

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MARCH 24, 2010

REGULAR MEETING

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

FROM: José C. Henríquez, Executive Officer

**AGENDA ITEM #2E: AMEND THE POLICIES & GUIDELINES TO REFLECT
CHANGES IN THE LAW RELATING TO CAMPAIGN
REPORTING**

RECOMMENDATION

Amend Section 3.1.1.1 of the El Dorado LAFCO Policies and Guidelines to require political expenditures related to LAFCO proceedings be disclosed and reported pursuant to the Political Reform Act of 1974. The proposed amendments are shown in the attached policy. Additions are underlined; deletions are crossed out.

REASON FOR RECOMMENDED ACTION

Effective January 1, 2009, Assembly Bill 528 amended the Cortese-Knox-Hertzberg (CKH) Act to identify the Political Reform Act (PRA) as governing LAFCO financial disclosure requirements and provides correct cross references to the PRA. Previously, LAFCO law required reporting of contributions and expenditures for political purposes related to LAFCO proposals be filed with the LAFCO Executive Officer. The Bill also creates a new definition of a "LAFCO Proposal" within the PRA. The proposed amendment to the El Dorado LAFCO policies makes it consistent with State Law.

Please note that these changes do not alter the annual requirement that individual Commissioners file the Form 700.

BACKGROUND

Assembly Bills 745 and 1998, both authored by Assemblymember Silva, were approved in 2007 and 2008, respectively. Both address political contributions and expenditures made in connection with LAFCO proposals. AB 745 requires contributions and expenditures made for political purposes related to a LAFCO proposal or LAFCO proceeding to be disclosed and reported to the same extent, and subject to the same requirements, of the Political Reform Act of 1974 as provided for local initiatives.

AB 745 required the disclosures to be reported to the LAFCO Executive Officer. In late 2007 and early 2008, the Commission amended its Policies and Guidelines to require such reporting.

AB 1998 requires a committee formed to support or oppose a LAFCO proposal to file campaign statements under the Political Reform Act of 1974, similar to the requirements of other campaign committees formed to support or oppose ballot measures.

These laws caused some confusion and may have resulted in an applicant filing multiple disclosure forms. ABs 745 and 1998 added language to the Cortese-Knox-Hertzberg Act (CKH) containing financial disclosure requirements for LAFCO proposals; however, they did not cross reference the new LAFCO requirements into the Political Reform Act (PRA). In addition, the prior bills required that disclosures be filed with the LAFCO Executive Officer, rather than to the Fair Political Practices Commission (FPPC) as required under the PRA.

Last year, the Legislature passed AB 528, also authored by Assemblymember Silva. This new law integrates and coordinates language between PRA and CKH. AB 528 identifies the Political Reform Act as governing LAFCO financial disclosure requirements and provides correct cross references between the two sections of the Government code. In addition, AB 528 moves the filing entity in which financial disclosures are reported from the LAFCO Executive Officer to the FPPC. The proposed amendment the LAFCO Policies and Guidelines will ensure that local policy is consistent with State Law.

Attachment

Attachment A: Proposed Amendments to LAFCO Policies and Guidelines Section 3.1.1.1