

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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June 6, 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

Staff respectfully recommends that your Commission provide a letter of support for Assembly Bill 2624 (attached.) No other action is recommended.

BACKGROUND

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

One of the bills that CALAFCO is sponsoring will be considered before the Senate Natural Resources and Water Committee on June 12th. AB 2624 would include LAFCo as an eligible agency for Sustainable Growth Council grants. There was no registered opposition to this bill as it passed the Assembly Local Government Committee.

PENDING LEGISLATION

[AB 2238](#) ([Perea D](#)) Public water systems: drinking water.

Current Text: Amended: 5/25/2012

Introduced: 2/24/2012

Last Amended: 5/25/2012

Status: 5/31/2012-Read third time. Passed. Ordered to the Senate.

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

Summary:

Current law requires the State Department of Public Health to administer programs to fund improvements and expansion of small community water systems using specified priorities. Current law requires the department to encourage the consolidation of small community water systems that serve disadvantaged communities if consolidation will help the affected agencies and the state meet specified goals. Current law allows funding of studies regarding the feasibility of consolidating 2 or more community water systems, at least one of which is a small community water system that serves a disadvantaged community. Current law requires the department to give funding priority to projects involving physical restructuring of 2 or more community water systems into a single, consolidated system when it is shown that the consolidation would further specified goals. This bill would require the

department to promote the consolidation of small community water systems that serve disadvantaged communities, as specified, and would require the studies performed prior to a construction project to include the feasibility of consolidating public water systems, unless the department makes a determination that consolidation is not feasible. This bill, if the local agency formation commission (LAFCO) conducted a study or service review of the consolidation within the previous 5 calendar years and found that consolidation was feasible, would require the department to consider the LAFCO's findings during the department's assessment of feasibility. This bill would also require the department to give priority to funding projects involving consolidation of 2 or more community water systems when the consolidation would further specified goals. This bill contains other related provisions and other current laws.

Attachments:

[CALAFCO Remove Opposition Letter - May 2012](#)

Position: Not Oppose

Subject: Water, Municipal Services

CALAFCO Comments: This bill, sponsored by California Rural Legal Assistance, would require LAFCo to determine the feasibility of consolidations, reorganizations and other service efficiency alternatives in every water and wastewater MSR, regardless whether it affects disadvantaged unincorporated communities. We believe it will result in spending hundreds of thousands of dollars on useless studies. It also makes LAFCo eligible to apply for grants to fund the studies, but whether the funds can be used for MSRs, LAFCo eligibility, and the likelihood that it would actually receive any funds are significant questions. The bill also makes a number of changes to laws on grants and loans to local agencies for water and wastewater facilities in an attempt to direct more funds to DUCs. It would require state agencies to consider LAFCo MSRs and other studies when evaluating grants. We anticipate more amendments to this bill.

[AB 2624](#) ([Smyth R](#)) Sustainable communities.

Current Text: Introduced: 2/24/2012

Introduced: 2/24/2012

Status: 5/24/2012- Referred to Com. on N.R. & W.

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

Calendar:

6/12/2012 9:30 a.m. - Room 112 SENATE NATURAL RESOURCES AND WATER, PAVLEY, Chair

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.

Attachments:

[CALAFCO Support Letter - May 2012](#)

Sacramento LAFCo Support Letter

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) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Current Text: Amended: 4/30/2012

Introduced: 3/21/2012

Last Amended: 4/30/2012

Status: 5/31/2012-Referred to Com. on GOV. & F.

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

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 the 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: 4/16/2012

Introduced: 2/23/2012

Last Amended: 4/16/2012

Status: 5/24/2012-Referred to Com. on E.Q.

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

Calendar:

6/18/2012 1:30 p.m. - Room 112 SENATE ENVIRONMENTAL QUALITY, SIMITIAN, Chairman

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 state the intent of the Legislature to require the department to consider regional solutions when awarding grant money to provide clean water to underserved communities. This bill would authorize the department to combine proposed studies and projects from multiple applicants to enable these applicants to meet safe drinking water standards in a cost-effective manner. This bill

would require the department to give priority to those proposed studies or projects that consolidate services, especially in unincorporated communities, as specified.

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.

Attachments:

[CALAFCO Opposition Letter](#)

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: 4/11/2012

Introduced: 2/15/2012

Last Amended: 4/11/2012

Status: 5/17/2012-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							

Calendar:

6/27/2012 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair

Summary:

Current law sets forth the boundary descriptions of every county in the state, including the Counties of Fresno and Merced. This bill would revise the boundary descriptions for the Counties of Fresno and Merced. 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.

AB 1266 (Nielsen R) Local government: Williamson Act: agricultural preserves: advisory board.

Current Text: Introduced: 2/18/2011

Introduced: 2/18/2011

Status: 7/14/2011-From consent calendar. Ordered to third reading. Ordered to inactive file at the request of Senator La Malfa.

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

Summary:

Current law, the Williamson Act, authorizes a city or county to enter into contracts to establish agricultural preserves. Current law also authorizes the legislative body of a city or county to appoint an advisory board to advise the legislative body on agricultural preserve matters. This bill would specify matters on which the advisory board may advise the legislative body of a county or city. This bill would also state that the advisory board is not the exclusive mechanism through which the legislative body can receive advice on or address matters regarding agricultural preserves.

Position: None at this time

Subject: Ag Preservation - Williamson

CALAFCO Comments: Specifies additional responsibilities for the county or city Williamson Act advisory board. May also be a placeholder for more significant modifications to the Williamson Act.