

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE : MARCH 14, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

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SUBJECT: AGENDA ITEM #11 – LEGISLATIVE REPORT

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## **RECOMMENDATION:**

Staff recommends that the Commission note the receipt of this report and file and provide direction to staff on any bills outlined in the materials or new bills of interest.

## **BACKGROUND:**

February 19, 2016 was the last day to introduce legislation for the second year of the legislative cycle; 1300 bills were introduced in the last week alone. On February 26<sup>th</sup>, the first CALAFCO Legislative Committee meeting was held to review bills as well as to consider to spot bills, those introduced to provide for a future legislative proposal, which are not known at this time. Attachment #1 to this report is the Daily Legislative Report for Wednesday March 14 2016, outlining the current status of all bills considered to be of importance to LAFCOs through CALAFCO.

## **CALAFCO SPONSORED BILLS:**

Each legislative cycle, CALAFCO undertakes an Omnibus Bill with the Assembly Local Government Committee to address non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act (hereafter shown as "CKH"). This year the bill is proposing seven changes:

- To address the issue of providing e-mailed notice of Commission actions, Government Code Section 56150 is proposed for revision.
- To clear up the intent section of CKH it is proposed that an amendment to Section 56301 be included as follows: "*Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, promoting the efficient provision of governmental services...*"
- To address that the appointment of public and alternate public members requires the nominees to be residents of the county in which they are to serve.
- Four changes to address typo and grammatical corrections to provisions within CKH.

In addition, CALAFCO is sponsoring legislation related to placing a requirement upon Joint Powers Authorities or Agencies (JPA) proposed to be formed providing municipal services (such as fire, water, sewer, etc.) to forward a copy of their formation documents to each LAFCO in which they are proposed to serve. This is a new requirement set out in statute, but one which has been within the purview of each LAFCO as the public agencies that form the JPAs are under LAFCO authority. Many LAFCOs felt it was important to have this authority explicit in the statute rather rely upon the implicit authority. This effort has been included in SB 1266 (McGuire), a copy in included as Attachment #2 to this report.

### **PRIORITY BILLS:**

CALAFCO has also flagged three other bills in process as a Priority 1, AB 2032 (Linder) amending portions of AB 851 (Disincorporations) from last year; AB 2471 (Quirk) dissolution of Health Care Districts, and SB 1318 (Wolk) which is proposing to link the annexation to a public agency or the contracting of a public agency to provide water or wastewater service to the delivery of those services to a disadvantaged community. CALAFCO has also identified a single spot bill as a possible Priority 1, SB 1276 (Moorlach) which indicates that it proposes to amend CKH but the author's office has not identified the intent on moving forward. Copies of each of these bills are included as attachments to this report. A brief synopsis of the bills is as follows:

AB 2032 -- The CALAFCO Legislative Committee has nominated a subcommittee to work on the amendments proposed by the County Auditor's Association and Los Angeles and Riverside counties on the language adopted in AB 851 on disincorporations. The bill as introduced was a spot bill, but the author's office and the lobbyist for the Association have been in contact with Pamela Miller, Executive Director of CALAFCO, to outline the proposed changes. Based upon these substantive changes to be amended into the bill, I have been appointed to that subcommittee.

AB 2471 (Quirk) proposes a new method to dissolve a Healthcare District which no longer operates a healthcare facility and which does not receive a property tax allocation. It is understood that this legislation is directed at the Eden Health Care District in Alameda County, although the bill does not limit its application to that agency.

SB 1318 (Wolk) is a far-reaching bill to continue the Senator's efforts to require that services be delivered to disadvantaged communities by linking an annexation and/or contract for service to that delivery. CALAFCO's and staff's concerns with this bill are summarized as:

1. The bill's language would prohibit a LAFCO from authorizing a city or district to extend its drinking water and wastewater infrastructure until it has extended those services to **all** disadvantaged communities with or **adjacent** to the agency's sphere of influence unless specific conditions are met. This provision overlooks the requirements of 56133 that preclude every LAFCO (except Napa and San Bernardino – AB 402) from authorizing the extension of service outside a sphere of influence.
2. The bill would prohibit a commission from approving an annexation of 10 acres or larger where there is a DUC within or adjacent to the sphere which lacks safe drinking water or wastewater infrastructure unless the city or district has entered

into an “enforceable” agreement to extend those services.

3. It proposes to amend the sphere of influence language to require that the Commission assess the feasibility of governmental reorganizations, removing the permissive may from the language and adds new subsection (k) to Govt. Code Section 56425 that prohibits a LAFCO from approving the amendment of a sphere of influence to remove a disadvantaged community.

Staff is concerned that this bill, like others such SB 244 and SB 88, while attempting to address very real service concerns do not understand the unintended consequences of the proposed bills and that there is no funding included that will allow for the payment of the needed service extensions. A subcommittee from the CALAFCO Legislative committee is working on addressing all aspects of this proposal and will be reporting out at the next meeting. Staff will be presenting a formal position to the Commission at the April 20, 2016 hearing.

The bills as presented cannot be amended for 30 days following introduction, so it is anticipated that the amendment process will begin in earnest on Monday, March 21. The next CALAFCO Leg Committee meeting is scheduled for Friday, March 18 and staff will provide an outline of any direction provided by the Commission.

KRM

Attachments:

1. [CALAFCO Bill Tracking Dated March 14, 2016](#)
2. [Senate Bill 1266 \(McGuire\) – Joint Powers Authorities](#)
3. [Assembly Bill 2032 \(Linder\) – Disincorporation](#)
4. [Assembly Bill 2471 \(Quirk\) – Dissolution of Health Care Districts](#)
5. [Senate Bill 1318 \(Wolk\) – Disadvantaged communities – Water and Wastewater Infrastructure](#)