

# EL DORADO LAFCO

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LOCAL AGENCY FORMATION COMMISSION

## *AGENDA OF OCTOBER 27, 2010*

### *REGULAR MEETING*

**TO:** Ken Humphreys, Chair, and  
Members of the El Dorado County Local Agency Formation  
Commission

**FROM:** José C. Henríquez, Executive Officer

**PREPARED BY:** Erica Sanchez, Policy Analyst

**AGENDA ITEM #8A: OTHER BUSINESS – LEGISLATION**

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#### **RECOMMENDATION**

None. This item is for information purposes only and is intended to be a summary of LAFCO-related legislation.

#### **REASON FOR RECOMMENDED ACTION AND BACKGROUND**

Governor Schwarzenegger took final action on proposed bills on September 30, 2010. The following is a summary on the status and final actions for some bills that staff has been monitoring in the past year:

#### **Signed by the Governor:**

##### **SB 894 (Committee on Local Government) – Omnibus Bill**

This Senate Local Government Committee Omnibus Bill contains two items related to LAFCO: 1) it clarifies the statute of limitations for challenges to a LAFCO city boundary change and eliminates an antiquated conflicting section; and 2) it cleans up language in various local government laws to clarify that judges can resolve land use and environmental lawsuits through mediation before going to trial.

##### **AB 2530 (Nielson) – Williamson Act “Bridge” Solution**

Would beginning January 1, 2011, and until January 1, 2015, authorize a county in any fiscal year in which payments authorized for reimbursement to a county for lost revenue are less than half of the participating county’s actual forgone general fund property tax revenue, to revise the term for new contracts and require the assessor to value the property, as specified, based on the new contract. The bill would provide that a landowner may choose to non-renew and begin the cancellation process. The bill

would also provide that any increased revenues generated by properties under a new contract shall be paid to the county.

**Vetoed by the Governor:**

**AB 853 (Arambula) – Disadvantaged Communities**

This bill would require LAFCOs to identify "disadvantaged inhabited communities" in each county and to assess water, wastewater, and fire protection deficiencies in each community when preparing a Sphere of Influence update or MSR. It allows LAFCOs discretion in determining what size or population constitutes a disadvantaged community. It allows 25% of the registered voters to petition the Board of Supervisors to submit an application to LAFCO for annexation. It does not change the current CKH annexation process or requirements. It would take effect July, 1 2011. Additional amendments requested by CALAFCO are expected in Appropriations Committee.

**SB 194 (Florez) - The Community Equity Investment Act of 2009**

Focuses on infrastructure and municipal services for disadvantaged unincorporated communities. Specifies how certain community development block funds shall be used to address these communities. Requires cities and counties to establish citizen advisory committees to provide input on the use of funds.

**SB 1425 (Simitian) – Limits to Final Compensation Calculations**

Establishes limits to what can be considered in determining final pay for any state or local member of the Public Employees' Retirement System (PERS) and requires the final year pay and the proceeding two years be considered in determining final compensation. It also prohibits employees from retiring and then working for the agency under contract for a certain period of time. It passed Assembly Appropriations August 12 on a 12-0 vote. It is currently in the suspense file awaiting action.

**AB 1987 (Ma) – PERS Retirement**

Sets limits to final compensation calculations and bases average compensation on final year plus two previous years. Also restricts ability for retiree to be employed by local agencies for 180 days after retirement.

**Failed in Committee:**

**AB 1955 (De La Torre) – Excess Compensation Cities and Posting of Compensation**

Establishes "excess compensation cities" where the total compensation for city council members exceeds the amounts specified in State Law, regardless of whether they are a general law or charter city. Requires ratification of employment contract or amendments to contract in a public session, disclosure by name and title of the individual with each element of the full compensation package, and making the information available to the public including posting it on the agency's website prior to the meeting to ratify the contract. Amended to shift oversight responsibilities from the Attorney General to the Controller.

**SB 501 (Correa) – Compensation Disclosure**

Requires the annual disclosure of all compensation by each elected official, employee, contractor and anyone else required to file a Statement of Economic Interest (Form 700). In its current version, the bill only applies to cities, counties, special districts,

school districts and JPAs. However, many LAFCOs may choose to abide by its requirements should it become law. The bill requires the disclosures be posted on the agency web site and available for public inspection and reproduction during business hours. It covers all compensation including salaries, stipends, expense reimbursements, employer-paid benefits and any other monetary or nonmonetary perquisites provided.

#### Attachment

Attachment A: Legislation Report