EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF OCTOBER 23, 2019

REGULAR MEETING

TO: Shiva Frentzen, Chair, and

Members of the El Dorado County Local Agency Formation

Commission

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Assistant Executive Officer

AGENDA ITEM #13A: OTHER BUSINESS - LEGISLATION

RECOMMENDATION

Staff recommends that the Commission receive the following update on recent changes to LAFCO-related legislation from the current 2019-2020 Legislative Session, including a letter to Remove Opposition to Assembly Bill 600 (Chu), as amended September 4, 2019. No Commission action is requested.

REASON FOR RECOMMENDED ACTION AND BACKGROUND

The State Legislature recently completed year one of its two-year legislative cycle; October 13 was the last day for Governor Newsom to sign or veto bills passed by the Legislature. The Legislature will reconvene on January 6 to begin the second year of the current two-year cycle.

Chaptered Bills

Unless otherwise noted, chaptered bills will become effective January 1, 2020.

AB 508 (Chu) – Drinking Water: Consolidation and Extension of Service: Domestic

Wells

Last Amended August 12, 2019 CALAFCO Position: Watch

Signed by the Governor September 27, 2019

AB 508 allows the State Water Resources Control Board (SWRCB) to order an extension of service in the case a disadvantaged community has at least one residence that are reliant on a domestic well that fails to provide safe drinking water. It allows members of the disadvantaged community to petition the SWRCB to initiate the process, and allows property owners to opt out of the extension. The bill also places limitations on fees, charges and terms and conditions imposed as a result of the extension of service. The extension of service does not require annexation in the cases where that would be appropriate. SB 600 was signed into law by the Governor on September 27.

AB 600 (Chu) – Local Government: Organization: Disadvantaged Unincorporated Communities

Last Amended September 4, 2019

CALAFCO Position: Watch with Concerns (changed from Opposed) Signed by the Governor October 8, 2019

AB 600 addresses water issues within disadvantaged unincorporated community (DUCs) and modifies the requirements for an application to annex a contiguous DUC. As amended on September 4, the bill now prohibits the approval of an annexation of two or more contiguous areas that take place within five years of each other and are individually less than ten acres but cumulatively greater than ten acres. SB 600 was signed into law by the Governor on October 8.

CALAFCO and a number of LAFCOs, including El Dorado, originally took an Oppose position on earlier versions of this bill. As most recently amended, the bill removes all of CALAFCO's direct policy concerns. There are, however, concerns that remain over the lack of a holistic approach by the Legislature to address service delivery issues to DUCs and the definition of a DUC.

As a result of the September 4 amendments, CALAFCO changed its position from Oppose to Watch with Concerns and requested individual LAFCOs do the same. Due to the time-sensitive nature of the request, Chair Frentzen authorized your Executive Officer to send an updated Removal of Opposition as Amended letter on September 11, included as **Attachment A**. The letter also outlines remaining concerns regarding the broader philosophical issue of the definition of DUCs and the sources of data to identify them, as well as the resources and plans to systemically and sustainably solve the issues.

AB 1628 (Rivas, Robert) – Environmental Justice Last Amended August 26, 2019 CALAFCO Position: Watch Signed by the Governor September 27, 2019

AB 1628 changes the definition of "environmental justice" in three places in State Law: within the Cortese-Knox-Hertzberg Act (CKH), Planning and Zoning Law, and the California Coastal Act. As amended on August 26, the definitions in each of the three proposed sections are expanded, but will be specific to context of those particular sections.

Environmental justice is an existing factor to be considered by LAFCO in the review of an application. As amended, the scope of the definition of environmental justice in CKH [Government Code §56668(p)] has been expanded to include national origins and a reference to the effects of pollution not being disproportionately borne by any particular population or community. AB 1628 was signed into law by the Governor on September 27.

Two-Year Bills

Bills that fail to meet a deadline in the first year of the legislative session but still may be acted upon in the second year.

SB 414 (Caballero) – Small System Water Authority Act of 2019 Last Amended June 25, 2019 CALAFCO Position: Support

SB 414 allows for the dissolution of water providers (public and private) and the formation of a new water authority. As last reported in August, the bill was proposed to be drastically amended to remove LAFCO in the formation process of the new water authority at the request of the SWRCB. However, CALAFCO was able to work with the sponsors to express its serious concern regarding eliminating LAFCO from the formation process and its intention to move from a Support position to Oppose if the amendments were approved. As a result, Appropriations held the bill in committee on August 30 as a two-year bill. The pending amendments will be considered again in 2020.

AB 213 (Reyes) – Vehicle License Fee Adjustments: Inhabited City Annexations Introduced January 15, 2019 CALAFCO Position: Support

AB 213 reinstates vehicle license fee (VLF) revenue for inhabited city annexations; payments would come from ERAF which is backfilled from the general fund. This bill would restore financial incentives for cities to annex, and provide services to, unincorporated islands and adjacent disadvantaged communities. AB 213 failed to pass the Senate Appropriations Committee on August 30 and may be acted upon in 2020.

Attachments

Attachment A: AB 600 (Chu) - Disadvantaged Unincorporated Communities: Signed

Letter to Remove Opposition, as amended September 4, 2019

Attachment B: AB 600 (Chu), Chapter 612

Attachment C: CALAFCO Legislation Report