

**LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO**

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DATE: MARCH 14, 2011

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #9 – PENDING LEGISLATION

RECOMMENDATION:

Provide direction to the Executive Officer on legislation of interest.

BACKGROUND:

At the State level, bills have been submitted for the start of the new two year legislative cycle. During the month of February literally hundreds of bills were introduced. CALAFCO provides for a Daily Legislative Report which identifies those of interest to the LAFCO community which includes a description of the position of CALAFCO through either its legislative committee or the Board of Directors. Attached to this report is a copy of the CALAFCO Daily Legislative Report for March 14, 2011. The following are the pieces of legislation which have the greatest potential impact on San Bernardino LAFCO:

1. AB 54 (Solorio) has been written to address concerns related to water quality and the funding necessary to improve mutual water company facilities. AB 54 proposes to authorize a Commission to review and approve or deny a consolidation of a mutual water company into the jurisdiction of a city or special district by adding a new subsection (r) to Section 56375; it would authorize the Commission to include a review of the drinking water sources and whether they comply with safe drinking water standards through the addition of a new subsection (c) to 56430; and a new Section 116760.65 to the Health and Safety Code which would allow the State Department of Public Health to issue a letter of no prejudice and allow for the reimbursement of specific expenditures.

No position has been taken by CALAFCO at this time; but this will be discussed at the March 25 Legislative Committee meeting. However our regional

association, Coalition of California LAFCOs (CCL), has recommended a watch and work with Stakeholders position. Concerns related to this legislation include: mutual water companies are private enterprises and the introduction of a private shareholder owned company into the consolidation process is completely new territory for LAFCOs. It appears to be a stretch to include these in a change of organization.

In addition, most LAFCOs, San Bernardino included, have difficulty in receiving even basic information regarding the operation of Mutual's since many are very small operations. Several years ago, the PUC issued an administrative directive to private water companies that they were required to comply with requests for information from LAFCOs as a part of their Service Review processes. To staff, a commensurate edict from the Department of Corporations for Mutuals would go a long way in gaining the information desired, then the negotiations for acquisition of the system can take place.

2. AB 912 (Gordon) would authorize a LAFCO, where it has determined to assign a zero sphere of influence, to immediately order the dissolution if it has been initiated by the district board. Absent district initiation, it would allow for an approval within 30 days following approval by the Commission and order it without an election unless a majority protest exists, as specified in the legislation.

CALAFCO has taken no position on this legislation. CCL has taken a watch position. The important criteria is that a "zero" sphere of influence is not defined by statute; it is a policy or practice determination declaration for those LAFCO which use it.

3. Given the economic realities California governments face, it is not surprising that a substantial number of the pieces of legislation which have been initiated relate to questions regarding high-risk local governments and their commensurate financial reporting policies. A number of these appear in the CALAFCO Legislative Report, such as AB 187 (Lara) would create a new agency under the State Auditor to deal with high risk local governments, AB 162 (Smyth) requires that if an audit reveals certain "financial irregularities", those must be sent separately to the State Controller; AB 1287 (Buchanan) would require local agencies to comply with "General Accounting Office Standards" also known as GASB; SB 186 (Kehoe) would authorize the State Controller to perform an audit or investigation, if necessary, to ensure compliance with financial reporting requirements in state law, grant agreements, or local ordinances. CALAFCO has not taken a position on this legislation; however, CCL has taken a watch position on all.
4. SB 244 (Wolk) proposes changes to the general plan review and housing element adoption to require a review of "disadvantaged communities" in both incorporated and unincorporated areas. This has many of the provisions of last

year's AB 853 (Arambula) but not a reference to LAFCOs. CALAFCO has no position at this time; however CCL has taken a watch position to be sure that no amendment reintroduces the LAFCO issues from AB 853.

5. SB 235 (Negrete-McLeod) would authorize a governing body of a Water Conservation District to reorganize its divisions to reduce the membership on the Board of Directors from seven to five members. This legislation has been submitted at the request of the San Bernardino Valley Water Conservation District in its efforts to reduce costs. The bill is scheduled for review before the Senate Governance and Finance Committee on March 16, and a copy of the consultant's review of the legislation is provided as Attachment #2 to this report. CALAFCO and CCL have taken no position on this legislation as it does not affect a LAFCO process
6. AB 307 (Nestande) proposes to allow federally recognized Indian Tribes to participate as public agencies in joint powers agreements and participate in joint powers authorities. It includes specific limitations that the Indian tribe shall not have the authority to authorize or issue Marks Roos Local Bond Pooling Act of 1985 unless the facilities/improvements are owned by other public agencies in the authority. CALAFCO has not taken a position on the legislation. CLL has taken a watch position and will be reviewing the bill in more detail at its March 21 meeting.

On March 25, the CALAFCO Legislative Committee is scheduled to convene to review pending legislation and also to address areas of interest for bill introduction. One element that has been bandied about for the last couple of years is possible changes to the statutes governing out-of-agency service contracts, Government Code Section 56133. One of the elements at issue is the special circumstances where a service extension would be proposed outside an agency's boundary as well as its sphere of influence. This is a hotly contested position at the Legislative Committee.

Your staff has supported putting together legislation which would address our concerns related to the acquisition of private water companies by public agencies when the service area exceeds the territory of the agency and its sphere of influence. Case in point, is the City of Big Bear Lake's Department of Water and Power which services the City of Big Bear Lake and the communities outside its sphere of influence of Fawnskin, Moonridge, Sugarloaf, and Rimforest, among others. San Bernardino LAFCO adopted a policy to address the acquisition of service responsibility placing it on the books in 1999. However, changes which were included in Section 56133 in 2000 specified specific instances when service could be authorized outside a sphere of influence; which were to address only health and safety concerns for developed areas. We continue to work toward a resolution for amendments to the statute which will allow for addressing service needs within these areas, acknowledging the concerns for service delivery without annexation but also reduce unreasonable burdens.

At this time, the staff is requesting that the Commission provide direction on the legislation outlined. If the Commission has a direction to provide on future legislation for discussion at the next CCL Meeting on March 21 or the CALAFCO Legislative Committee Meeting on March 25, they can be provided at the hearing.

/KRM

Attachments:

1. CALAFCO Legislative Update as of 3/14/11
2. Senate Governance and Finance Committee Report on SB 235
3. CCL Legislative Update as of 3/8/11 including copies of : AB 54, AB 912, ACA 17, SB 244, AB 307 and Proposed Amendments to Government Code Section 56133

**CALAFCO Legislative Update as of
3/14/11**

Attachment 1

CALAFCO Daily Legislative Report as of 3/14/2011

1

AB 54 (Solorio D) Drinking water.

Current Text: Introduced: 12/6/2010 [pdf](#) [html](#)

Introduced: 12/6/2010

Status: 1/24/2011-Referred to Coms. on L. GOV. and E.S. & T.M.

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

Summary:

Would allow the department to issue a letter of no prejudice, as defined, to a public water system that is a lead applicant for a project that may be funded by the Safe Drinking Water Revolving Fund and would make expenditures related to the project reimbursable in specified circumstances. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: Water

CALAFCO Comments: Adds authority to LAFCo for reorganization of mutual water companies, and include in MSRs whether drinking water sources comply with safe drinking water standards.

AB 912 (Gordon D) Local government: organization.

Current Text: Introduced: 2/17/2011 [pdf](#) [html](#)

Introduced: 2/17/2011

Status: 2/18/2011-From printer. May be heard in committee March 20.

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

Summary:

Would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district with zero sphere of influence, to immediately order the dissolution if the dissolution was initiated by the district board, or to, within 30 days following the approval of the application by the commission, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

Position: None at this time

Subject: Special District Consolidations, Special District Powers

CALAFCO Comments: Allows a commission to immediately dissolve a special district with a zero SOI or to dissolve a districts after a public hearing and the lack of a majority protest.

2

AB 46 (John A. Pérez D) Local government: cities.

Current Text: Amended: 2/28/2011 [pdf](#) [html](#)

Introduced: 12/6/2010

Last Amended: 2/28/2011

Status: 3/1/2011-Re-referred to Com. on L. GOV.

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

Summary:

Would provide that every city with a population of less than 150 people as of January 1, 2010, would be disincorporated into those cities' respective counties as of 90 days after the effective date of the bill, unless a county board of supervisors determines, by majority vote within that 90-day period, that continuing such a city within that county's boundaries would serve a public purpose because the location of the city, in a rural or isolated location, makes it impractical for the residents of the community to organize in another forum of local governance.

Position: None at this time

Subject: Disincorporation/dissolution

CALAFCO Comments: As written this bill applies only to Vernon, California. It bypasses much of the C-K-H disincorporation process, leaving LAFCo only the responsibility of assigning assets and liabilities following disincorporation.

AB 187 (Lara D) State Auditor: audits: high-risk local government agency audit program.

Current Text: Introduced: 1/25/2011 [pdf](#) [html](#)

Introduced: 1/25/2011

Status: 1/26/2011-From printer. May be heard in committee February 25.

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

Summary:

Would authorize the State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. The bill would also authorize the State Auditor to consult with the State Controller, Attorney General, and other state agencies in identifying local government agencies that are at high risk.

Position: None at this time

Subject: Financial Viability of Agencies, Service Reviews/Spheres

CALAFCO Comments: Would allow the State Auditor to audit and issue reports on any local agency it identifies as being at high risk for waste, fraud, abuse or mismanagement.

AB 555 (Norby R) Local agency formation.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 2/17/2011-From printer. May be heard in committee March 19.

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

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation, change of organization, and reorganization of cities and special districts. This bill would make technical, nonsubstantive changes to the act.

Position: None at this time

Subject:

CALAFCO Comments: Placeholder bill, currently targeted to C-K-H.

AB 781 (John A. Pérez D) Agricultural preserve.

Current Text: Introduced: 2/17/2011 [pdf](#) [html](#)

Introduced: 2/17/2011

Status: 3/10/2011-Referred to Com. on AGRI.

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

Calendar:

4/6/2011 1:30 p.m. - State Capitol, Room 126 ASSEMBLY AGRICULTURE, GALGANI, Chair

Summary:

Would authorize a county or city having a general plan, after a public hearing, to establish an agricultural preserve.

Position: None at this time

Subject: Ag/Open Space Protection

CALAFCO Comments: Allows a city or county with a general plan to establish an agricultural preserve following a public hearing.

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

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/22/2011-From printer. May be heard in committee March 22.

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

Summary:

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.

ACA 17 (Logue R) State-mandated local programs.

Current Text: Introduced: 2/15/2011 [pdf](#) [html](#)

Introduced: 2/15/2011

Status: 2/16/2011-From printer. May be heard in committee March 18.

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

Summary:

br> ACA 17, as introduced, Logue.

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) Local government: compensation disclosure.

Current Text: Amended: 3/7/2011 [pdf](#) [html](#)

Introduced: 12/9/2010

Last Amended: 3/7/2011

Status: 3/7/2011-From committee with author's amendments. Read second time and amended. Re-referred to Com. on Gov. & F.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would until January 1, 2019, require each public official, defined to mean a public official required to file a statement of economic interest pursuant to the Political Reform Act of 1974, to annually file a compensation disclosure form that provides compensation information for the preceding calendar year, as specified. The bill would specify that compensation disclosure forms are open to public inspection, as specified. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: LAFCo Administration

CALAFCO Comments: Similar to a 2010 bill, this would require all those who file a Form 700 to also file a compensation disclosure report.

SB 160 (Huff R) Local government: reorganization.

Current Text: Introduced: 2/2/2011 [pdf](#) [html](#)

Introduced: 2/2/2011

Status: 2/10/2011-Referred to Com. on RLS.

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

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of

organization and reorganization for cities and districts, except as specified. This bill would make a technical, nonsubstantive change to that act.

Position: None at this time

Subject:

CALAFCO Comments: Appears to be a placeholder bill. Typically the senior republican on the Senate Finance & Committee introduces this bill as a placeholder. Usually used for some other purpose than LAFCo.

SB 191 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2011 [pdf](#) [html](#)

Introduced: 2/8/2011

Status: 2/19/2011-Set for hearing March 16.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

This bill would enact the First Validating Act of 2011, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Support Letter](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 192 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2011 [pdf](#) [html](#)

Introduced: 2/8/2011

Status: 2/19/2011-Set for hearing March 16.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

This bill would enact the Second Validating Act of 2011, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Support Letter](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 193 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2011 [pdf](#) [html](#)

Introduced: 2/8/2011

Status: 2/19/2011-Set for hearing March 16.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

This bill would enact the Third Validating Act of 2011, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter](#)

Position: Support
Subject: LAFCo Administration
CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 194 (Committee on Governance and Finance) Local government: omnibus bill.

Current Text: Introduced: 2/8/2011 [pdf](#) [html](#)
Introduced: 2/8/2011
Status: 2/19/2011-Set for hearing April 27.

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

Calendar:
4/27/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair
Summary:
Would increase the maximum amount from \$1,000 to \$5,000. This bill contains other related provisions and other existing laws.

Position: None at this time
Subject:
CALAFCO Comments: This is the Senate local government Omnibus Bill. At this point CALAFCO does not have any items in the bill nor has any objections to any of the items currently in the bill.

SB 244 (Wolk D) Land use: general plan: disadvantaged unincorporated communities.

Current Text: Introduced: 2/10/2011 [pdf](#) [html](#)
Introduced: 2/10/2011
Status: 3/1/2011-Set for hearing April 6.

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

Calendar:
4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair
Summary:
Would require, prior to January 1, 2014, and thereafter upon each revision of its housing element, a city or county to review and update one or more elements of its general plan, as necessary to address the presence of island, fringe, or legacy unincorporated communities, as defined, inside or near its boundaries, and would require the updated general plan to include specified information. This bill would also require the city or county planning agency, after the initial revision and update of the general plan, to review, and if necessary amend, the general plan to update the information, goals, and program of action relating to these communities therein. By adding to the duties of city and county officials, 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: Disadvantaged Communities
CALAFCO Comments: Adds a review of disadvantaged communities - in both incorporated and unincorporated areas - to the Housing Element of the General Plan. At this point does not involve LAFCo, and the definitions appear to be consistent with C-K-H.

SB 618 (Wolk D) Local government: Williamson Act: compatible uses.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)
Introduced: 2/18/2011
Status: 3/9/2011-Set for hearing April 27.

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

Calendar:
4/27/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair
Summary:
Would additionally provide that the erection, construction, alteration, operation, or maintenance of renewable energy, and the operation of gas, electric, water, communication, or agricultural laborer housing are considered compatible uses within any agricultural preserve.

Position: None at this time
Subject: Ag Preservation - Williamson
CALAFCO Comments: Allows renewable energy generation (wind, solar farms) as an acceptable use for Williamson Act lands.

SB 648 (Berryhill R) Local government: Williamson Act.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)
Introduced: 2/18/2011
Status: 3/3/2011-Referred to Coms. on Gov. & F. and APPR.

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

Summary:
 Would provide an alternative method of cancellation of a contract by a landowner for contracts that are 10 or more years old, and where the landowner has not received a lowered assessment value on the land during the previous 10 consecutive years based on the existence of a residence, including agricultural laborer housing, on the land being valued. The bill would require the board or council, upon petition by the landowner and a showing that these conditions exist, and would prohibit the board or council from charging a cancellation fee.

Position: None at this time
Subject: Ag Preservation - Williamson
CALAFCO Comments: Provides an alternative method for immediate cancellation of a Williamson Act contract under certain circumstances.

SB 668 (Evans D) Local government: Williamson Act.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)
Introduced: 2/18/2011
Status: 3/3/2011-Referred to Com. on RLS.

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

Summary:
 Would express the intent of the Legislature to enact legislation that would authorize local governments to accept donations from private entities to offset any reduced amount the local government receives in subvention payments for Williamson Act contracts.

Position: None at this time
Subject: Ag Preservation - Williamson
CALAFCO Comments: Would allow cities and counties to accept private donations to offset loss of Williamson Act subventions.

3

AB 83 (Jeffries R) Environment: CEQA exemption: recycled water pipeline.

Current Text: Introduced: 1/5/2011 [pdf](#) [html](#)
Introduced: 1/5/2011
Status: 1/27/2011-Referred to Com. on NAT. RES.

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

Calendar:
 3/21/2011 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL
 RESOURCES, CHESBRO, Chair

Summary:
 Would additionally exempt a project for the installation of a new pipeline, not exceeding a specified length, for the distribution of recycled water within an improved public street, highway, or right-of-way. Because a lead agency, which may include a local agency, is required to determine whether a project qualifies for those exemptions, 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: CEQA

CALAFCO Comments: Exempts recycled water pipelines from CEQA in certain circumstances.

AB 148 (Smyth R) Local government: ethics training: disclosure.

Current Text: Amended: 3/2/2011 [pdf](#) [html](#)

Introduced: 1/14/2011

Last Amended: 3/2/2011

Status: 3/3/2011-Re-referred to Com. on L. GOV.

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

Summary:

Would additionally define the term ethics laws to include compensation setting guidelines as established by specified organizations. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: Financial Disclosure Requirements, LAFCo Administration

CALAFCO Comments: Would add compensation setting guidelines to the ethics training requirements for officials.

AB 162 (Smyth R) Local government: financial reports.

Current Text: Introduced: 1/19/2011 [pdf](#) [html](#)

Introduced: 1/19/2011

Status: 2/18/2011-Referred to Com. on L. GOV.

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

Summary:

Would additionally require that, if an audit of a local agency reveals certain financial irregularities, the findings be sent separately to the Controller immediately after the audit has been concluded. By increasing the duties of local officials, 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: Financial Viability of Agencies

CALAFCO Comments: Requires disclosure to the State Controller of a variety of irregularities discovered in a local agency annual audit. May have some application for MSR updates.

AB 182 (Davis D) Political Reform Act of 1974: statements of economic interests.

Current Text: Introduced: 1/24/2011 [pdf](#) [html](#)

Introduced: 1/24/2011

Status: 2/3/2011-Referred to Com. on E. & R.

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

Calendar:

3/15/2011 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ELECTIONS AND REDISTRICTING, FONG, Chair

Summary:

Would permit the pilot program to continue until December 31, 2012. In addition, beginning on January 1, 2013, this bill would permanently permit the filing officers of all government agencies to accept the electronic filing of statements of economic interests by all public officials required to file those statements under the act, in accordance with regulations that may be adopted by the Fair Political Practices Commission. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: LAFCo Administration

CALAFCO Comments: Beginning in 2013 would allow electronic filing of statement of economic interests.

AB 307 (Nestande R) Joint powers agreements: public agency: federally recognized Indian tribe.

Current Text: Introduced: 2/9/2011 [pdf](#) [html](#)

Introduced: 2/9/2011

Status: 2/24/2011-Referred to Com. on L. GOV.

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

Summary:

Would include a federally recognized Indian tribe as a public agency that may enter into a joint powers agreement. This bill would also make conforming changes by repealing now redundant code sections. This bill contains other related provisions.

Position: None at this time

Subject: Municipal Services

CALAFCO Comments: Would allow any federally recognized Indian tribe to act as a public agency to participate in any Joint Powers Authority. Significantly expands current law on Indian tribe participation in a JPA.

AB 392 (Alejo D) Ralph M. Brown Act: posting agendas.

Current Text: Introduced: 2/14/2011 [pdf](#) [html](#)

Introduced: 2/14/2011

Status: 3/3/2011-Referred to Coms. on L. GOV. and G.O.

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

Calendar:

4/6/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair

Summary:

Would additionally require the legislative body of the local agency, at least 72 hours before a regular meeting of that body, to post the writings that relate to an agenda item for the open session of that regular meeting. This bill would require the legislative body to post the agenda and the writings on its Internet Web site, if any, as specified. The bill would repeal the procedure for the disclosure of any writings that are distributed less than 72 hours prior to the meeting and would instead prohibit the legislative body from acting on or discussing an item on the agenda for which a related writing was not properly disclosed at least 72 hours prior to the meeting, except as provided. By expanding the duties of local agencies, 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

CALAFCO Comments: Adds additional posting requirements to Brown Act.

AB 582 (Pan D) Open meetings: local agencies.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 3/7/2011-Referred to Com. on L. GOV.

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

Summary:

Would require that proposed compensation increases for unrepresented employees be publicly noticed, as prescribed. By adding to the duties of local officials, 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: Financial Disclosure Requirements

CALAFCO Comments: Requires public disclosure of compensation increases for unrepresented employees.

AB 1198 (Norby R) Land use: housing element: regional housing need assessment.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/20/2011-From printer. May be heard in committee March 22.

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

Would repeal the requirement that the department determine the existing and projected need for housing for each region, as specified, and other specified provisions relating to the assessment or allocation of regional housing need.

Position: None at this time

Subject: Housing

CALAFCO Comments: Would repeal the entire RHNA process and Housing and Community Development authority over housing.

AB 1265 (Nielsen R) Local government: Williamson Act.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/20/2011-From printer. May be heard in committee March 22.

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

Summary:

Would specify that payments under the contracts that are authorized until January 1, 2015, may be collected after January 1, 2015.

Position: None at this time

Subject: Ag Preservation - Williamson

CALAFCO Comments: Defers payments until 2015.

AB 1287 (Buchanan D) Local government: audits.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/22/2011-From printer. May be heard in committee March 22.

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

Summary:

Would require local agencies, defined to include cities, counties, a city and county, special districts, authorities, or public agencies, to comply with General Accounting Office standards for financial and compliance audits and would prohibit an independent auditor from engaging in financial compliance audits unless, within 3 years of commencing the first of the audits, and every 3 years thereafter, the auditor completes a quality control review in accordance with General Accounting Office standards.

Position: None at this time

Subject: Financial Viability of Agencies

CALAFCO Comments: Would require regular audits of all local agencies.

SB 27 (Simitian D) Public retirement: final compensation: computation: retirees.

Current Text: Amended: 3/3/2011 [pdf](#) [html](#)

Introduced: 12/6/2010

Last Amended: 3/3/2011

Status: 3/3/2011-From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.

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

Summary:

Would revise the definition of creditable compensation for these purposes and would identify certain payments, reimbursements, and compensation that are creditable compensation to be applied to the Defined Benefit Supplement Program. The bill would prohibit one employee from being considered a class. The bill would revise the definition of compensation with respect to the Defined Benefit Supplemental Program to include remuneration earnable within a 5-year period, which includes the last year in which the member's final compensation is determined, when it is in excess of 125% of that member's compensation earnable in the year prior to that 5-year period, as specified. The bill would prohibit a member who retires on or after January 1, 2013, who elects to receive his or her retirement benefit under the Defined Benefit Supplemental Program as a lump-sum

payment from receiving that sum until 180 days have elapsed following the effective date of the member's retirement. This bill contains other related provisions and other existing laws.

Position: None at this time
Subject: LAFCo Administration
CALAFCO Comments:

SB 31 (Correa D) Local government: lobbyist registration.

Current Text: Introduced: 12/6/2010 [pdf](#) [html](#)

Introduced: 12/6/2010

Status: 1/20/2011-Referred to Com. on RLS.

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

Summary:

Would state the intent of the Legislature to enact legislation that will require each local government to create a lobbyist registration program as a condition of the local government being eligible to apply for any discretionary grant from any state agency or department.

Position: Watch
Subject: LAFCo Administration
CALAFCO Comments: Likely not to affect LAFCos as they rarely apply for state grants, but watching anyway.

SB 186 (Kehoe D) The Controller.

Current Text: Amended: 3/10/2011 [pdf](#) [html](#)

Introduced: 2/7/2011

Last Amended: 3/10/2011

Status: 3/10/2011-From committee with author's amendments. Read second time and amended. Re-referred to Com. on Gov. & F.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would authorize the Controller to exercise discretionary authority to perform an audit or investigation of any county, city, special district, joint powers authority, or redevelopment agency, if necessary, to ensure compliance with the financial requirements in state law, grant agreements, or local ordinances. This bill would require the Controller to prepare a report of the results of the audit or investigation and to file a copy with the local legislative body. This bill would also provide that specified costs incurred by the Controller shall be borne by the county, city, special district, joint powers authority, or redevelopment agency and state that reimbursements collected, upon appropriation to the Controller, be available to offset costs of enforcing this provision.

Position: None at this time
Subject: Financial Viability of Agencies
CALAFCO Comments: Allows Controller to audit local agencies and determine fiscal viability.

SB 235 (Negrete McLeod D) Water and flood districts: reorganization of district governing board.

Current Text: Introduced: 2/9/2011 [pdf](#) [html](#)

Introduced: 2/9/2011

Status: 2/19/2011-Set for hearing March 16.

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

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would authorize the governing board of a district, as defined, to reorganize the district to reduce the total membership of the governing board by a resolution adopted by a majority vote of the board. The bill would prescribe procedures for the reorganization of the

governing board of the district, including procedures for the reapportionment of division boundaries within the district in those districts that elect directors based on their residence within a division of the district, and procedures for the appointment of members of the governing board to the remaining seats on a recognized board. The bill would require a district that reorganizes its governing board pursuant to these provisions to notify specified local agencies.

Position: None at this time

Subject: Special District Principle Acts

CALAFCO Comments: Allows specified water districts to reorganize their board of directors to reduce the number of directors, by action of the Board.

SB 288 (Negrete McLeod D) Local government: independent special districts.

Current Text: Introduced: 2/14/2011 [pdf](#) [html](#)

Introduced: 2/14/2011

Status: 3/1/2011-Set for hearing April 6.

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

Calendar:

4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would additionally authorize the governing board of an independent special district, as defined, to provide, by resolution, for the establishment of a revolving fund in an amount not to exceed 110% of 1/12 of the independent special district's adopted budget for that fiscal year, and would require the resolution establishing the fund to make specified designations relating to the purposes for which the fund may be expended, the district officer with authority and responsibility over the fund, the necessity for the fund, and the maximum amount of the fund. This bill contains other related provisions and other existing laws.

Position: None at this time

Subject: Special District Powers, Special District Principle Acts

CALAFCO Comments: Allows special districts as defined by C-K-H to set up special revolving funds.

SB 436 (Kehoe D) Land use: mitigation lands: nonprofit organizations.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 2/24/2011-Referred to Com. on RLS.

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

Summary:

Would state the findings and declarations of the Legislature with respect to the preservation of natural resources through such mitigation, and would state that it is the intent of the Legislature to enact legislation to allow state and local public agencies and nonprofit organizations to utilize the tools and strategies they need for improving the effectiveness, cost-efficiency, and durability of mitigation for California's natural resources.

Position: None at this time

Subject: Ag/Open Space Protection

CALAFCO Comments: Placeholder bill that indicates it relates to additional tools for the preservation and mitigation of ag and open space lands.

SB 449 (Pavley D) Controller: local agency financial review.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 3/1/2011-Set for hearing April 6.

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

Calendar:

4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would additionally authorize the Controller to conduct a preliminary review to determine

the existence of a local agency financial problem, and perform an audit upon completion of that review, subject to specified criteria. This bill contains other related provisions.

Position: None at this time

Subject: Financial Viability of Agencies

CALAFCO Comments: Allows state controller to audit local agencies.

Total Measures: 35

Total Tracking Forms: 35

3/14/2011 12:33:55 PM

**Senate Governance and
Finance Committee Report on
SB 235**

Attachment 2

SENATE GOVERNANCE & FINANCE COMMITTEE
Senator Lois Wolk, Chair

BILL NO: SB 235

AUTHOR: Negrete McLeod

VERSION: 3/14/11

CONSULTANT: Detwiler

HEARING: 3/16/11

FISCAL: No

TAX LEVY: No

WATER CONSERVATION DISTRICTS' GOVERNING BOARDS

Allows water conservation districts to reduce the size of their governing boards.

Background and Existing Law

Most of the 3,300 special districts rely on about 50 principal acts which spell out their powers, finances, and governance. The Water Conservation District Law of 1931 is the principal act for the 11 water conservation districts (WCDs), which have elected boards of directors with three, five, or seven members. One WCD has a three-member board, four districts have five-member boards, and six have seven-member boards.

Special legislation allows the two WCDs in Ventura County to change the size of their boards of directors and reapportion their electoral divisions. Proceedings start with either a board resolution or a voter petition. The WCD's board must send the proposal to the county board of supervisors. After giving public notice, the county supervisors must hold a public hearing and then call an election on the proposal. State law requires majority-voter approval to change the size of the WCD's board (AB 2934, Henson, 1965).

The San Bernardino Valley WCD covers 78 square miles and about 98,000 registered voters, including the San Bernardino County communities of Highland, Loma Linda, Redlands, and San Bernardino. The District has a seven-member board of directors, elected by divisions. Three directors' terms end in December 2011; four in December 2013. To help reduce its costs, the District wants to reduce the size of its board of directors from seven to five. However, there are no statutory procedures for changing the size of the governing boards of the WCDs that are not in Ventura County.

Proposed Law

Senate Bill 235 allows water conservation districts with seven-member boards of directors to decrease the number of directors to five members.

Proceedings start when a district's governing board adopts, by majority vote of the board's membership, a resolution which includes a map and description of the five proposed electoral divisions. The district's secretary must call a public hearing that can't be less than 30 days or more than 60 days after the board adopts its resolution. The district's secretary must publish a public notice in a general circulation newspaper once a week for three weeks. At its public hearing, the district's board must consider any comments and then either disapprove the proposal or order the decrease in the board's size. That decision is subject to referendum by the district's voters.

Decreasing the number of directors and changing their electoral divisions doesn't affect the existing directors' terms of office and the existing directors continue to serve until their terms end. Decreasing the size of a district's board can't occur within 180 days of a director's election.

SB 235 doesn't apply to the water conservation districts in Ventura County.

State Revenue Impact

No estimate.

Comments

1. Purpose of the bill. To cut costs, the San Bernardino Valley Water Conservation District wants to reduce the size of its governing board, but there's no statutory procedure. Only the two WCDs in Ventura County can shrink their boards, but they need voter approval. If SB 235 let all WCDs to use the existing procedures for the WCDs in Ventura County, the elections might cost more than the resulting savings. Instead, the bill provides for public notices, a public hearing, and the opportunity of a referendum. SB 235 balances government efficiency with public transparency.

2. Says who? State laws try to balance the costs of local government with a commitment to accountability. In some cases, state law requires voter approval before local governments can change their governance structures. Cities, for example, must get majority-voter approval before changing the number of council members. Similarly, fire protection districts need majority-voter approval if they want to increase or decrease the size of their boards. SB 235 allows some water conservation districts to reduce the size of their boards without voter review, although a referendum is possible. The Committee may wish to consider whether a governing board's size is the kind of decision that a local government should share with its voters.

3. Who knows? If legislators let WCDs shrink their boards without elections, the Committee may wish to consider whether the public notice and the public hearing required by SB 235 adequately substitutes for voter review. The bill requires a WCD to publish three weekly notices before the public hearing. While that's more notice than for most hearings, it is enough? The Committee may wish to consider whether a WCD should mail public hearing notices to all of its registered voters. The Committee may wish to consider requiring a WCD to submit its decision to voter review if the protests at the hearing reach 10% or 25% of the registered voters.

4. Fewer directors or fewer districts? Both the San Bernardino Valley WCD and the San Bernardino Valley Municipal Water District (MWD) overlay the Bunker Hill basin, although the MWD is nearly five times as large as the WCD. In 2005, the Local Agency Formation Commission (LAFCO) for San Bernardino County completed a two-year municipal service review of the Bunker Hill basin and determined that the MWD and the WCD should consolidate. In 2006, the MWD applied to the LAFCO for approval to consolidate the two districts. After lawsuits and opposition by the WCD, the LAFCO denied the consolidation in 2010. Now the WCD wants to cut costs by cutting the size of its governing board. The Committee may wish to consider whether a better alternative is to cut the number of special districts in San Bernardino County.

Support and Opposition (3/10/11)

Support: San Bernardino Valley Water Conservation District.

Opposition: Unknown.

**CCL Legislative Update as of 3/8/11
including copies of:
AB 54, AB 912, ACA 17,
SB 244, AB 307 and
Proposed Amendments to
Government Code Section 56133**

Attachment 3



CCL Coalition of California LAFCOs

Representing Imperial, Los Angeles, Orange, Riverside, San Bernardino, and San Diego LAFCOs
1600 Pacific Highway, Room 452, San Diego, CA 92101
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Chair
Public Member
San Diego LAFCO

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Secretary
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Orange LAFCO

Stephen J. Tomanelli
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Public Member
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Members

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George Spiliotis
Jim Curatalo
Larry McCallon
Andy Vanderlaan
Michael Ott

March 9, 2011

TO: Coalition of California LAFCO's (CCL)
FROM: Harry Ehrlich,
Director of Legislative Research, San Diego LAFCO

SUBJECT: STATUS REPORT ON LAFCO LEGISLATION – 2011 Session

CCL Members:

This is the first regular meeting status report on LAFCO related legislation for 2011. You will find attached copies of two documents regarding pending and proposed legislation affecting LAFCOs. The first is a legislative summary of selected bills from Leginfo.ca.gov and CALAFCO.org. This report is current through March 8th. Attached are: (1) Legislative Report – 2011; (2 – 6) Copies of relevant legislation; and (7) Proposed CALAFCO amendments to Government Code Section 56133.

AB 2795 (Assembly Omnibus Bill) Sponsored by CALAFCO – The bill passed the legislature and was signed by the Governor on July 7, 2010.

AB 54 (Solorio) – Mutual Water Companies; Drinking water
The bill proposes to place Mutual Water Companies under the purview of LAFCO in some circumstances and also includes when initiated by a commission, review of drinking water quality in an MSR. CALAFCO and CSDA are working with the author to clarify intent and language to make the principles consistent with several areas of law.

AB 912 (Gordon) – Local government, organization and dissolution
The bill specifies two methods for a commission to process a dissolution of a special district with a "zero sphere", even though this term (zero sphere) is not defined in the C-K-H Act. If a district passes a resolution of application to dissolve the agency, the commission could act on the proposal at a public hearing and no delay would be required. A second approach would be to provide notification and hold the public hearing after 30 days. Each action would be subject to a majority protest. It is not clear how this streamlines any process or if it convolutes the protest provisions of current law.

ACA 17 (Logue) – Constitutional Amendment: State Mandates
This bill would release a mandated responsibility if a local agency can charge an applicant the cost of providing service. May impact LAFCO in some areas of fee recapture for revenue. Bill implications are unclear until an analysis is completed.

SUBJECT: STATUS REPORT ON LAFCO LEGISLATION – 2011 Session
Page 2

SB 244 (Wolk) General plan; disadvantaged communities.

This bill is a modified approach from AB 853 of last year in that it requires counties and cities to include an analysis of island, fringe, or legacy unincorporated communities in updates or adoption of general plans. Terms are consistent with the C-K-H Act and impact to LAFCO are unknown at this time.

AB 307 (Nestande) – Joint powers agreements; federally recognized Indian tribe.

This bill would include and allow any federally recognized Indian tribe to act as a public agency and to participate in any Joint Powers Authority with other state or local government. This would significantly expand the current law applicable to Indian tribe status but does not address whether such actions would come under LAFCO purview.

There are several bills that address Williamson Act status and funding. There are also several bills that address transparency and financial auditing. Those are all proposed to be a Watch position at this time and until more specific impacts are known.

I anticipate providing a verbal legislative update at the March 21st CCL meeting, and CCL members should also feel free to track legislation at CALAFCO.org or Leginfo.ca.gov.



HARRY EHRLICH
Director of Legislative Research, San Diego LAFCO

HE:ra

- Enclosures:
- (1) CCL Legislative Report – 2011
 - (2) AB 54 (Solorio)
 - (3) AB 912 (Gordon)
 - (4) ACA 17 (Logue)
 - (5) SB 244 (Wolk)
 - (6) AB 307 (Nestande)
 - (7) Proposed CALAFCO Amendments to Government Code
Section 56133

CCL Legislative Report as of 3/8/2011

1

AB 54 (Solorio D) Drinking water.

Current Text: Introduced: 12/6/2010

Introduced: 12/6/2010

Status: 1/24/2011-Referred to Coms. on L. GOV. and E.S. & T.M.

Summary:

Would allow the department to issue a letter of no prejudice, as defined, to a public water system that is a lead applicant for a project that may be funded by the Safe Drinking Water Revolving Fund and would make expenditures related to the project reimbursable in specified circumstances. Would allow a Mutual Water Company and city to agree to establish the MWC as a special district to qualify to submit for state grant funding. Would allow a commission to review the entity for compliance with drinking water quality standards as part of a MSR. This bill contains other related provisions to other existing laws.

CALAFCO Position: None at this time

CALAFCO Comments: Adds authority to LAFCo for reorganization of mutual water companies, and include in MSRs whether drinking water sources comply with safe drinking water standards.

CCL Recommended Position: Watch and Work with Stakeholders on Amendments

AB 912 (Gordon D) Local government: organization.

Current Text: Introduced: 2/17/2011 [pdf](#) [html](#)

Introduced: 2/17/2011

Status: 2/18/2011-From printer. May be heard in committee March 20.

Summary:

Would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district with zero sphere of influence, to immediately order the dissolution if the dissolution was initiated by the district board, or to, within 30 days following the approval of the application by the commission, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

CALAFCO Position: None at time

CALAFCO Comments: Allows a commission to immediately dissolve a special district with a zero SOI or to dissolve a district after a public hearing and the lack of a majority protest.

CCL Recommended Position: Watch

Concerns with language of the bill: Zero Sphere of Influence is not defined in C-K-H Act. Can the SOI be adopted and then the dissolution be processed immediately? Action is subject to protest and possible election costs; does affected agency pay for the election if proposed action is not initiated by that agency?

AB 46 (John A. Pérez D) Local government: City of Vernon.

Current Text: Amended: 2/28/2011 [pdf](#) [html](#)

Introduced: 12/6/2010

Last Amended: 2/28/2011

Status: 3/1/2011-Re-referred to Com. on L. GOV.

Summary:

Would provide that every city with a population of less than 150 people as of January 1, 2010, would be disincorporated into that cities' respective county as of 90 days after the effective date of the bill, unless a county board of supervisors determines, by majority vote within that 90-day period, that continuing such a city within that county's boundaries would serve a public purpose because the location of the city, in a rural or isolated location, makes it impractical for the residents of the community to organize in another forum of local governance.

CALAFCO Position: None at this time

CALAFCO Comments: As written this bill applies only to Vernon, California. It bypasses much of the C-K-H disincorporation process, leaving LAFCo only the responsibility of assigning assets and liabilities following disincorporation.

CCL Recommended Position: Watch

AB 187 (Lara D) State Auditor: audits: high-risk local government agency audit program.

Current Text: Introduced: 1/25/2011 [pdf](#) [html](#)

Introduced: 1/25/2011

Status: 1/26/2011-From printer. May be heard in committee February 25.

Summary:

Would authorize the State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. The bill would also authorize the State Auditor to consult with the State Controller, Attorney General, and other state agencies in identifying local government agencies that are at high risk.

Position: None at this time

CALAFCO Comments: Would allow the State Auditor to audit and issue reports on any local agency it identifies at being at high risk for waste, fraud, abuse or mismanagement.

CCL Recommended Position: Watch

AB 555 (Norby R) Local agency formation.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 2/17/2011-From printer. May be heard in committee March 19.

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation, change of organization, and reorganization of cities and special districts. This bill would make technical, nonsubstantive changes to the act.

CALAFCO Position: None at this time

CALAFCO Comments: Placeholder bill, currently targeted to C-K-H.

CCL Recommended Position: None at this time.

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

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/22/2011-From printer. May be heard in committee March 22.

Summary:

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.

CALAFCO Position: None at this time

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.

CCL Recommended Position: Watch

ACA 17 (Logue R) State-mandated local programs.

Current Text: Introduced: 2/15/2011 [pdf](#) [html](#)

Introduced: 2/15/2011

Status: 2/16/2011-From printer. May be heard in committee March 18.

Summary:

ACA 17, as introduced, Logue.

Position: None at this time

CALAFCO Comments: Changes state mandate law in a proposed constitutional amendment. Included is specific language that releases mandate responsibility if the local agency can charge an individual or applicant for the cost of providing the mandated service. Would likely exempt some LAFCO mandates from state funding.

CCL Recommended Position: Watch; analyze to determine if negative impact on LAFCO budgets

SB 160 (Huff R) Local government: reorganization.

Current Text: Introduced: 2/2/2011 [pdf](#) [html](#)

Introduced: 2/2/2011

Status: 2/10/2011-Referred to Com. on RLS.

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. This bill would make a technical, nonsubstantive change to that act.

Position: None at this time

CALAFCO Comments: Appears to be a placeholder bill. Typically the senior republican on the Senate Finance & Committee introduces this bill as a placeholder. Usually used for some other purpose than LAFCo.

CCL Recommended Position: None at this time

SB 244 (Wolk D) Land use: general plan: disadvantaged unincorporated communities.

Current Text: Introduced: 2/10/2011 [pdf](#) [html](#)

Introduced: 2/10/2011

Status: 3/1/2011-Set for hearing April 6.

Calendar:

4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would require, prior to January 1, 2014, and thereafter upon each revision of its housing element, a city or county to review and update one or more elements of its general plan, as necessary to address the presence of island, fringe, or legacy unincorporated communities, as defined, inside or near its boundaries, and would require the updated general plan to include specified information. This bill would also require the city or county planning agency, after the initial revision and update of the general plan, to review, and if necessary amend, the general plan to update the information, goals, and program of action relating to these communities therein. By adding to the duties of city and county officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: None at this time

CALAFCO Comments: Adds a review of disadvantaged communities - in both incorporated and unincorporated areas - to the Housing Element of the General Plan. At this point does not involve LAFCo, and the definitions appear to be consistent with C-K-H.

CCL Recommended Position: Watch

SB 648 (Berryhill R) Local government: Williamson Act.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 3/3/2011-Referred to Coms. on Gov. & F. and APPR.

Summary:

Would provide an alternative method of cancellation of a contract by a landowner for contracts that are 10 or more years old, and where the landowner has not received a lowered assessment value on the land during the previous 10 consecutive years based on the existence of a residence, including agricultural laborer housing, on the land being valued. The bill would require the board or council, upon petition by the landowner and a showing that these conditions exist, and would prohibit the board or council from charging a cancellation fee.

Position: None at this time

CALAFCO Comments: Provides an alternative method for immediate cancellation of a Williamson Act contract under certain circumstances.

CCL Recommended Position: Watch; determine if this would result in decrease in agricultural preservation over time.

AB 148 (Smyth R) Local government: ethics training: disclosure.

Current Text: Amended: 3/2/2011 [pdf](#) [html](#)

Introduced: 1/14/2011

Last Amended: 3/2/2011

Status: 3/3/2011-Re-referred to Com. on L. GOV.

Summary:

Would additionally define the term ethics laws to include compensation setting guidelines as established by specified organizations. This bill contains other related provisions and other existing laws.

Position: None at this time

CALAFCO Comments: Would add compensation setting guidelines to the ethics training requirements for officials.

CCL Recommended Position: None at this time.

AB 162 (Smyth R) Local government: financial reports.

Current Text: Introduced: 1/19/2011 [pdf](#) [html](#)

Introduced: 1/19/2011

Status: 2/18/2011-Referred to Com. on L. GOV.

Summary:

Would additionally require that, if an audit of a local agency reveals certain financial irregularities, the findings be sent separately to the Controller immediately after the audit has been concluded. By increasing the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: None at this time

CALAFCO Comments: Requires disclosure to the State Controller of a variety of irregularities discovered in a local agency annual audit. May have some application for MSR updates.

CCL Recommended Position: Watch

AB 307 (Nestande R) Joint powers agreements: public agency: federally recognized Indian tribe.

Current Text: Introduced: 2/9/2011 [pdf](#) [html](#)

Introduced: 2/9/2011

Status: 2/24/2011-Referred to Com. on L. GOV.

Summary:

Would include a federally recognized Indian tribe as a public agency that may enter into a joint powers agreement. This bill would also make conforming changes by repealing now redundant code sections. This bill contains other related provisions.

Position: None at this time

CALAFCO Comments: Would allow any federally recognized Indian tribe to act as a public agency to participate in any Joint Powers Authority. Significantly expands current law on Indian tribe participation in a JPA.

CCL Recommended Position: Watch

AB 392 (Alejo D) Ralph M. Brown Act: posting agendas.

Current Text: Introduced: 2/14/2011 [pdf](#) [html](#)

Introduced: 2/14/2011

Status: 3/3/2011-Referred to Coms. on L. GOV. and G.O.

Summary:

Would additionally require the legislative body of the local agency, at least 72 hours before a regular meeting of that body, to post the writings that relate to an agenda item for the open session of that regular meeting. This bill would require the legislative body to post the agenda and the writings on its Internet Web site, if any, as specified. **The bill would repeal the procedure for the disclosure of any writings that are distributed less than 72 hours prior to the meeting and would instead prohibit the legislative body from acting on or discussing an item on the agenda for which a related writing was not properly disclosed at least 72 hours prior to the meeting, except as provided.** By expanding the duties of local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

CALAFCO Position: None at this time

CALAFCO Comments: Adds additional posting requirements to Brown Act.

CCL Recommended Position: Watch; work with author to clarify exceptions for considering new information at meetings and hearings.

AB 1287 (Buchanan D) Local government: audits.

Current Text: Introduced: 2/18/2011 [pdf](#) [html](#)

Introduced: 2/18/2011

Status: 2/22/2011-From printer. May be heard in committee March 22.

Summary:

Would require local agencies, defined to include cities, counties, a city and county, special districts, authorities, or public agencies, to comply with General Accounting Office standards for financial and compliance audits and would prohibit an independent auditor from engaging in financial compliance audits unless, within 3 years of commencing the first of the audits, and every 3 years thereafter, the auditor completes a quality control review in accordance with General Accounting Office standards.

CALAFCO Position: None at this time

CALAFCO Comments: Would require regular audits of all local agencies.

CCL Recommended Position: Watch

SB 186 (Kehoe D) The Controller.

Current Text: Introduced: 2/7/2011 [pdf](#) [html](#)

Introduced: 2/7/2011

Status: 2/19/2011-Set for hearing March 16.

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would authorize the Controller to exercise discretionary authority to perform an audit or investigation of any county, city, special district, or redevelopment agency, if necessary, to ensure compliance with state law, grant agreements, local ordinances, and to determine fiscal viability. This bill would require the Controller to prepare a report of the results of the audit or investigation and to file a copy with the local legislative body. This bill would also provide that specified costs incurred by the Controller shall be borne by the county, city, or redevelopment agency and state that reimbursements collected, upon appropriation to the Controller, be available to offset costs of enforcing this provision.

CALAFCO Position: None at this time

CALAFCO Comments: Allows Controller to audit local agencies and determine fiscal viability.

CCL Recommended Position: Watch

SB 235 (Negrete McLeod D) Water and flood districts: reorganization of district governing board.

Current Text: Introduced: 2/9/2011 [pdf](#) [html](#)

Introduced: 2/9/2011

Status: 2/19/2011-Set for hearing March 16.

Calendar:

3/16/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would authorize the governing board of a district, as defined, to reorganize the district to reduce the total membership of the governing board by a resolution adopted by a majority vote of the board. The bill would prescribe procedures for the reorganization of the governing board of the district, including procedures for the reapportionment of division boundaries within the district in those districts that elect directors based on their residence within a division of the district, and procedures for the appointment of members of the governing board to the remaining seats on a recognized board. The bill would require a district that reorganizes its governing board pursuant to these provisions to notify specified local agencies.

Position: None at this time

CALAFCO Comments: Allows specified water districts to reorganize their board of directors to reduce the number of directors, by action of the Board.

CCL Recommended Position: Watch; bill will be amended to only apply to Water Conservation Districts (seven in state); allows board to approve reduction from 7 or 9 members to 5.

SB 436 (Kehoe D) Land use: mitigation lands: nonprofit organizations.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 2/24/2011-Referred to Com. on RLS.

Summary:

Would state the findings and declarations of the Legislature with respect to the preservation of natural resources through such mitigation, and would state that it is the intent of the Legislature to enact legislation to allow state and local public agencies and nonprofit organizations to utilize the tools and strategies they need for improving the effectiveness, cost-efficiency, and durability of mitigation for California's natural resources.

CALAFCO Position: None at this time

CALAFCO Comments: Placeholder bill that indicates it relates to additional tools for the preservation and mitigation of ag and open space lands.

CCL Recommended Position: Watch

SB 449 (Pavley D) Controller: local agency financial review.

Current Text: Introduced: 2/16/2011 [pdf](#) [html](#)

Introduced: 2/16/2011

Status: 3/1/2011-Set for hearing April 6.

Calendar:

4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would additionally authorize the Controller to conduct a preliminary review to determine the existence of a local agency financial problem, and perform an audit upon completion of that review, subject to specified criteria. This bill contains other related provisions.

CALAFCO Position: None at this time

CALAFCO Comments: Allows state controller to audit local agencies.

CCL Recommended Position: Watch

3/8/2011 7:34:35 AM

Introduced by Assembly Member Solorio

December 6, 2010

An act to amend Sections 56375 and 56430 of the Government Code, and to add Section 116760.65 to the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL'S DIGEST

AB 54, as introduced, Solorio. Drinking water.

Existing 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, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adoption of enforcement regulations, and conducting studies and investigations to assess the quality of water in domestic water supplies.

Existing law establishes the Safe Drinking Water State Revolving Fund, continuously appropriated to the department for the provision of grants and revolving fund loans to provide for the design and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards. Existing law requires the department to establish criteria to be met for projects to be eligible for consideration for this funding.

This bill would allow the department to issue a letter of no prejudice, as defined, to a public water system that is a lead applicant for a project that may be funded by the Safe Drinking Water Revolving Fund and

would make expenditures related to the project reimbursable in specified circumstances.

Existing 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 powers to review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.

This bill would additionally authorize the commission to review and approve or disapprove, at the commission's discretion, the consolidation of territory within the jurisdiction of a mutual water company into the jurisdiction of a city as a special district that operates a public water system, with the consent of the respective city and mutual water company.

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, each local agency formation commission is required to develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere of influence. In order to prepare and update spheres of influence, the commission is required to conduct a service review, including the review of growth and population projections for the affected area, present and planned capacity of public facilities and adequacy of public services, financial ability of agencies to provide services, the status of, and opportunities for, shared facilities, accountability for community service needs, and any other matter related to effective or efficient service delivery, as required by commission policy.

This bill would authorize the commission to include in the service review, a review of whether the available drinking water sources within the area of review comply with safe drinking water standards.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Californians rely on a broad diversity of public and private
- 4 organizations to deliver clean and safe drinking water to their home

1 water taps. Regardless of the form of the organization that operates
2 a public water system, these organizations provide a public service
3 that remains one of the core duties of the people's government.

4 (b) While the state's goal is to ensure clean and safe drinking
5 water, California's drinking water quality has deteriorated and
6 some public water systems continue to suffer poor water quality
7 that are inconsistent with safe drinking water standards.

8 (c) The state provides funding to public water systems to
9 improve drinking water quality through the Safe Drinking Water
10 Revolving Fund, but demand far exceeds the available funding.
11 The United States Environmental Protection Agency's Drinking
12 Water Infrastructure Needs Survey and Assessment, which was
13 performed in 2007, State Department of Public Health estimates
14 that the 20-year drinking water infrastructure need for California
15 is \$39 billion. Funding for such projects, however, for 1997–2008
16 totaled only 1.2 billion.

17 (d) It is the intent of the Legislature to enact legislation that
18 would impose consistent fines and penalties on public water
19 systems across the state to ensure compliance with safe drinking
20 water standards.

21 SEC. 2. Section 56375 of the Government Code is amended
22 to read:

23 56375. The commission shall have all of the following powers
24 and duties subject to any limitations upon its jurisdiction set forth
25 in this part:

26 (a) (1) To review and approve or disapprove with or without
27 amendment, wholly, partially, or conditionally, proposals for
28 changes of organization or reorganization, consistent with written
29 policies, procedures, and guidelines adopted by the commission.

30 (2) The commission may initiate proposals by resolution of
31 application for any of the following:

32 (A) The consolidation of a district, as defined in Section 56036.

33 (B) The dissolution of a district.

34 (C) A merger.

35 (D) The establishment of a subsidiary district.

36 (E) The formation of a new district or districts.

37 (F) A reorganization that includes any of the changes specified
38 in subparagraph (A), (B), (C), (D), or (E).

39 (3) A commission may initiate a proposal described in paragraph
40 (2) only if that change of organization or reorganization is

1 consistent with a recommendation or conclusion of a study
2 prepared pursuant to Section 56378, 56425, or 56430, and the
3 commission makes the determinations specified in subdivision (b)
4 of Section 56881.

5 (4) A commission shall not disapprove an annexation to a city,
6 initiated by resolution, of contiguous territory that the commission
7 finds is any of the following:

8 (A) Surrounded or substantially surrounded by the city to which
9 the annexation is proposed or by that city and a county boundary
10 or the Pacific Ocean if the territory to be annexed is substantially
11 developed or developing, is not prime agricultural land as defined
12 in Section 56064, is designated for urban growth by the general
13 plan of the annexing city, and is not within the sphere of influence
14 of another city.

15 (B) Located within an urban service area that has been delineated
16 and adopted by a commission, which is not prime agricultural land,
17 as defined by Section 56064, and is designated for urban growth
18 by the general plan of the annexing city.

19 (C) An annexation or reorganization of unincorporated islands
20 meeting the requirements of Section 56375.3.

21 (5) As a condition to the annexation of an area that is
22 surrounded, or substantially surrounded, by the city to which the
23 annexation is proposed, the commission may require, where
24 consistent with the purposes of this division, that the annexation
25 include the entire island of surrounded, or substantially surrounded,
26 territory.

27 (6) A commission shall not impose any conditions that would
28 directly regulate land use density or intensity, property
29 development, or subdivision requirements.

30 (7) The decision of the commission with regard to a proposal
31 to annex territory to a city shall be based upon the general plan
32 and rezoning of the city. When the development purposes are not
33 made known to the annexing city, the annexation shall be reviewed
34 on the basis of the adopted plans and policies of the annexing city
35 or county. A commission shall require, as a condition to
36 annexation, that a city prezone the territory to be annexed or present
37 evidence satisfactory to the commission that the existing
38 development entitlements on the territory are vested or are already
39 at build-out, and are consistent with the city's general plan.

1 However, the commission shall not specify how, or in what
2 manner, the territory shall be rezoned.

3 (b) With regard to a proposal for annexation or detachment of
4 territory to, or from, a city or district or with regard to a proposal
5 for reorganization that includes annexation or detachment, to
6 determine whether territory proposed for annexation or detachment,
7 as described in its resolution approving the annexation, detachment,
8 or reorganization, is inhabited or uninhabited.

9 (c) With regard to a proposal for consolidation of two or more
10 cities or districts, to determine which city or district shall be the
11 consolidated successor city or district.

12 (d) To approve the annexation of unincorporated, noncontiguous
13 territory, subject to the limitations of Section 56742, located in the
14 same county as that in which the city is located, and that is owned
15 by a city and used for municipal purposes and to authorize the
16 annexation of the territory without notice and hearing.

17 (e) To approve the annexation of unincorporated territory
18 consistent with the planned and probable use of the property based
19 upon the review of general plan and rezoning designations. No
20 subsequent change may be made to the general plan for the annexed
21 territory or zoning that is not in conformance to the rezoning
22 designations for a period of two years after the completion of the
23 annexation, unless the legislative body for the city makes a finding
24 at a public hearing that a substantial change has occurred in
25 circumstances that necessitate a departure from the rezoning in
26 the application to the commission.

27 (f) With respect to the incorporation of a new city or the
28 formation of a new special district, to determine the number of
29 registered voters residing within the proposed city or special district
30 or, for a landowner-voter special district, the number of owners
31 of land and the assessed value of their land within the territory
32 proposed to be included in the new special district. The number
33 of registered voters shall be calculated as of the time of the last
34 report of voter registration by the county elections official to the
35 Secretary of State prior to the date the first signature was affixed
36 to the petition. The executive officer shall notify the petitioners of
37 the number of registered voters resulting from this calculation.
38 The assessed value of the land within the territory proposed to be
39 included in a new landowner-voter special district shall be
40 calculated as shown on the last equalized assessment roll.

- 1 (g) To adopt written procedures for the evaluation of proposals,
2 including written definitions consistent with existing state law.
3 The commission may adopt standards for any of the factors
4 enumerated in Section 56668. Any standards adopted by the
5 commission shall be written.
- 6 (h) To adopt standards and procedures for the evaluation of
7 service plans submitted pursuant to Section 56653 and the initiation
8 of a change of organization or reorganization pursuant to
9 subdivision (a).
- 10 (i) To make and enforce regulations for the orderly and fair
11 conduct of hearings by the commission.
- 12 (j) To incur usual and necessary expenses for the
13 accomplishment of its functions.
- 14 (k) To appoint and assign staff personnel and to employ or
15 contract for professional or consulting services to carry out and
16 effect the functions of the commission.
- 17 (l) To review the boundaries of the territory involved in any
18 proposal with respect to the definiteness and certainty of those
19 boundaries, the nonconformance of proposed boundaries with lines
20 of assessment or ownership, and other similar matters affecting
21 the proposed boundaries.
- 22 (m) To waive the restrictions of Section 56744 if it finds that
23 the application of the restrictions would be detrimental to the
24 orderly development of the community and that the area that would
25 be enclosed by the annexation or incorporation is so located that
26 it cannot reasonably be annexed to another city or incorporated as
27 a new city.
- 28 (n) To waive the application of Section 22613 of the Streets and
29 Highways Code if it finds the application would deprive an area
30 of a service needed to ensure the health, safety, or welfare of the
31 residents of the area and if it finds that the waiver would not affect
32 the ability of a city to provide any service. However, within 60
33 days of the inclusion of the territory within the city, the legislative
34 body may adopt a resolution nullifying the waiver.
- 35 (o) If the proposal includes the incorporation of a city, as defined
36 in Section 56043, or the formation of a district, as defined in
37 Section 2215 of the Revenue and Taxation Code, the commission
38 shall determine the property tax revenue to be exchanged by the
39 affected local agencies pursuant to Section 56810.

1 (p) To authorize a city or district to provide new or extended
2 services outside its jurisdictional boundaries pursuant to Section
3 56133.

4 (q) To enter into an agreement with the commission for an
5 adjoining county for the purpose of determining procedures for
6 the consideration of proposals that may affect the adjoining county
7 or where the jurisdiction of an affected agency crosses the boundary
8 of the adjoining county.

9 (r) *To review and approve or disapprove, at the commission's*
10 *discretion, the consolidation of territory within the jurisdiction of*
11 *a mutual water company formed pursuant to Chapter 2*
12 *(commencing with Section 14310) of Part 7 of Division 3 of Title*
13 *1 of the Corporations Code into the jurisdiction of a city as a*
14 *special district that operates a public water system, with the*
15 *consent of the respective city and mutual water company.*

16 SEC. 3. Section 56430 of the Government Code is amended
17 to read:

18 56430. (a) In order to prepare and to update spheres of
19 influence in accordance with Section 56425, the commission shall
20 conduct a service review of the municipal services provided in the
21 county or other appropriate area designated by the commission.
22 The commission shall include in the area designated for service
23 review the county, the region, the subregion, or any other
24 geographic area as is appropriate for an analysis of the service or
25 services to be reviewed, and shall prepare a written statement of
26 its determinations with respect to each of the following:

27 (1) Growth and population projections for the affected area.

28 (2) Present and planned capacity of public facilities and
29 adequacy of public services, including infrastructure needs or
30 deficiencies.

31 (3) Financial ability of agencies to provide services.

32 (4) Status of, and opportunities for, shared facilities.

33 (5) Accountability for community service needs, including
34 governmental structure and operational efficiencies.

35 (6) Any other matter related to effective or efficient service
36 delivery, as required by commission policy.

37 (b) In conducting a service review, the commission shall
38 comprehensively review all of the agencies that provide the
39 identified service or services within the designated geographic
40 area.

1 (c) *In conducting a service review, the commission may include*
2 *a review of whether the available drinking water sources within*
3 *the area of review comply with safe drinking water standards.*

4 ~~(e)~~

5 (d) The commission shall conduct a service review before, or
6 in conjunction with, but no later than the time it is considering an
7 action to establish a sphere of influence in accordance with Section
8 56425 or Section 56426.5 or to update a sphere of influence
9 pursuant to Section 56425.

10 SEC. 4. Section 116760.65 is added to the Health and Safety
11 Code, to read:

12 116760.65. (a) A public water system, as defined in Section
13 116275, that is a lead applicant for a project that may be funded
14 pursuant to this chapter may apply to the department for a letter
15 of no prejudice for the project or a component of the project. The
16 department may approve the letter of no prejudice for one or more
17 projects or project components that the department has determined
18 to be eligible for federal or state funding pursuant to established
19 funding priorities and has issued an invitation to apply for funding
20 from the Safe Drinking Water Revolving Fund. The letter of no
21 prejudice shall reference the project or component thereof and the
22 maximum amount of bond funding that may be allocated for that
23 project or project component.

24 (b) Expenditures for the costs, up to the amount set forth in the
25 letter of no prejudice, of a project or project component for which
26 a letter of no prejudice has been issued shall be eligible for
27 reimbursement from the Safe Drinking Water Revolving Fund if
28 all of the following apply:

29 (1) The project or project component for which the letter of no
30 prejudice was requested has commenced and expenditures on the
31 project or project component have been incurred by the local
32 agency.

33 (2) The expenditures made by the local agency are eligible for
34 reimbursement in accordance with state and federal laws and
35 procedures, and are permitted expenditures under the applicable
36 provisions of the federal Safe Drinking Water Act (42 U.S.C. Sec.
37 300f et seq.) or the California Safe Drinking Water Act. If
38 expenditures made are determined to be ineligible, then the state
39 has no obligation to reimburse for those expenditures.

1 (3) The public water system complies with all legal requirements
2 for the project, including the requirements of the California
3 Environmental Quality Act (Division 13 (commencing with Section
4 21000) of the Public Resources Code).

5 (4) The expenditures were incurred after the project or project
6 component was determined to be eligible for funding by the
7 department.

8 (5) There is in the Safe Drinking Water Revolving Fund an
9 amount sufficient to make the reimbursement payment. Nothing
10 in this section requires the fund to be funded at a particular time
11 or in a particular amount.

12 (c) The department and the public water system may enter into
13 an agreement or agreements governing reimbursement as described
14 in this section.

15 (d) Without limiting the foregoing, nothing in this section or in
16 a letter of no prejudice shall eliminate or modify any condition or
17 requirement for granting, allocating, or reallocating funds or any
18 other provision relating to loans, grants, allocations, or reallocations
19 in the California Safe Drinking Water Act or related statutes.

20 (e) For purposes of this section, "letter of no prejudice" means
21 an agreement between a public water system and the department
22 that makes eligible for future reimbursement from the Safe
23 Drinking Water Revolving Fund the expenditure of funds under
24 the control of the public water system, subject to availability of
25 bond funds, as provided in this section. The timing and final
26 amount of reimbursement is dependent on the terms of the
27 agreement and the availability of funds. The final amount of
28 reimbursement may be less than the amount stated in the letter of
29 no prejudice.

ASSEMBLY BILL

No. 912

3

Introduced by Assembly Member Gordon

February 17, 2011

An act to amend Section 57077 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 912, as introduced, Gordon. Local government: organization.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements.

This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district with zero sphere of influence, to immediately order the dissolution if the dissolution was initiated by the district board, or to, within 30 days following the approval of the application by the commission, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 57077 of the Government Code is
2 amended to read:

3 57077. (a) If a change of organization consists of a dissolution,
4 disincorporation, incorporation, establishment of a subsidiary
5 district, consolidation, or merger, the commission shall do either
6 of the following:

7 (1) Order the change of organization subject to confirmation of
8 the voters, or in the case of a landowner-voter district, subject to
9 confirmation by the landowners, unless otherwise stated in the
10 formation provisions of the enabling statute of the district or
11 otherwise authorized pursuant to Section 56854.

12 (2) Order the change of organization without election if it is a
13 change of organization that meets the requirements of Section
14 56854, 57081, 57102, or 57107; otherwise, the commission shall
15 take the action specified in paragraph (1).

16 (b) *If a change of organization consists of the dissolution of a*
17 *district with zero sphere of influence, the commission may do either*
18 *of the following:*

19 (1) *If the dissolution was initiated by the district board,*
20 *immediately order the dissolution.*

21 (2) *Within 30 days following the approval of the application by*
22 *the commission, hold at least one noticed public hearing on the*
23 *proposal. Following the conclusion of the hearing, the commission*
24 *may order the dissolution without an election, unless a majority*
25 *protest exists, pursuant to Section 57078.*

26 (b)

27 (c) If a reorganization consists of one or more dissolutions,
28 incorporations, formations, disincorporations, mergers,
29 establishments of subsidiary districts, consolidations, or any
30 combination of those proposals, the commission shall do either of
31 the following:

32 (1) Order the reorganization subject to confirmation of the
33 voters, or in the case of landowner-voter districts, subject to
34 confirmation by the landowners, unless otherwise authorized
35 pursuant to Section 56854.

36 (2) Order the reorganization without election if it is a
37 reorganization that meets the requirements of Section 56853.5,

- 1 56853.6, 56854, 57081, 57102, 57107, or 57111; otherwise, the
- 2 commission shall take the action specified in paragraph (1).

O

Assembly Constitutional Amendment

No. 17

4

Introduced by Assembly Member Logue

February 15, 2011

Assembly Constitutional Amendment No. 17—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 6 of, and adding Section 6.5 to, Article XIII B thereof, relating to state finances.

LEGISLATIVE COUNSEL'S DIGEST

ACA 17, as introduced, Logue. State-mandated local programs.

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.

This measure would apply the existing requirement that the Legislature either appropriate the full payable amount of a mandate or suspend the mandate only through the 2011-12 fiscal year.

The measure would instead prohibit the Legislature or a state agency from mandating a new program or higher level of service on any local government, except as specified, unless the local government is reimbursed for the costs of that new program or higher level of service.

The measure would provide that if, on or after July 1, 2012, the Legislature adopts a statute that mandates a new program or higher level of service on any local government, the mandate would not become operative until the operative date of an appropriation of funds to reimburse all affected local governments for the costs of the new program or higher level of service for the remainder of the fiscal year in which the mandate becomes operative. The measure would impose parallel requirements with regard to a regulation mandating a new program or higher level of service.

The measure would add, as an additional exemption from the mandates for which the Legislature is required to appropriate funds, a mandate for which the governing body of the local government has statutory authority to impose a fee, assessment, or other charge that pays for the costs of the program or increased level of service and that is paid to the local government by the person or entity that is subject to, is regulated by, or otherwise benefits from, the new program or higher level of service.

The measure would authorize a local government to file an action in superior court to challenge the adequacy of the actions taken by the Legislature to reimburse local governments if the Legislature or a state agency mandates a new program or higher level of service. The measure would require the superior court to include, within an order upholding a challenge brought by the local government, an order identifying the amount the court determines is reasonably necessary to reimburse the local government for the costs of the new program or higher level of service.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

1 *Resolved by the Assembly, the Senate concurring,* That the
2 Legislature of the State of California at its 2011-12 Regular
3 Session, commencing on the sixth day of December 2010,
4 two-thirds of the membership of each house concurring, hereby
5 proposes to the people of the State of California, that the
6 Constitution of the State be amended as follows:

7 First—That Section 6 of Article XIII B thereof is amended to
8 read:

9 SEC. 6. (a) ~~Whenever the Legislature or any state agency~~
10 ~~mandates a new program or higher level of service on any local~~
11 ~~government, the State shall provide a subvention of funds to~~

1 reimburse that local government for the costs of the program or
2 increased level of service, except that ~~the~~ *The Legislature or a*
3 *state agency shall not mandate a new program or higher level of*
4 *service on any local government, other than a mandate described*
5 *in subdivision (c), unless the local government is reimbursed for*
6 *the costs of that new program or higher level of service in*
7 *accordance with this section.*

8 (b) (1) *On or after July 1, 2012, if the Legislature adopts a*
9 *statute that mandates a new program or higher level of service on*
10 *any local government, the mandate shall not become operative*
11 *until the operative date of an appropriation of funds in an amount*
12 *not less than the amount necessary to reimburse all affected local*
13 *governments for the costs of the new program or higher level of*
14 *service for the remaining period of the fiscal year in which the*
15 *mandate becomes operative.*

16 (2) *On or after July 1, 2012, if a state agency adopts a*
17 *regulation that mandates a new program or higher level of service*
18 *on any local government, the mandate shall not become operative*
19 *until the operative date of an appropriation of funds in an amount*
20 *not less than the amount necessary to reimburse all affected local*
21 *governments for the costs of the new program or higher level of*
22 *service for the remaining period of the fiscal year in which the*
23 *regulation becomes operative.*

24 (3) *On and after July 1, 2013, for any mandate that became*
25 *operative in a prior fiscal year, if the Legislature fails to*
26 *appropriate funds to reimburse all affected local governments for*
27 *the cost of the mandate for the current fiscal year, the mandate*
28 *shall become inoperative on January 1 of that fiscal year. The*
29 *mandate shall remain inoperative until the operative date of an*
30 *appropriation in the amount necessary to reimburse all affected*
31 *local governments for the costs of the program or higher level of*
32 *service for the remaining period of the fiscal year.*

33 (c) ~~The Legislature may, but need not, provide a subvention of~~
34 *appropriate funds for the following mandates:*

35 (1) *Legislative mandates requested by the local agency affected.*
36 (2) *Legislation defining a new crime or changing an existing*
37 *definition of a crime.*

38 (3) *Legislative mandates enacted prior to January 1, 1975, or*
39 *executive orders or regulations initially implementing legislation*
40 *enacted prior to January 1, 1975.*

1 (4) Legislation for which the governing body of the affected
2 local government has statutory authority to impose a fee,
3 assessment, or other charge that pays for the full costs of the new
4 program or increased level of service and that is to be paid to the
5 local government by the person or entity that is subject to, is
6 regulated by, or otherwise benefits from, the new program or
7 increased level of service.

8 ~~(b)~~

9 (d) (1) Except as provided in paragraph (2), for the 2005-06
10 fiscal year ~~and every subsequent fiscal year to the 2011-12 fiscal~~
11 ~~year, inclusive,~~ for a mandate for which the costs of a local
12 government claimant have been determined in a preceding fiscal
13 year to be payable by the State pursuant to law, the Legislature
14 shall either appropriate, in the annual Budget Act, the full payable
15 amount that has not been previously paid, or suspend the operation
16 of the mandate for the fiscal year for which the annual Budget Act
17 is applicable in a manner prescribed by law.

18 (2) Payable claims for costs incurred prior to the 2004-05 fiscal
19 year that have not been paid prior to the 2005-06 fiscal year may
20 be paid over a term of years, as prescribed by law.

21 ~~(3) Ad valorem property tax revenues shall not be used to~~
22 ~~reimburse a local government for the costs of a new program or~~
23 ~~higher level of service.~~

24 ~~(4)~~

25 (3) This subdivision applies to a mandate only as it affects a
26 city, county, city and county, or special district.

27 ~~(5)~~

28 (4) This subdivision shall not apply to a requirement to provide
29 or recognize any procedural or substantive protection, right, benefit,
30 or employment status of any local government employee or retiree,
31 or of any local government employee organization, that arises
32 from, affects, or directly relates to future, current, or past local
33 government employment and that constitutes a mandate subject
34 to this section.

35 (e) *Ad valorem property tax revenues shall not be used to*
36 *reimburse a local government for the costs of a new program or*
37 *higher level of service.*

38 ~~(e)~~

39 (f) A mandated new program or higher level of service includes
40 a transfer by the Legislature from the State to cities, counties, cities

1 and counties, or special districts of complete or partial financial
2 responsibility for a required program for which the State previously
3 had complete or partial financial responsibility.

4 Second—That Section 6.5 is added to Article XIII B thereof, to
5 read:

6 SEC. 6.5. (a) As an alternative to any other procedure provided
7 by law, a local government may bring an action against the State
8 in the superior court to challenge the adequacy of the actions taken
9 by the Legislature to reimburse the local government in an amount
10 necessary to pay for the costs of a new program or higher level of
11 service, as required by Section 6.

12 (b) If, based on the pleadings, the superior court determines that
13 there is a reasonable likelihood that the local government will
14 prevail in an action brought pursuant to this section, the superior
15 court shall appoint a special master or other neutral evaluator to
16 recommend to the court the amount of funds necessary to reimburse
17 the local government for the costs of the new program or higher
18 level of service, as required by Section 6.

19 (1) The special master or other neutral evaluator shall consult
20 with persons and entities familiar with the statute or regulation
21 and the costs of its implementation, including, but not limited to,
22 representatives of the State and representatives of local government.

23 (2) The superior court shall include, within an order upholding
24 a challenge brought by a local government, an order identifying
25 the amount the court determines is necessary to reimburse the local
26 government for the costs of the new program or higher level of
27 service, as required by Section 6.

28 (c) The superior court may enjoin the operation of the mandate
29 during the pendency of an action filed pursuant to this section,
30 and, subsequently, upon a holding of the court that a local
31 government is not required to implement a mandate because the
32 Legislature has failed to appropriate funds in the amount
33 determined by the court pursuant to subdivision (b).

Introduced by Senator Wolk
(Coauthors: Senators Price and Rubio)
(Coauthor: Assembly Member Perea)

February 10, 2011

An act to add Section 65302.10 to the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 244, as introduced, Wolk. Land use: general plan: disadvantaged unincorporated communities.

The Planning and Zoning Law requires a city or county to adopt a comprehensive, long-term general plan for the physical development of the city or county and of any land outside its boundaries that bears relation to its planning. That law also requires the general plan to contain specified mandatory elements, including a housing element for the preservation, improvement, and development of the community's housing.

This bill would require, prior to January 1, 2014, and thereafter upon each revision of its housing element, a city or county to review and update one or more elements of its general plan, as necessary to address the presence of island, fringe, or legacy unincorporated communities, as defined, inside or near its boundaries, and would require the updated general plan to include specified information. This bill would also require the city or county planning agency, after the initial revision and update of the general plan, to review, and if necessary amend, the general plan to update the information, goals, and program of action relating to these communities therein. By adding to the duties of city and county officials, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement shall be made pursuant to these statutory provisions for costs mandated by the state pursuant to this act, but would recognize that local agencies and school districts may pursue any available remedies to seek reimbursement for these costs.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) Hundreds of disadvantaged unincorporated communities,
4 commonly referred to as "colonias," exist in California. There are
5 more than 200 of these communities in the San Joaquin Valley
6 alone. Many of these communities are geographically isolated
7 islands, surrounded by the city limits of large and medium-sized
8 cities.

9 (2) Conditions within these disadvantaged unincorporated
10 communities evidence a distinct lack of public and private
11 investment that threatens the health and safety of the residents of
12 these communities and fosters economic, social, and educational
13 inequality. Many of these communities lack basic infrastructure,
14 including, but not limited to, streets, sidewalks, storm drainage,
15 clean drinking water, and adequate sewer service.

16 (b) It is the intent of the Legislature to encourage investment in
17 these communities and address the complex legal, financial, and
18 political barriers that contribute to regional inequity and
19 infrastructure deficits within disadvantaged unincorporated
20 communities.

21 SEC. 2. Section 65302.10 is added to the Government Code,
22 to read:

23 65302.10. (a) As used in this section, the following terms shall
24 have the following meanings:

25 (1) "Disadvantaged unincorporated community" means a fringe,
26 island, or legacy community in which the median household

1 income is 80 percent or less than the statewide median household
2 income.

3 (2) "Unincorporated fringe community" means any inhabited
4 and unincorporated territory that is within a city's sphere of
5 influence.

6 (3) "Unincorporated island community" means any inhabited
7 and unincorporated territory that is surrounded or substantially
8 surrounded by one or more cities or by one or more cities and a
9 county boundary or the Pacific Ocean.

10 (4) "Unincorporated legacy community" means a geographically
11 isolated community that is inhabited and has existed for at least
12 50 years.

13 (b) Prior to January 1, 2014, and thereafter upon each revision
14 of its housing element made pursuant to Section 65588, the
15 legislative body of a city or county shall review and update one
16 or more elements of its general plan as necessary to include data
17 and analysis, goals, implementation measures, policies, and
18 objectives to address the presence of unincorporated island, fringe,
19 or legacy communities inside or near its boundaries. The updated
20 general plan shall also include all of the following:

21 (1) An identification of each unincorporated island, fringe, or
22 legacy community within or proximate to the boundaries of the
23 city or county. This identification shall include a description of
24 the community and a map designating its location.

25 (2) For each identified community, a quantification and analysis
26 of all of the following:

27 (A) The number of housing units and residents that lack access
28 to sanitary sewer service.

29 (B) The number of housing units and residents that lack access
30 to municipal water service.

31 (C) The number of residential neighborhoods within a
32 community that lack one or more of the following:

33 (i) Paved roads.

34 (ii) Storm drainage.

35 (iii) Sidewalks.

36 (iv) Street lighting.

37 (D) The number of households within one-quarter of a mile of
38 public transit.

39 (E) The number of housing units that are in substandard
40 condition.

1 (F) The number of households paying more than 30 percent of
2 their income toward housing.

3 (G) The number of households in overcrowded housing.

4 (3) An analysis of the city's or county's current programs and
5 activities to address the conditions or deficiencies described in
6 paragraph (2), and an identification of any constraints to addressing
7 those conditions or deficiencies. The analysis shall evaluate the
8 annexation of any identified island or fringe communities.

9 (4) A statement setting forth the city's or county's specific,
10 quantified goals for eliminating or reducing the conditions or
11 deficiencies described in paragraph (2) and found to be present in
12 an unincorporated island, fringe, or legacy community within or
13 proximate to the boundaries of the city or county.

14 (5) A set of flexible implementation measures designed to carry
15 out the goals described in paragraph (4), including an identification
16 of resources and a timeline of actions.

17 (c) After the initial revision of its general plan pursuant to this
18 section, on or before the due date for the next revision of its
19 housing element, the planning agency shall review, and if necessary
20 amend, its general plan to update the analysis, goals, and actions
21 required by this section.

22 SEC. 3. No reimbursement shall be made pursuant to Part 7
23 (commencing with Section 17500) of Division 4 of Title 2 of the
24 Government Code for costs mandated by the state pursuant to this
25 act. It is recognized, however, that a local agency or school district
26 may pursue any remedies to obtain reimbursement available to it
27 under Part 7 (commencing with Section 17500) and any other
28 provisions of law.

ASSEMBLY BILL

No. 307

6

Introduced by Assembly Member Nestande

February 9, 2011

An act to amend Section 6500 of, to add Section 6529.5 to, and to repeal Sections 6529 and 6530 of, the Government Code, relating to joint powers agreements.

LEGISLATIVE COUNSEL'S DIGEST

AB 307, as introduced, Nestande. Joint powers agreements: public agency: federally recognized Indian tribe.

Existing law authorizes 2 or more public agencies, as defined, to enter into an agreement to exercise common powers. Existing law also permits certain federally recognized Indian tribes to enter into joint powers agreements with particular parties and for limited purposes.

This bill would include a federally recognized Indian tribe as a public agency that may enter into a joint powers agreement. This bill would also make conforming changes by repealing now redundant code sections.

This bill would also prohibit any joint powers authority that includes a federally recognized Indian tribe from authorizing or issuing bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 unless the public improvements to be funded by the bonds will be owned and maintained by the authority or one or more of its public agency members, and the revenue streams pledged to repay the bonds derive from the authority or one or more of its public agency members.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6500 of the Government Code is amended
2 to read:

3 6500. As used in this article, "public agency" includes, but is
4 not limited to, the federal government or any federal department
5 or agency, this state, another state or any state department or
6 agency, a county, county board of education, county superintendent
7 of schools, city, public corporation, public district, regional
8 transportation commission of this state or another state, *a federally*
9 *recognized Indian tribe*, or any joint powers authority formed
10 pursuant to this article by any of these agencies.

11 SEC. 2. Section 6529 of the Government Code is repealed.

12 ~~6529. (a) The Elk Valley Rancheria Tribal Council, as the~~
13 ~~governing body of the Elk Valley Rancheria, California, a federally~~
14 ~~recognized Indian tribe, may enter into a joint powers agreement~~
15 ~~with the County of Del Norte and the City of Crescent City, or~~
16 ~~both, and shall be deemed to be a public agency for purposes of~~
17 ~~this chapter.~~

18 ~~(b) On and after January 1, 2004, the joint powers authority~~
19 ~~created pursuant to subdivision (a) shall not have the power to~~
20 ~~authorize or issue bonds pursuant to the Marks-Roos Local Bond~~
21 ~~Pooling Act of 1985 (Article 4 (commencing with Section 6584))~~
22 ~~unless the public improvements to be funded by the bonds will be~~
23 ~~owned and maintained by the authority or one or more of its public~~
24 ~~agency members, and the revenue streams pledged to repay the~~
25 ~~bonds derive from the authority or one or more of its public agency~~
26 ~~members.~~

27 SEC. 3. Section 6529.5 is added to the Government Code, to
28 read:

29 6529.5. Any joint powers authority that includes a federally
30 recognized Indian tribe shall not have the authority to authorize
31 or issue bonds pursuant to the Marks-Roos Local Bond Pooling
32 Act of 1985 (Article 4 (commencing with Section 6584)) unless
33 the public improvements to be funded by the bonds will be owned
34 and maintained by the authority or one or more of its public agency
35 members, and the revenue streams pledged to repay the bonds
36 derive from the authority or one or more of its public agency
37 members.

38 SEC. 4. Section 6530 of the Government Code is repealed.

1 ~~6530. (a) Notwithstanding any other provision of law, the~~
2 ~~Torres Martinez Desert Cahuilla Indians are authorized to enter~~
3 ~~into a joint powers agreement to participate in the Salton Sea~~
4 ~~Authority.~~
5 ~~(b) On and after January 1, 2002, the Salton Sea Authority shall~~
6 ~~not have the power to authorize or issue bonds pursuant to the~~
7 ~~Marks Roos Local Bond Pooling Act of 1985 (Article 4~~
8 ~~(commencing with Section 6584)) unless the public improvements~~
9 ~~to be funded by the bonds will be owned and maintained by the~~
10 ~~authority or one or more of its public agency members, and the~~
11 ~~revenue streams pledged to repay the bonds derive from the~~
12 ~~authority or one or more of its public agency members.~~

Proposed CALAFCO Amendments to G.C. Section 56133
(Updated on March 1, 2011)

(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries-boundary only if it first requests and receives written approval from the commission in the affected principal county. ~~The commission may delegate approval of requests made pursuant to subdivisions (b) and (c)(1) below to the Executive Officer.~~

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries-boundary but within its sphere of influence in anticipation of a later change of organization.

(c) ~~If consistent with adopted policy,~~ (The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries-boundary and outside its sphere of influence under any of the following circumstances:

(1) ~~to~~ respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

(1A) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(1B) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(2) To support existing or planned uses involving public or private properties subject to approval at a noticed public hearing that includes all of the following determinations:

(A) The extension of service or service deficiency was identified and evaluated in a municipal service review prepared by the commission pursuant to section 56430.

(B) The extension of service would not result in significant adverse impacts on or to open-space or agricultural lands.

(C) The extension of service would not result in significant adverse growth inducing impacts.

(D) A later change of organization is not feasible or desirable involving the subject property and the affected agency based on the adopted policies of the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of those requests made under this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the contract for extended services. If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to contracts or agreements solely involving two or more public agencies where the commission determines the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.

(f) This section does not apply to contracts for the transfer of nonpotable or nontreated water.

(g) This section does not apply to contracts or agreements solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected principal county.

(h) This section does not apply to an extended service that a city or district was providing on or before January 1, 2001.

(i) This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.

(j) The application of this section rests solely within the jurisdiction of the commission in the principal county.

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