

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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April 3, 2013

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

Information only, no action is recommended.

BACKGROUND

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

Friday, February 22, was the deadline for introducing new legislation for 2013, the first year of a two-year session. The exception is Committee bills which can be introduced through March. While bills can be amended or "gut and amended" throughout the session until August, currently there is a fairly clear understanding of proposed legislation. More than 2,200 Senate and Assembly bills have been introduced for consideration in the 2013-14 session.

An ad-hoc committee appointed by the CALAFCO Board of Directors will consider and adopt positions on several bills, which staff will report back on.

SUMMARY

There are several pieces of proposed legislation that may be of interest to your Commission.

AB 453 (**Mullin** D) Sustainable communities.

Introduced: 2/19/2013

Status: 2/28/2013-Referred to Com. on L. GOV.

Calendar: 4/3/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

Summary:

The Strategic Growth 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 LAFCo eligible for the award of financial assistance for those planning purposes.

Position: CALAFCO Sponsor

Subject: Sustainable Community Plans

CALAFCO Comments: This would allow LAFCOs to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts.

AB 743 (**Logue** R) **The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

Introduced: 2/21/2013

Status: 3/4/2013-Referred to Com. on L. GOV.

Calendar:

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This Bill would delete the January 1, 2014, date and make conforming changes. The bill would authorize the commission to approve a change of organization or reorganization pursuant to these provisions of a territory that does not exceed 300 acres. This bill contains other related provisions and other existing laws.

Position: CALAFCO Sponsor

Subject: Remove sunset provision for Island Annexation Proceedings

CALAFCO Comments: Removing the arbitrary sunset date restriction on annexing "island areas" would continue to provide a commission, counties and cities a productive tool for implementing more logical boundaries allowing for more efficient municipal services and facilities planning and delivery. As counties and cities undergo updates to their General Plans and other processes, knowing there is the opportunity to consider annexing island areas up to 300 acres in size and without the political and economic risk of a costly protest and election process would provide a clear benefit to the planning process. In addition, with the passage of SB244, when a city proposes to annex an inhabited area of over 10 acres they must study and consider annexation of other areas contiguous to or in the sphere of influence area that may be a "disadvantaged unincorporated community" as defined in the Government Code. It is suggested that having the island area annexation authority may facilitate consideration of such annexation proposals.

SB 56 (Roth D) Local government finance: vehicle license fee adjustments.

Introduced: 1/7/2013

Last Amended: 3/4/2013

Status: 3/19/2013-Set for hearing April 17.

Calendar:

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Support

SB 772 (Emmerson R) Drinking water.

Introduced: 2/22/2013

Status: 3/13/2013-Set for hearing April 3.

Calendar:

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would require the State Department of Public Health or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission. This bill contains other related provisions and other existing laws.

Position: Oppose

Subject: Service Reviews/Spheres, LAFCo Administration

CALAFCO Comments: Requires LAFCOs as part of a MSR, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, including the identification of any retail water suppliers within or contiguous to the responding entity. Further requires LAFCOs to provide a copy of the SOI review for retail private and public water suppliers to the Public Utilities Commission and the state department of Public Health.

AB21 (Alejo D) Safe Drinking Water Small Community Emergency Grant Fund.

Introduced: 12/3/2012

Last Amended: 2/14/2013

Status: 2/15/2013-Re-referred to Com. on APPR.

Summary:

Would authorize the Department of Public Health to assess a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and deposit that money into the Safe Drinking Water Small Community Emergency Grant Fund, which the bill would create in the State Treasury. The bill would authorize the department to expend the money for grants for specified water projects that serve disadvantaged and severely disadvantaged communities, thereby making an appropriation.

Position: Watch

Subject: Disadvantaged Communities

AB 37 (**Perea** D) Environmental quality: California Environmental Quality Act: record of proceedings.

Introduced: 12/3/2012

Last Amended: 3/18/2013

Status: 3/19/2013-Re-referred to Com. on NAT. RES.

Summary:

Would require, until January 1, 2017, for specified projects or upon the request of a project applicant and the consent of the lead agency, that the lead agency among other things, prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIRs, or other environmental documents for specified projects. Because the bill would require, for specified projects, a lead agency to prepare the record of proceedings as provided, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

AB 115 (**Perea** D) **Safe Drinking Water State Revolving Fund.**

Introduced: 1/14/2013

Status: 3/12/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (March 12). Re-referred to Com. on APPR.

Summary:

Would authorize the State Department of Public Health to fund projects, by grant, loan, or a combination of the two, where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells, as specified. The bill would authorize funding of a project to benefit a disadvantaged community that is not the applying agency. By authorizing the use of a continuously appropriated fund for new purposes, this bill would make an appropriation. This bill contains other existing laws.

Position: Watch

Subject: Water

AB 194 (**Campos** D) **Open meetings: protections for public criticism: penalties for violations.**

Introduced: 1/28/2013

Status: 2/7/2013-Referred to Com. on L. GOV.

Summary:

Would make it a misdemeanor for a member of a legislative body, while acting as the chairperson of a legislative body of a local agency, to prohibit public criticism protected under the Ralph M. Brown Act. This bill would authorize a district attorney or any interested person to commence an action for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of the protection for public criticism is null and void, as specified. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Prohibits legislative body from preventing public criticism of the policies, procedures, programs, or services of the agency, or their acts or omissions of the legislative body. Creates new misdemeanor crime.

AB 543 (Campos D) California Environmental Quality Act: translation.

Introduced: 2/20/2013

Status: 3/20/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

Summary:

Would require a lead agency to translate any notice, document, or executive summary required by the California Environmental Quality Act (CEQA) when the impacted community has a substantial number of non-English-speaking people, as specified. By requiring a lead agency to translate these writings, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

AB 823 (Eggman D) Environment: California Farmland Protection Act.

Introduced: 2/21/2013

Last Amended: 3/11/2013

Status: 3/21/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

Summary:

Would enact the California Farmland Protection Act, which would require that an applicant for a project, as defined, that involves the conversion of agricultural land to a permanent or long-term nonagricultural use, including a residential, commercial, civic, industrial, infrastructure, or other similar use, at a minimum, mitigate the identified environmental impacts associated with the conversion of those lands through the permanent protection and conservation of land suitable for agricultural uses, and would require that an adopted mitigation measure providing for the protection of agricultural land meet specified requirements. The act would require the Office of Planning and Research, no later than December 31, 2014, to promulgate regulations covering projects subject to the act. By imposing new duties on a lead agency with regard to the review and approval of the mitigation measures required by the act, the bill would impose a state-mandated local program . This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Ag/Open Space Protection, CEQA

CALAFCO Comments: Adds a requirement for lead agencies to require certain mitigation measures for projects that convert ag lands for non-ag land use. These mitigation measures at a minimum require providing replacement acreage in perpetuity to preserve ag land and ensure the sustainability of ag production capacity.

AB 1235 (Gordon D) Local agencies: financial management training.

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on L. GOV.

Summary:

Would require that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, all local agency officials, except a member whose term of office ends before January 1, 2015, in local agency service as of January 1, 2014, or thereafter receive training in financial management, as specified. This bill would provide that if any entity develops criteria for the financial management training, then the Treasurer's office and the Controller's office shall be consulted regarding any proposed course content. Because this bill would impose new duties on local governments, it would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, the member shall receive one-4 hour state mandated Financial Management training per term of office. Effective January 1, 2014 for those in office as of that date (whose term of office extends beyond January 1, 2015). Those elected to more than one legislative body may take the training one time and have it apply to all legislative bodies on which they serve. This would apply to a LAFCo Commissioner who receives a stipend or is reimbursed for expenses in the performance of their Commissioner duties.

AB 1248 (Cooley D) Local agencies: internal control guidelines.

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on L. GOV.

Summary:

Would require the Controller, on or before January 1, 2015, to develop internal control guidelines applicable to a local agency, as defined, to prevent and detect financial errors and fraud, based on specified standards and with input from any local agency and organizations representing the interests of local agencies. This bill would require a local agency to comply with the guidelines established by the Controller, starting on January 1, 2016. By mandating local agencies to comply with new internal control guidelines established by the Controller, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: LAFCo Administration

SB 167 (Gaines R) Environmental quality: California Environmental Quality Act.

Introduced: 2/4/2013

Status: 2/14/2013-Referred to Com. on RLS.

Summary:

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared by contract, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. This bill would make technical, nonsubstantive changes to those provisions.

Position: Watch

Subject: CEQA

SB 617 (Evans D) California Environmental Quality Act.

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on E.Q.

Summary:

Would require specified notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. By expanding the services provided by the lead agency and the county clerk, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: This bill makes a number of substantive changes including:(1)expanding the definition of “environment” relating to an EIR such that the health and safety of people affected by the physical conditions at the location of a project must also be considered;(2)enhances the definition of “significant effect on the environment” by including exposure of people, either directly or indirectly, to substantial existing or reasonably foreseeable natural hazard or adverse condition of the environment;(3)requires concurrent online filing of notices in a database maintained by the Office of Planning and Research (OPR), and with the office of the County Clerk in which the project is located. Further, any time periods or limitation periods will begin at the time of the later filing of the two offices.(4)Adds to the EIR a requirement to address any significant effects that may result from locating development near, or attracting people to, existing or reasonably foreseeable natural hazards or adverse environmental conditions.

AB 262 (Waldron R) Local government: organization.

Introduced: 2/7/2013

Status: 2/8/2013-From printer. May be heard in committee March 10.

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 makes certain findings and declarations relating to local government organization, including, among other things, that it is the policy of the state to encourage orderly growth and development, and recognition that the logical formation and determination of the boundaries of local agencies is an important factor in promoting orderly development, as specified. This bill would make technical, nonsubstantive changes to these provisions.

AB 295 (Salas D) California Statewide Water Reliability Act of 2014.

Introduced: 2/11/2013

Last Amended: 3/19/2013

Status: 3/20/2013-Re-referred to Com. on W.,P. & W.

Calendar:

4/2/2013 Anticipated Hearing ASSEMBLY W.,P. & W., Not in daily file.

Summary:

Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

AB 380 (Dickinson D) California Environmental Quality Act: notice requirements

Introduced: 2/14/2013

Status: 2/28/2013-Referred to Coms. on NAT. RES. and L. GOV.

Calendar:

4/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

Summary:

Would require the above mentioned notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. The bill would require the county clerk to post the notices for at least 30 days. The bill would require the Office of Planning and

Research to post the notices on a publicly available online database established and maintained by the office. The bill would require the office to stamp the notices with the date on which the notices were actually posted for online review and would require the notices to be posted for at least 30 days. The bill would authorize the office to charge an administrative fee not to exceed \$10 per notice filed. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

AB 515 (**Dickinson** D) Environmental quality: California Environmental Quality Act: judicial review.

Introduced: 2/20/2013

Last Amended: 3/11/2013

Status: 3/12/2013-Re-referred to Com. on JUD.

Summary:

Would establish a CEQA compliance division of the superior court in a county in which the Attorney General maintains an office and would vest the division with original jurisdiction over actions of proceedings brought pursuant to CEQA and joined matters related to land use and environmental laws. The bill would require the Judicial Council to adopt rules for establishing, among other things, protocol to govern the administration and efficient operation of the division , so that those judges assigned to the division will be able to hear and quickly resolve those actions or proceedings. This bill contains other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: This bill calls for the creation of at least 2 CEQA compliance court districts in the state, establishes a CEQA compliance court in each of the districts with at least 3 judges (appointed by the Governor). All CEQA compliance cases are to be heard in only these courts and the appeals handled directly by the Supreme Court. The courts will be required to issue a preliminary decision before the opportunity for oral argument is granted, and if the court finds that a determination of a public agency violated CEQA, the court order must specify what action taken by the public agency was in error.

AB 642 (**Rendon** D) **Publication: newspaper of general circulation: Internet Web site.**

Introduced: 2/20/2013

Status: 3/11/2013-Referred to Com. on JUD.

Summary:

Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

Position: None at this time

Subject: LAFCo Administration

CALAFCO Comments: Allows for posting of agendas and meeting material on newspaper websites.

AB 792 (**Mullin** D) Local government: open meetings.

Introduced: 2/21/2013

Status: 3/4/2013-Referred to Com. on L. GOV.

Calendar:

4/3/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL
GOVERNMENT, ACHADJIAN, Chair

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, if the local agency is unable to post the agenda or notice on its Internet Web site because of software or hardware impairment beyond the local agency's reasonable control, would require the local agency to post the agenda or notice immediately upon resolution of the technological problems. The bill would provide that the delay in posting, or the failure to post, the agenda or notice would not preclude a local agency from conducting the meeting or taking action on items of business, provided that the agency has complied with all other relevant requirements. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: Public Records Act

CALAFCO Comments: Relates to public agencies who post their meeting information on their website pursuant to the Ralph M. Brown Act. In the instances where they are unable to post the agenda on the website in the prescribed timeframe due to technology difficulties, the agency is required to post the meeting agenda and information on the website as soon as the technological difficulties are resolved.

SB 731 (**Steinberg** D) **Environment: California Environmental Quality Act and sustainable communities strategy.**

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on RLS.

Summary:

Would state the intent of the Legislature to enact legislation revising CEQA to, among other things, provide greater certainty for smart infill development, streamline the law for specified projects, and establish a threshold of significance for specified impacts. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor

Subject: CEQA