

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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Sacramento, California 95814

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April 3, 2013

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.

BACKGROUND

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

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: 4/17/2013-In committee: Set, first hearing. Referred to APPR. suspense file.

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 a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Attachments:

CALAFCO Support Letter_03_12_13

Position: 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

Last Amended: 4/3/2013

Status: 4/22/2013-Read second time. Ordered to third reading.

Calendar:

4/25/2013 #52 ASSEMBLY ASSEMBLY THIRD READING FILE

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 provision applies only to territory that does not exceed 150 acres. This Bill would delete the January 1, 2014, date and make conforming changes. This bill contains other related provisions and other existing laws.

Attachments:

CALAFCO Letter of support April 10, 2013

Position: Support

Subject: Annexation Proceedings, CKH General Procedures

CALAFCO Comments: As amended, this bill removes the sunset date provision to waive protest proceedings for certain island annexations. The size of the island areas for the purposes of annexation under this provision has been amended back to 150 acres.

Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFcos additional time to implement island annexation programs. The unforeseen economic

downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire at the beginning of next year, cities and LAFCoS have yet to complete the work that the law intended them to do. Over the twelve year period since the law was established, hundreds of islands have been annexed, yet hundreds more remain.

Additionally, the bill was amended to reset the effective island creation date from January 1, 2000 to January 1, 2014 thus allowing smaller islands of less than 150 acres created after 2000 to be annexed under these provisions. Many of these current islands remained as remnants of larger substantially surrounded island areas that had irregular boundaries or were affected by the annexation of territory for newer development.

AB 1427 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Introduced: 4/1/2013

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

Calendar:

5/8/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. This bill contains other related provisions and other existing laws.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: Cortese-Knox-Hertzberg Omnibus bill.

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

Introduced: 1/7/2013

Last Amended: 4/23/2013

Status: 4/23/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

Calendar:

5/8/2013 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.

Attachments:

CALAFCO Letter of support April 10, 2013

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

SB 772 (Emmerson R) Drinking water.

Introduced: 2/22/2013

Status: 4/10/2013-Set, second hearing. Hearing canceled at the request of author.

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.

Attachments:

CALAFCO Letter of Opposition April 10, 2013

Position: Oppose

Subject: LAFCo Administration, Service Reviews/Spheres

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.

AB 21 (Alejo D) Safe Drinking Water Small Community Emergency Grant Fund.

Introduced: 12/3/2012

Last Amended: 2/14/2013

Status: 4/10/2013-In committee: Set, first hearing. Referred to APPR. suspense file.

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: 4/16/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 15). Re-referred to Com. on APPR.

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: 4/18/2013-In Senate. Read first time. To Com. on RLS. for assignment.

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: 4/18/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

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 other acts or omissions of the legislative body. Creates new misdemeanor crime.

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

Introduced: 2/20/2013

Last Amended: 4/22/2013

Status: 4/23/2013-Re-referred to Com. on NAT. RES.

Calendar:

4/29/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

Summary:

Would require a lead agency to translate, as specified, certain notices required by the California Environmental Quality Act and a summary of any negative declaration, mitigated negative declaration, or environmental impact report when the impacted community has a substantial number of non-English-speaking people, as defined. By requiring a lead agency to translate these notices and documents, 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: Requires a lead agency to translate certain notices, summary of a negative declaration, mitigated negative declaration, or environmental impact report when the impacted community has 5% or more non-English speaking people affected by the project. The requirement is to translate these notices and summaries in the native language of those impacted. This is an unfunded mandate. While LAFCo is not typically the lead agency, there may be an occasion when they are, and this could have significant resource implications.

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

Introduced: 2/21/2013

Last Amended: 4/23/2013

Status: 4/23/2013-From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Calendar: 4/29/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

Summary:

Would enact the California Farmland Protection Act, which would require that a lead agency reviewing a development project, as defined, require that all feasible mitigation of the identified significant environmental impacts associated with the conversion of agricultural lands be completed by the project applicant, as prescribed, and would require the lead agency to consider the permanent protection or replacement of agricultural land as feasible mitigation for identified significant effects on agricultural land caused by a development project. 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.

Calendar: 5/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

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.

Calendar: 4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

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

Last Amended: 4/1/2013

Status: 4/12/2013-Set for hearing May 1.

Calendar: 5/1/2013 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, HILL, Chair

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

Introduced: 2/14/2013

Status: 4/2/2013-From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 6. Noes 2.) (April 1). Re-referred to Com. on L. GOV. Calendar: 5/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, 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: 4/23/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

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: As amended, this bill establishes a CEQA compliance division of the superior court in certain counties. This court has original jurisdiction over all CEQA compliance and joined matters related to land use and environmental laws.

Reviews of the decisions made by this court are done through a petition for an extraordinary writ. This bill also adds that actions or proceedings filed with alleged grounds for noncompliance require enough specificity for the public agency to reasonably respond.

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 774 (Donnelly R) County service areas: zone dissolution.

Introduced: 2/21/2013

Last Amended: 3/19/2013

Status: 4/18/2013-From committee: Do pass and re-refer to Com. on JUD. (Ayes 6. Noes 2.) (April 17). Re-referred to Com. on JUD.

Calendar:

5/7/2013 9 a.m. - State Capitol, Room 4202
ASSEMBLY JUDICIARY, WIECKOWSKI, Chair

Summary:

Would require the county board of supervisors, upon dissolution of a county service area or a specified zone, to post signs indicating which services and facilities are no longer provided within the zone and require the board to provide adequate maintenance to the signs. This bill would provide that, once the signs are posted, the county and the dissolved zone shall not be held liable for death or injury resulting from the termination of services or facilities. This bill would also provide that the county, county service area, and zones would not be responsible for a loss or injury resulting from the failure to provide maintenance of services or facilities if the board is unable to raise revenues.

Position: Watch

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

Introduced: 2/21/2013

Last Amended: 4/1/2013

Status: 4/8/2013-Read second time. Ordered to third reading.

Calendar:

4/25/2013 #25 ASSEMBLY ASSEMBLY THIRD READING FILE

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, or network services 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. 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.

AB 1237 (Garcia D) Local government finance.

Introduced: 2/22/2013

Last Amended: 4/1/2013

Status: 4/23/2013-Action: Set for hearing. Next hearing on 5/1/2013.

Calendar:

5/1/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

Summary:

Would specifically require the Controller to prescribe uniform accounting procedures for cities, conforming to Generally Accepted Accounting Principles, and in consultation with the Committee on City Accounting Procedures, which would be created by the bill. The bill would specify the composition of the committee. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Financial Viability of Agencies

CALAFCO Comments: Establishes uniform accounting practices for special districts and cities.

SB 184 (Committee on Governance and Finance) Local government: omnibus bill.

Introduced: 2/6/2013

Last Amended: 4/9/2013

Status: 4/19/2013-Set for hearing April 29.

Calendar:

4/29/2013 11 a.m. - John L. Burton Hearing Room (4203)
SENATE APPROPRIATIONS, DE León, Chair

Summary:

Current law, the Public Cemetery District Law, defines the term "family member" for purposes of that law to include, among others, a person's spouse. This bill would additionally include within the definition of "family member" a person's domestic partner, and would define the term "domestic partner," as specified. This bill contains other related provisions and other current laws.

Position: None at this time

SB 268 (Gaines R) Political Reform Act of 1974.

Introduced: 2/13/2013

Last Amended: 3/18/2013

Status: 4/9/2013-Set for hearing April 30.

Calendar:

4/30/2013 1:30 p.m. - Room 3191 SENATE ELECTIONS AND CONSTITUTIONAL
AMENDMENTS, CORREA, Chair

Summary:

The Political Reform Act of 1974 requires candidates and committees to file specified campaign finance reports, including semiannual statements, preelection statements, supplemental preelection statements, and late contribution reports, that include prescribed campaign finance information. This bill would repeal the requirements to file these reports and would, instead, require that a candidate or committee who makes or receives a contribution of \$100 or more to report that contribution to specified filing officers within 24 hours of receiving the contribution. This bill contains other related provisions and other existing laws.

Position: Watch

SB 359 (Corbett D) Environment: CEQA exemption: housing projects.

Current Text: Amended: 4/1/2013 pdf html

Introduced: 2/20/2013

Last Amended: 4/1/2013

Status: 4/12/2013-Set for hearing May 1.

Calendar:

5/1/2013 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, HILL,
Chair

Summary:

CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as

revised, would have a significant effect on the environment. This bill would instead exempt as "residential" a use consisting of residential units and neighborhood-serving goods, services, or retail uses that do not exceed 25% of the total building square footage of the project. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: This bill would exempt as "residential" a use consisting of residential units and neighborhood-serving goods, services, or retail uses that do not exceed 25% of the total building square footage of the project.

SB 436 (Jackson D) California Environmental Quality Act: notice.

Introduced: 2/21/2013

Last Amended: 4/3/2013

Status: 4/12/2013-Set for hearing May 1.

Calendar:

5/1/2013 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, HILL,
Chair

Summary:

Would require a lead agency to conduct at least one public scoping meeting for the specified projects and to provide notice to the specified entities of at least one public scoping meeting. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: Requires lead agencies to conduct at least one public scoping meeting for proposed projects and increases notification requirements for lead agencies.

SB 633 (Pavley D) CEQA.

Introduced: 2/22/2013

Last Amended: 4/11/2013

Status: 4/12/2013-Set for hearing May 1.

Calendar:

5/1/2013 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, HILL,
Chair

Summary:

The California Environmental Quality Act prohibits a lead agency or responsible agency from requiring a subsequent or supplemental environmental impact report (EIR) when an EIR has been prepared for a project pursuant to its provisions, unless one or more of specified events occurs, including, among other things, that new information, which was not known and could not have been known at the time the EIR was certified as complete, becomes available. This bill would specifically require that the new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the EIR was certified as complete.

Position: None at this time

Subject: CEQA

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

Introduced: 2/22/2013

Last Amended: 4/23/2013

Status: 4/23/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Summary:

Would provide that aesthetic impacts of a residential, mixed-use residential, or employment center project, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and propose, and the Secretary of the Natural Resources Agency to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise, and for the transportation and parking impacts of residential, mixed-use residential, or employment center projects within transit priority areas. The bill would require the lead agency, in making specified findings, to make those findings available to the public at least 15 days prior to the approval of the proposed project and to provide specified notice of the availability of the findings for public review. Because the bill would require the lead agency to make the draft finding available for public review and to provide specified notices to the public, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor

Subject: CEQA

SB 739 (Calderon D) Environmental quality.

Introduced: 2/22/2013

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

Summary:

The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would make a technical, nonsubstantive change to that definition. This bill contains other existing laws.

Position: Placeholder - monitor

Subject: CEQA

SCA 11 (Hancock D) Local government: special taxes: voter approval.

Introduced: 1/25/2013

Status: 4/10/2013-Set for hearing May 15.

Calendar:

5/15/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that

tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes.

Position: Watch

12 March 2013

**2013
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State Capitol, Room 3126
Sacramento, CA 95814

RE: **AB 453 (Mullin) – LAFCo Eligibility for Grants – SUPPORT**

Dear Assembly Member Mullin:

The California Association of Local Agency Formation Commissions is pleased to support and sponsor your bill, Assembly Bill 453. The bill would make a local agency formation commission (LAFCo) eligible for planning grants from the Strategic Growth Council.

In August 2008, SB 375 (Steinberg) was signed into law. A component of the law ties the preparation of Regional Transportation Plans and sustainable communities strategies to the LAFCo Municipal Service Reviews and adopted Spheres of Influence for cities and special districts. In 2009 that relationship was further strengthened when SB 215 (Wiggins) was signed into law which requires LAFCo to consider the adopted Regional Transportation Plans when reviewing applications. Principles behind both of these laws is to make more effective use of the Municipal Service Reviews (MSRs) prepared by LAFCos, and to avoid a duplication of effort between LAFCo and the regional transportation agencies in the preparation of the plans.

Under current law the cost of the MSR preparation is paid for by the cities, districts and county within each LAFCo. The limited availability of local funds can restrict the level of detail in an MSR. By making LAFCo eligible to apply for Strategic Growth Council grants, LAFCo would be able to prepare more comprehensive and data-rich MSRs and sphere of influence studies in collaboration with the regional transportation agency. This would reduce duplication of effort and provide the transportation agencies with more complete information regarding municipal services and growth capacity for the preparation of the sustainable communities strategies. This approach is an acknowledgement of the Legislature's intent that agencies like LAFCo and the regional transportation agencies not work in a vacuum, but rather collaborate in comprehensive ways to contribute to each other's work in an aligned manner focused on strategies to ensure sustainable growth in California that meets our collective objectives.

Because AB 453 provides a resource for preparing more comprehensive MSRs to better inform both LAFCo and sustainable communities strategy decisions, CALAFCO supports this bill. Thank you for authoring this important legislation.

Yours sincerely,



Pamela Miller
Executive Director

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Sacramento, CA 95814

Voice 916-442-6536
Fax 916-442-6535

cc: Members, Assembly Local Government Committee
Misa Yokoi-Shelton, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus

10 April 2013

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Assembly Member Dan Logue
California State Assembly
State Capitol, Room 4158
Sacramento, CA 95814

RE: AB 743 (Logue) - Island Annexations - SUPPORT

Dear Assembly Member Logue:

The California Association of Local Agency Formation Commissions (CALAFCO) is pleased to support your bill, Assembly Bill 743. The bill would remove the sunset date related to the streamlined process to annex what are known as unincorporated islands into an affected city and reset the effective island creation date to January 1, 2014 thus allowing recently created islands to be annexed under these provisions.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provided cities and Local Agency Formation Commission's (LAFCo) with an expedited process to annex unincorporated islands in keeping with the legislature's directive to create logical boundaries and promote the efficient delivery of government services. Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFCOs additional time to implement island annexation programs. The unforeseen economic downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire on January 1, 2014, cities and LAFCOs have yet to complete the work that the law intended them to do.

CALAFCO appreciates your willingness to work with us in crafting the amendments to reduce the proposed acreage back down to 150 acres, as well as resetting the effective island creation date from January 1, 2000 to January 1, 2014. The latter amendment allows smaller islands of less than 150 acres, created after 2000, to be annexed under these provisions. CALAFCO has been working extensively with our members and external stakeholders on this important piece of legislation and these amendments have greater consensus and support.

The island annexation provisions established were an effective tool in creating more logical local government boundaries, increasing efficiencies in the delivery of government services and improving the services available to low income neighborhoods equal to their neighbors within the city surrounding them. All of these intentions are aligned with CALAFCO's legislative policies.

Thank you for authoring this important legislation.

Yours sincerely,



Pamela Miller
Executive Director

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cc: Members, Assembly Local Government Committee
Misa Yokoi-Shelton, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus

9 April 2013

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JENI TICKLER
Executive Assistant

Senator Richard Roth
California State Senate
State Capital Room 4034
Sacramento, CA 95814

Subject: **Support of SB 56**

Dear Senator Roth:

The California Association of Local Agency Formation Commissions is pleased to support SB 56 authored by yourself and Senator Emmerson. The bill reinstates allocations to recently incorporated cities and cities which annexed inhabited areas, consistent with the allocation formula those communities relied upon when making the decision to incorporate or annex the affected territory.

The CALAFCO Board believes the VLF gap created by SB 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. Further, it created severe fiscal penalties for those communities which chose to annex inhabited territories, particularly unincorporated islands. In several previous legislative acts the Legislature had directed LAFCos to work with cities to annex unincorporated inhabited islands. SB 89 also created severe penalties for those communities which have recently voted to incorporate themselves. While SB 56 does not eliminate these disincentives and penalties for future incorporations and annexations, it makes whole the cities incorporated since 2005, and avoids the likely disincorporation or bankruptcies of these cities.

Reinstating revenues for incorporations and annexations is consistent with the CALAFCO legislative policy of providing communities with local governance and efficient service delivery options, including the ability to incorporate or annex.

Because SB 56 reinstates a critical funding component to incorporations and inhabited annexations, CALAFCO supports this bill.

Thank you to you and Senator Emmerson for carrying this important legislation.

Sincerely yours,



Pamela Miller
Executive Director

Cc: Senator Bill Emmerson
Committee Members, Senate Local Governance and Finance Committee
Samantha Lui, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus

10 April 2013

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JENI TICKLER
Executive Assistant

Senator Bill Emmerson
California State Senate
State Capital Room 5082
Sacramento, CA 95814

Subject: **Opposition of SB 772**

Dear Senator Emmerson:

On behalf of the California Association of Local Agency Formation Commissions (CALAFCO), I write to express our respectful opposition to your bill, SB 772. Local Agency Formation Commissions (LAFCo) are aware of and concerned about issues relating to the delivery of adequate and safe drinking water. CALAFCO supports your efforts to address these problems which persist in many counties, and we thank you for your willingness to meet with us and continue dialogue on how to achieve the best possible piece of legislation to accomplish our mutual goal of increased sharing of information among public agencies for improved delivery of these public services.

Of primary concern is that the outcome of this legislation, while producing studies in each county over time, does not result in any changes to community services or facilities. Further, a LAFCo on its own has no authority or ability to implement any of the recommendations that may come from the studies required by this legislation. This authority currently lies with the Public Utilities Commission (PUC) and Department of Public Health (DPH). Specific concerns include:

1. **Creates a Significant Unfunded Mandate to LAFCo and Local Agencies.** The studies, analysis and preparation of recommendations that would be required, impose an unfunded mandate on all LAFCos. By law LAFCo is forced to pass those costs on to cities, counties – and in 30 counties – special districts which fund the commissions. In these severe economic times for local agencies this is a difficult proposition. LAFCos have no other revenue source to fund the required studies. With limited staff, many of these studies will require outside consultants at an added cost. The PUC and DPH, who currently have responsibility for regulatory oversight and compliance of these private water agencies, have access to a far greater pool of resources to continue their oversight than LAFCos. The legislation is particularly difficult for small agencies such as the LAFCo in each county. Most have fewer than two staff members and have had their budgets and staffing cut by the local agencies which fund LAFCo.
2. **Changes Service Review Information Gathering for Public and Private Agencies from May to Shall.** The amended language requires LAFCo to request information, as part of a service review, from identified public or private entities that provide wholesale or retail supply of drinking water. This will add costly, time consuming studies to every review. As LAFCos begin to implement the requirements of AB 54 (Solario), they are finding that obtaining the information from these agencies is difficult at best, and in many cases the requests go unanswered.

3. **Requirement of a Sphere of Influence for Private Water Agencies.** In the case of a private water agency, it is the PUC that provides oversight to the boundaries of the water agencies. A Sphere Of Influence (SOI) does nothing to determine service levels. As boundaries are regulated by the PUC, it serves no benefit for LAFCo to be involved with a private water agency's SOI. Creating a SOI for each private water agency would mean a Municipal Service Review for each agency. This is a significant increase in workload and responsibility for LAFCOs as there could be hundreds of these agencies in a given County.

The sponsor states that AB 54 established a precedent for LAFCOs to request information from and establish a sphere of influence and municipal service review for mutual water companies. Under AB 54, the mutual water agencies are to provide maps of their service area to LAFCo. Many LAFCOs have gone beyond that to assist them to comply with this requirement; however they are not developing a SOI from that information, as that was not the intention of LAFCOs role as stated in AB 54.

Furthermore, the bill's sponsor indicates that some private water agencies have failed to provide required information to the agencies that currently regulate them. CALAFCO believes that if these agencies are unresponsive to the agencies that have punitive authority based on their regulatory oversight position, there will be no response to a LAFCo who will be requesting the same information.

CALAFCO remains committed to help find solutions to the mutual goal of increased sharing of information among public agencies for improved delivery of these public services. We respectfully suggest, however, that simply moving the responsibility of tracking these private water agencies from one government entity to another does little to solve the problem.

Again, we appreciate your willingness to engage CALAFCO in the process and work to address our concerns. We look forward to continue working with you on addressing the issue of increasing information sharing amongst agencies through a process that is efficient and effective for everyone.

Yours sincerely,



Pamela Miller
Executive Director

cc: Committee Members, Senate Local Governance and Finance Committee
Samantha Lui, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus