

**CALAFCO Daily Legislative Report  
as of Tuesday, May 10, 2016**

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**[AB 2032](#) ([Linder R](#)) Change of organization: cities: disincorporation.**

**Current Text:** Amended: 4/11/2016 [pdf](#) [html](#)

**Introduced:** 2/16/2016

**Last Amended:** 4/11/2016

**Status:** 4/21/2016-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (April 20). Re-referred to Com. on APPR.

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

**Calendar:**

5/11/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation and the potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.

**Attachments:**

[CALAFCO Removal of Opposition Letter April 2016](#)

[CALAFCO Oppose Letter March 2016](#)

**Position:** Support

**Subject:** CKH General Procedures, Disincorporation/dissolution

**CALAFCO Comments:** This bill is sponsored by the County Auditor's Association. After working closely with the author's office and the sponsor's representative, the bill has been substantially amended. The amendments in the April 5, 2016 version of the bill eliminate all of CALAFCO's concerns, and as a result we have removed our opposition. The amendments reflected in the April 11, 2016 version reflect the addition of one item inadvertently omitted by the author and a requested change in the ordering sequence by CALAFCO. All amendments are minor and have been agreed to by CALAFCO and the other stakeholders with whom we worked last year on AB 851 (Mayes).

**[AB 2277](#) ([Melendez R](#)) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Introduced: 2/18/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Status:** 4/20/2016-In committee: Set, first hearing. Referred to APPR. suspense file.

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

**Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that

exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

**Attachments:**

[CALAFCO Support Letter March 2016](#)

**Position:** Support

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** As introduced, this bill is identical to SB 817 (Roth, 2016) except that it does not incorporate changes to the R&T Code Section 97.70 related to AB 448 (Brown, 2015). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**[AB 2470](#) ([Gonzalez D](#)) **Municipal water districts: water service: Indian tribes.****

**Current Text:** Amended: 4/26/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/26/2016

**Status:** 4/27/2016-Re-referred to Com. on APPR.

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

**Summary:**

Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe and the satisfaction of certain conditions, would require a district to provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements and the Indian tribe satisfies prescribed conditions.

**Position:** Watch

**Subject:** Water

**[AB 2471](#) ([Quirk D](#)) **Health care districts: dissolution.****

**Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Status:** 5/9/2016-From committee: Amend, and do pass as amended. (Ayes 8. Noes 0.) (May 4).

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

**Calendar:**

5/12/2016 #8 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

**Summary:**

Would require a local agency formation commission to order the dissolution of a health care district without an election if the health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to the provisions of the act for winding up the affairs of a dissolved district.

**Attachments:**

[CALAFCO Oppose Unless Amended Letter April 2016](#)

**Position:** Oppose unless amended

**Subject:** CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

**CALAFCO Comments:** As introduced, this bill amends CKH 57103 and Health & Safety Code by adding Section 32495. These changes require a LAFCO to order the dissolution of a health care district without an election, providing the health care district: (1) does not currently receive a property tax allocation; (2) has substantial net assets; and (3) does not provide a direct health care service (defined as the ownership or operation of a hospital, medical clinic, wellness center or ambulance service).

CALAFCO was not contacted by the author prior to the bill's introduction. According to the author's office, the bill is sponsored by Alameda County and focuses on a local issue with the Eden Health Care District. However, the bill is not written exclusively to address that issue, but rather all health care districts that meet the noted criteria. Further the bill removes all discretion from LAFCo in making a decision about the dissolution of a healthcare district that meets the stated criteria.

CALAFCO has offered two amendment options for the author to consider, both of which remove the requirement for an election subsequent to the LAFCO ordering the dissolution of the healthcare district.

**[AB 2910](#) (Committee on Local Government) Local government: organization: omnibus bill.**

**Current Text:** Amended: 4/18/2016 [pdf](#) [html](#)

**Introduced:** 3/15/2016

**Last Amended:** 4/18/2016

**Status:** 5/5/2016-In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

**Summary:**

Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's current service area and instead include references to the public agency's jurisdictional boundaries.

**Attachments:**

[CALAFCO Support Letter April 2016](#)

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is the annual Omnibus bill that makes minor, non controversial changes to CKH. This year, the bill makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. Affected sections include: 56301, 56331, 56700.4, 56816, 56881, 57130 and 56134.

**[SB 552](#) (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service.**

**Current Text:** Amended: 7/7/2015 [pdf](#) [html](#)

**Introduced:** 2/26/2015

**Last Amended:** 7/7/2015

**Status:** 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was RLS. on 7/9/2015)

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

**Summary:**

Current law, for purposes of the California Safe Drinking Water Act, defines "disadvantaged community" to mean a disadvantaged community that is in an unincorporated area or is served by a mutual water company. This bill would allow a community to be a "disadvantaged community" if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company.

**Position:** Watch

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** Previously, CALAFCO was informed by the author's office that this bill is being amended as a vehicle to clean-up the water consolidation legislation passed through as a budget trailer bill, SB 88/AB 115. However, to date there has been response from the author's office as to what that may look like. CALAFCO continues to monitor for amendments.

**[SB 817 \(Roth D\)](#) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Amended: 2/22/2016 [pdf](#) [html](#)

**Introduced:** 1/5/2016

**Last Amended:** 2/22/2016

**Status:** 4/11/2016-April 11 hearing: Placed on APPR. suspense file.

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

**Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

**Attachments:**

[CALAFCO Support Letter February 29, 2016](#)

**Position:** Support

**Subject:** Financial Viability of Agencies

**CALAFCO Comments:** As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**[SB 1262 \(Pavley D\)](#) Water supply planning.**

**Current Text:** Amended: 4/27/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 4/27/2016

**Status:** 5/9/2016-From committee: Be ordered to second reading pursuant to Senate Rule 28.8.

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

**Calendar:**

5/12/2016 #14 SENATE SEN SECOND READING FILE - SENATE BILLS

**Summary:**

the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site.

**Attachments:**

[CALAFCO Letter of Concern March 2016](#)

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

In Water Code section 10910, the bill makes the following changes: If no water system that is within or adjacent to the service area of the project site is identified as a viable source of water for the project, the city or county shall prepare a technical report that includes five factors. Based on this report, if the city or county determines that it is feasible for a water system to provide water to the project, the city or county shall submit the technical report to the local LAFCo with jurisdiction over the project. If the LAFCo denies the annexation or extension of service then the city or county shall develop a water supply assessment as outlined in 10910. What is unclear to CALAFCO at this time is what is to be done with the assessment once completed, and why it is not completed prior to the LAFCo considering the application as part of the CEQA process.

CALAFCO continues discussions with stakeholders, the administration and the author's staff on pending amendments.

**[SB 1266](#) ([McGuire D](#)) Joint Exercise of Powers Act: agreements: filings.**

**Current Text:** Amended: 4/12/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 4/12/2016

**Status:** 5/9/2016-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly

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

**Summary:**

Current law requires an agency or entity that files a notice of agreement or amendment with the Secretary of State to also file a copy of the original joint powers agreement, and any amendments to the agreement, with the Controller. This bill would require an agency or entity required to file documents with the Controller, as described above, that meets the definition of a joint powers authority or joint powers

agency, as specified, that was formed for the purpose of providing municipal services, and that includes a local agency member, as specified, to also file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located within 30 days after the effective date of the agreement or amendment to the agreement.

**Attachments:**

- [CALAFCO Support Letter February 2016](#)
- [CALAFCO Support as amended letter March 2016](#)

**Position:** Sponsor

**Subject:** Joint Power Authorities, LAFCo Administration

**CALAFCO Comments:** This is a CALAFCO sponsored bill. As amended, the bill requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file adds punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

**[SB 1318 \(Wolk D\) Local government: drinking water infrastructure or services: wastewater infrastructure or services.](#)**

**Current Text:** Amended: 4/12/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/12/2016

**Status:** 5/6/2016-Set for hearing May 16.

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

**Calendar:**

5/16/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

**Summary:**

Current law, except as otherwise provided, prohibits a local agency formation commission from approving an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community, as specified, unless an application to annex the disadvantaged unincorporated community to the subject city has been filed with the executive officer. This bill would extend that prohibition to an annexation to a qualified special district.

**Attachments:**

- [CALAFCO Oppose As Amended Letter April 2016](#)
- [CALAFCO Oppose Letter March 2016](#)

**Position:** Oppose

**Subject:** Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

**CALAFCO Comments:** Virtually gut and amended on April 12, the bill now does a number of different things.

First, it prohibits a commission from approving an annexation to a city or qualified special district of any territory greater than 10 acres, or as determined by commission policy, where there exists a DUC within or adjacent to the SOI of a city or special district that lacks safe drinking water or wastewater infrastructure or services, unless the city or special district has entered into an enforceable agreement to extend those services into the DUC as specified. The bill would define "qualified special district" to mean a special district with more than 500 service connections.

Next, The bill would prohibit a commission from approving a sphere of influence update that removes a DUC from a city's or special district's sphere of influence unless the commission makes a finding that removal of the community will result in improved service delivery to the community. The bill adds 56425(k), prohibiting a commission from approving a SOI update that removes a disadvantaged community from a city's sphere of influence unless a majority of the voters in the disadvantaged community approve of the proposed SOI.

The bill adds several requirements in GC Section 56430 relating to Municipal Service Reviews. First, it changes (b) to mandate the commission to assess various alternatives relating to the efficiency and affordability of infrastructure and delivery of services; and changes (c) to mandate the commission to include a review whether the agency being reviewed is in compliance with the CA Safe Drinking Water Act.

Finally, the bills adds to 56430 the following requirements to LAFCo: (1) on or before 1/1/22 and every 5 years thereafter, LAFCo shall do MSR for the entire county territory (regardless of service provider); (2) Create and electronically file a map that identifies DUCs that lack safe drinking water or wastewater with OPR (who will then post on their website); Within 2 years of identifying such a DUC, LAFCo shall create a plan based on alternatives analyzed and adopt any actions necessary to implement the plan (regardless of whether the agencies involved are public or private); (3) Creates an exemption for an election or any protest proceedings on the above action except protest proceedings are required for the residents of the DUC; (4) LAFCo will not be required to adopt a plan if there is no feasible way of connecting the DUC with an existing system; (5) LAFCo cannot change a SOI or extend services if these requirements are not met; (6) LAFCo cannot change a SOI of an agency that was identified in a plan of action and they have not taken action within 3 years, unless there is an application to to extend services of annex that territory; or an extension of services pursuant to 56133.

**[AB 1362](#) (Gordon D) Mosquito abatement and vector control districts: board of trustees: appointment of members.**

**Current Text:** Amended: 1/19/2016 [pdf](#) [html](#)

**Introduced:** 2/27/2015

**Last Amended:** 1/19/2016

**Status:** 2/4/2016-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

**Summary:**

Would authorize a city council, located in an existing or newly formed district as specified, to adopt a resolution requesting that appointments of persons to the board of trustees instead be made by a city selection committee, established pursuant to specified provisions of law, and conditioned upon a majority of authorized city councils adopting their respective resolutions. This bill would authorize the city selection committee to decrease the total number of appointments to be made by the committee if a majority of city councils within the district make this request in their respective resolutions.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of a district. The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board.

This is a locally supported bill, stemming from an issue in San Mateo with their Mosquito Abatement District which is in the Assembly member's district.

**[AB 2414](#) ([Garcia, Eduardo D](#)) **Desert Healthcare District.****

**Current Text:** Amended: 4/18/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/18/2016

**Status:** 5/5/2016-Read second time. Ordered to third reading.

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

**Calendar:**

5/12/2016 #63 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

**Summary:**

Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the Board of Supervisors of the County of Riverside to submit a resolution of application to the Riverside County Local Agency Formation Commission, and, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing.

**Attachments:**

[CALAFCO Oppose Letter April 2016](#)

**Position:** Oppose

**Subject:** Disincorporation/dissolution, LAFCo Administration

**CALAFCO Comments:** This bill requires the approval of the expansion of the territory within the Desert Healthcare District. It requires Riverside LAFCo to process, without the authority to deny, an application by the County of Riverside to expand the district. It further requires the Riverside LAFCo to consult with and complete a fiscal analysis with the District's Board, County Auditor-Controller, affected local entities and all interested stakeholders. The County Board of Supervisors is required to submit the application to LAFCo no more than 15 days after the enactment of the legislation, and Riverside LAFCo is required to complete the review on or before August 1, 2016. The bill eliminates the protest provisions for the purposes of this application. The bill further requires that a sufficient funding source to expand the district is identified, the expansion will be subject to a vote of the registered voters within the proposed expanded district.

This bill is reminiscent of AB 3 (Williams, 2015) in that it strips the local LAFCo of their authority. Additionally, the timelines proposed within this bill for the LAFCo are unrealistic.

Pending amendments taken by the author in the Assembly Local Gov't Comm. remove the tight timelines and target a 2018 election rather than 2016 by removing the bill's urgency clause. Additionally, an election will occur only within the territory proposed for annexation, and move the requirement of identifying proposed new boundaries and a funding source from the LAFCo and onto the applicant. These amendments remove most of our concerns. The one remaining concern is preserving LAFCo's discretion in the matter.

**[AB 115](#) ([Committee on Budget](#)) **Water.****

**Current Text:** Amended: 6/18/2015 [pdf](#) [html](#)

**Introduced:** 1/9/2015

**Last Amended:** 6/18/2015

**Status:** 9/11/2015-Ordered to inactive file at the request of Senator Mitchell.



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

**Summary:**

Would authorize the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

**Position:** Oppose

**Subject:** Disadvantaged Communities, LAFCo Administration, Special District Consolidations, Water

**CALAFCO Comments:** UPDATED COMMENTS: CALAFCO continues to monitor this bill to ensure it does re-present itself in another form impacting LAFCo.

OLDER COMMENTS: This bill is the same as SB 88, which was passed in 2015. As amended, AB 115 gives the State Water Resources Control Board (SWRCB) direct authority to mandate either an extension of service or consolidation of water systems, including public and private systems, and individual wells. The bill focuses on disadvantage communities. Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conducting a public hearing in the affected territory. They are also required to "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority). Entities are allowed 6 months to find workable solutions before the SWRCB mandates the action. Prior to making the order, the SWRCB must make certain determinations. Upon making the order, the SWRCB must make funding available to the receiving water system for capacity building (no operations and maintenance funding is provided, adequately compensate the subsumed system, pay fees to the LAFCo for whatever work they will do (which is as of now undefined) to facilitate the action. The bill also contains certain CEQA exemptions and liability relief for the subsuming water entity, as well as various penalties. Finally, the bill makes legislative findings and declarations as to the reason for the SWRCB to have these powers, which has been taken directly from the legislative findings and declarations of CKH and the reason LAFCos have the powers they do.

CALAFCO has attempted to work with the administration for some time in defining the best possible process for these actions. However, for the most part, amendments proposed have been dismissed. CALAFCO has a number of concerns regarding the proposed process, not the least of which is the language in section 116682 (g) (the way it is worded now, it exempts the entire consolidation process and there is a legal argument that this would divest LAFCO of any authority to complete the consolidation since that authority is solely contained in CKH). Further, we requested indemnification for LAFCo as they implement section 11682(e)(4) which was also dismissed.

**AB 1658 (Bigelow R) Happy Homestead Cemetery District: nonresident burial.**

**Current Text:** Introduced: 1/13/2016 [pdf](#) [html](#)

**Introduced:** 1/13/2016

**Status:** 5/9/2016-Read second time. Ordered to third reading.

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

**Calendar:**

5/12/2016 #73 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

**Summary:**

Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions.

**Position:** Watch  
**Subject:** Special District Principle Acts

**[AB 1707](#) ([Linder R](#)) **Public records: response to request.****

**Current Text:** Amended: 3/28/2016 [pdf](#) [html](#)

**Introduced:** 1/25/2016

**Last Amended:** 3/28/2016

**Status:** 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. L. GOV. on 3/29/2016)

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

**Summary:**

The California Public Records Act requires state and local agencies to make public records available for inspection, unless an exemption from disclosure applies. The act requires a response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record.

**Attachments:**

[CALAFCO Oppose Letter March 2016](#)

**Position:** Oppose

**Subject:** Public Records Act

**CALAFCO Comments:** As amended, this bill would require public agencies, including LAFcos, when responding to a Public Records Request for which a determination has been made to deny the request, to identify the types of records being withheld and the specific exemption that applies to that record. The amendments did little to mitigate concerns, as the change is minor. (Removed the requirement of having to list every document and now requires them to be categorized.)

CALAFCO understands this bill has been pulled by the author. We will continue to monitor.

**[AB 2142](#) ([Steinorth R](#)) **Local government finance.****

**Current Text:** Introduced: 2/17/2016 [pdf](#) [html](#)

**Introduced:** 2/17/2016

**Status:** 2/18/2016-From printer. May be heard in committee March 19.

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

**Summary:**

Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

**Position:** Watch

**CALAFCO Comments:** As introduced, this appears to be a spot bill. The bill targets Section 96.15 of the Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

**[AB 2257](#) ([Maienschein R](#)) Local agency meetings: agenda: online posting.**

**Current Text:** Amended: 4/25/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 4/25/2016

**Status:** 4/26/2016-Re-referred to Com. on APPR.

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

**Summary:**

Would require an online posting of an agenda by a local agency to have a prominent direct link to the current agenda itself. The bill would require the link to be on the local agency's Internet Web site homepage, not in a contextual menu on the homepage, and would require the agenda to be posted in an open format that meets specified requirements, including that the agenda is platform independent and machine readable. The bill would make these provisions applicable on and after January 1, 2019. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** As amended, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCOs will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda. Other requirements added in the April 11, 2016 version of the bill include: (1) The direct link to the agenda required shall not be in a contextual menu; (2) The agenda shall be posted in an open format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; is platform independent and machine readable; is available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.

**[AB 2389](#) ([Ridley-Thomas D](#)) Special districts: district-based elections: reapportionment.**

**Current Text:** Amended: 5/9/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 5/9/2016

**Status:** 5/9/2016-Read second time and amended. Ordered returned to second reading.

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

**Calendar:**

5/12/2016 #4 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

**Summary:**

Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters for approval.

**[AB 2435](#) ([Mayes R](#)) Local government organization: disincorporated cities.**

**Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Status:** 2/22/2016-Read first time.

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

**Summary:**

Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

**Position:** Placeholder - monitor

**Subject:** Disincorporation/dissolution

**CALAFCO Comments:** This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code. CALAFCO will continue to monitor.

**[AB 2737](#) ([Bonta D](#)) Nonprovider health care districts.**

**Current Text:** Amended: 4/11/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/11/2016

**Status:** 4/21/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 20). Re-referred to Com. on APPR.

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

**Summary:**

Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. By requiring a higher level of service from nonprovider health care districts, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**CALAFCO Comments:** This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District.

**[AB 2801](#) ([Gallagher R](#)) Local government: fees and charges: written protest.**

**Current Text:** Amended: 5/4/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 5/4/2016

**Status:** 5/5/2016-Re-referred to Com. on APPR.

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

**Calendar:**

5/11/2016 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

**Summary:**

Current statutory law provides notice, protest, and hearing procedures for the levying of new or increased fees or charges by local government agencies pursuant to Article XIII D of the California Constitution. Under current statutory law, one written protest per parcel, filed by an owner or tenant of the parcel, is counted in calculating a majority protest to a proposed new or increased fee or charge. This bill would

require the agency to maintain the written protests for a minimum of 2 years following the date of the hearing to consider the written protests. 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:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** The original bill would have removed the 60 day statute of limitations on bringing a validation action to court for any public agency, including LAFCo. Gut and amended on April 4, 2016, the bill now focuses on amending GCS 53755 and relates to fee increases to property owners by an agency providing property related services.

**AB 2853 (Gatto D) Public records.**

**Current Text:** Amended: 4/13/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/13/2016

**Status:** 5/5/2016-Read second time. Ordered to Consent Calendar.

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

**Calendar:**

5/12/2016 #153 ASSEMBLY CONSENT CALENDAR 2ND DAY-ASSEMBLY BILLS

**Summary:**

Would authorize a public agency that posts a public record on its Internet Web site to first refer a person that requests to inspect or obtain a copy of the public record to the public agency's Internet Web site where the public record is posted. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Public Records Act

**CALAFCO Comments:** As amended the bill simply allows a public agency that has received a public records request act request to refer the the person making the request to the agency's website for the documents, should they be posted on the site.

**SB 971 (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/8/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/9/2016-Read second time. Ordered to consent calendar

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

**Calendar:**

5/12/2016 #98 ASSEMBLY CONSENT CALENDAR 1ST DAY SENATE BILLS

**Summary:**

Would enact the First Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

**Attachments:**

[CALAFCO Support Letter February 29, 2016](#)

**Position:** Support

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

**[SB 972](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/8/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/9/2016-Read second time. Ordered to consent calendar.

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

**Calendar:**

5/12/2016 #99 ASSEMBLY CONSENT CALENDAR 1ST DAY SENATE BILLS

**Summary:**

Would enact the Second Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute, but would become operative on a specified date.

**Attachments:**

[CALAFCO Support Letter February 29, 2016](#)

**Position:** Support

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

**[SB 973](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Introduced: 2/8/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/9/2016-Read second time. Ordered to consent calendar.

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

**Calendar:**

5/12/2016 #100 ASSEMBLY CONSENT CALENDAR 1ST DAY SENATE BILLS

**Summary:**

Would enact the Third Validating Act of 2016, 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 February 29, 2016](#)

**Position:** Support

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

**[SB 974](#) (Committee on Governance and Finance) Local government: omnibus.**

**Current Text:** Amended: 3/29/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Last Amended:** 3/29/2016

**Status:** 5/2/2016-Referred to Com. on L. GOV.

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

**Summary:**

The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book.

This bill would also authorize a county recorder to store records of survey in any other manner that will assure the maps are kept together. This bill contains other related provisions and other current laws.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

**[SB 1009](#) ([Nielsen R](#)) **Public cemeteries: nonresidents.****

**Current Text:** Introduced: 2/11/2016 [pdf](#) [html](#)

**Introduced:** 2/11/2016

**Status:** 2/25/2016-Referred to Com. on GOV. & F.

Desk	<b>Policy</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

**Position:** Watch

**Subject:** Special District Powers

**CALAFCO Comments:** This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

**[SB 1263](#) ([Wieckowski D](#)) **Public water system: permits.****

**Current Text:** Introduced: 2/18/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Status:** 5/9/2016-Read third time. Passed. (Ayes 21. Noes 13.) Ordered to the Assembly.

Desk	Policy	Fiscal	Floor	<b>Desk</b>	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would, commencing January 1, 2017, prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the State Water Resources Control Board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** As introduced, this bill would prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the state board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit. The bill would prohibit a public water system not in existence on January 1, 1998, from being granted a permit unless the public water system demonstrates that the water supplier also possesses adequate water rights to ensure the delivery safe drinking water, and would specify that the prohibition applies to any change in ownership of the public water system, including the consolidation of a public water system. The bill would allow the state board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently

permitted public water systems. Finally, the bill would prohibit a local primacy agency from issuing a permit without the concurrence of the state board.

**SB 1276 (Moorlach R) Local agencies.**

**Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Status:** 3/3/2016-Referred to Com. on RLS.

Desk	<b>Policy</b>	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, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make nonsubstantive changes to the above-described law.

**Position:** Placeholder - monitor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is a spot bill to amend CKH. CALAFCO has not been contacted by the author's office regarding their intent.

**SB 1292 (Stone R) Grand juries: reports.**

**Current Text:** Amended: 3/28/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 3/28/2016

**Status:** 4/25/2016-April 25 hearing: Placed on APPR. suspense file.

Desk	Policy	<b>Fiscal</b>	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** Sponsored by CSDA. As amended, the bill requires the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. One the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those prelim comments public at the time the report is made public.

This will allow LAFCoS, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFCo to respond to those findings and offer additional information or corrections. Further, it allows the LAFCo to provide preliminary comments that are required to be posted with the report when it is made public.



**[SB 1360](#) ([Bates R](#)) **Local government: municipal service agreements: law enforcement services.****

**Current Text:** Amended: 3/31/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 3/31/2016

**Status:** 5/5/2016-In Assembly. Read first time. Held at Desk.

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

**Summary:**

Would require a city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement to charge that city all the costs that are incurred in providing those law enforcement services, but prohibit the inclusion of any costs that the city providing the services reasonably determines are general overhead costs. The bill would provide that any determination of general overhead costs made by a city providing law enforcement services is subject to judicial review as to the reasonableness of that determination.

**Position:** Watch

**Subject:** Municipal Services

**CALAFCO Comments:** As amended, the bill requires a city that provides law enforcement services to another city, to only charge the city the costs incurred for providing the services, and excludes reimbursement of any general overhead costs. The bill applies to new or renewed contracts as of 1/1/17.

**[SB 1436](#) ([Bates R](#)) **Local agency meetings: local agency executive compensation: oral report of final action recommendation.****

**Current Text:** Amended: 4/6/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/6/2016

**Status:** 5/9/2016-Referred to Com. on L. GOV.

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

**Summary:**

Current law prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill, prior to taking final action, would require the legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration, Other

**CALAFCO Comments:** As amended, this bill requires public agencies, including LAFCOs, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.