** Senate Omnibus bill. At this time it does not contain any LAFCo-related legislation.