

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JANUARY 24, 2018

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, Policy Analyst

AGENDA ITEM #12A: OTHER BUSINESS – LEGISLATION

RECOMMENDATION

Staff recommends that the Commission receive the following summary of LAFCO-related legislation for the 2017-2018 Legislative Session. No Commission action is requested.

REASON FOR RECOMMENDED ACTION AND BACKGROUND

The State Legislature reconvened on January 3 to begin the second year of the current two-year legislative cycle. The following is a brief summary of current or potential pieces of legislation that will have a direct impact to LAFCOs:

Current Bills of Interest:

AB 577 (Caballero): Disadvantaged Communities

Last Amended 3/9/17

AB 577 is intended to expand the definition of disadvantaged communities to include multi-family households. Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income; as currently written, AB 577 would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income. Government Code §56033.5 defines a disadvantaged unincorporated community, and in that definition, Water Code §79505.5 is referenced, which is the section proposed for change in AB 577.

This bill is sponsored by the Environmental Justice Coalition for Water. The bill was set for hearing on January 3 in the Assembly Environmental Safety and Toxic Materials Committee; the hearing was canceled at the request of the author. CALAFCO will retain a Watch position until any amendments are in print.

SB 561 (Gaines): Fallen Leaf Lake Community Services District***Last Amended 7/20/17***

SB 561 pertains to the Fallen Leaf Lake Community Services District (CSD). Under existing law, the Fallen Leaf Lake CSD is a resident voter district. SB 561 would allow voters who are residents of the District, as well as voters who are not residents but either own a real property interest in the District or have been designated by the owner of a real property interest to cast the vote for that property, to vote in a Fallen Leaf Lake CSD election. This bill would also allow a person qualified to vote pursuant to these provisions to be a candidate for, and serve on, the Fallen Leaf Lake CSD board of directors. SB 561 would require the designations of voters and authority of legal representatives to be filed with the Secretary of the Fallen Leaf Lake CSD and maintained with the list of qualified voters of the District.

SB 561 also specifies that Fallen Leaf Lake CSD shall not provide any services that it does not already provide (which are fire protection, including medical response and emergency services, and parks and recreation services).

The bill was heard and passed unanimously by the Senate Governance and Finance Committee (SGFC) on January 10. Staff has included some discussion points in Attachment C.

SB 778 (Hertzberg D): Water systems: Consolidations***Last Amended 7/13/17***

SB 778 would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board (SWRCB) to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

Senator Hertzberg was approached by the Leadership Council for Justice and Accountability (LCJA) to amend the bill to also include language addressing the lack of adequate wastewater services in certain areas. The proposed amendments take the idea from SB 88 (2015 Budget Trailer Bill) and give the SWRCB authority to mandate consolidation of, or extension of, services by wastewater systems in addition to water systems. Aside from the general concept, which CALAFCO opposed to with SB 88, CALAFCO staff is concerned with some of the proposed amendments which are currently being considered. CALAFCO is working with the author's staff and LCJA to discuss these amendments, which have not yet been adopted, but are reportedly under consideration by Senator Hertzberg.

Conceptual Legislation:

New process for forming water districts. CALAFCO has been informed by the lobbyist for Eastern Municipal Water District (EMWD) that the agency intends to sponsor a bill that will, in summary, authorize the State Water Resources Control Board (SWRCB) to form new public water districts by reorganizing existing public, private and mutual water providers. The SWRCB currently has authority to mandate consolidations, but not formation of new districts. This is a potential piece of legislation that is currently conceptual with no proposed language at this time.

Reinstatement of VLF Funds. The League of California Cities (League) is requesting CALAFCO's support for potential legislative efforts in 2018 to reinstate vehicle license fee (VLF) funding for incorporations and inhabited annexations. VLF funding for newly incorporated cities and annexations of inhabited territory was eliminated by the passage of SB 89 in 2011.

The League sent a letter to CALAFCO (**Attachment A**) requesting legislative involvement, in addition to presenting their case to the CALAFCO Board at its December 8 meeting and to the CALAFCO Legislative Committee at its December 15 meeting. Though no bills are out yet, the League has secured authors for bills they intend to sponsor in 2018 (one addressing incorporations and one addressing inhabited annexations) and are asking CALAFCO for strong support in their efforts. In response to this request, the CALAFCO Legislative Committee has formed an ad hoc committee, including Commissioner Frentzen, to provide feedback to the League.

Upcoming Legislative Dates

January 31, 2018: Last day for each house to pass bills introduced in that house in 2017

February 16, 2018: Last day for bills to be introduced

Attachments

Attachment A: League of CA Cities 9-28-17 Letter to CALAFCO

Attachment B: CALAFCO Legislation Report

Attachment C: SB 561 Discussion Points