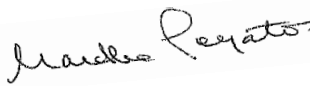




LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

May 11, 2016

To: LAFCo Commissioners
From: Martha Poyatos, Executive Officer 
Subject: Update on Pending Legislation of Interest to LAFCos

Recommendation

Attached is a summary of the bills on which San Mateo LAFCo has taken positions, copies of position letters, the legislative report of bills being tracked by CALAFCO, and bill analysis for AB 1362 (Gordon). Staff recommends that the Commission consider the legislative report and AB 1362 (Gordon) concerning an alternative method of appointing trustees to mosquito and vector control districts.

AB 1362 (Gordon) Mosquito Abatement and Vector Control Districts: Board of Trustees: Appointment of Members (CALAFCO Watch)

This bill would add an alternative method of appointing trustees to mosquito and vector control districts. Currently, composition of mosquito and vector control districts includes a trustee appointed by each city included in the district and one trustee appointed by the County. This bill would add an alternative method that could be used if a majority of the cities in a county adopt resolutions requesting that the City Selection Committee/Council of Mayors appoint trustees. Cities could also request that the number of trustees be fewer than the number of cities in a county with a minimum of five trustees. This bill, if enacted, would not change the composition of mosquito and vector control district boards unless a majority of the cities in a county determine that it is appropriate to use the alternative appointment process. This bill is a two-year bill. To date, staff is aware of three cities in San Mateo County that oppose the bill: Brisbane, San Bruno, and Foster City.

Recommendation: Watch

Recommended Action

Receive the report and public comment. Consider position of “watch” for AB 1362 (Gordon).

Attachments: A) Summary table of San Mateo LAFCo positions on bills and position letters
B) CALAFCO Daily Legislative Report as of May 11, 2016
C) AB 1362 bill analysis

SAN MATEO LAFCO - LEGISLATIVE POSITIONS
AS OF MAY 11, 2016

Bill Number	Author	Name/Summary	LAFCo Position	Letter Sent	Status
AB 1362	Assemblymember Rich Gordon	<p>Mosquito abatement and vector control districts: board of trustees: appointment of members</p> <p>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.</p>	N/A		2/4/2016-Referred to Com. on GOV. & F.
AB 2032	Assemblymember Eric Linder	<p>Change of organization: cities: disincorporation</p> <p>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</p>	<p>Removal of Opposition as Amended 4-5-2016</p> <p>Oppose as Amended 3-17-2016</p>	<p>4-14-2016</p> <p>3-29-2016</p>	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.

Bill Number	Author	Name/Summary	LAFCo Position	Letter Sent	Status
		potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.			
AB 2910	Committee on Local Government (Assemblymember Susan Talamantes Eggman, Chair)	<p>Local government: organization: omnibus bill</p> <p>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.</p>	Support	4-14-2016	5/5/2016-In Senate. Read first time. To Com. on RLS. for assignment.
SB 817	Senator Richard Roth	<p>Local government: finance: property tax revenue allocations: vehicle license fee adjustments</p> <p>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</p>	Support as Amended 2-22-2016	3-17-2016	4/11/2016-April 11 hearing: Placed on APPR. suspense file.

Bill Number	Author	Name/Summary	LAFCo Position	Letter Sent	Status
		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.			
SB 971, 972 & 973	Committee on Governance and Finance (Senator Robert Hertzberg, Chair)	<p>Validations</p> <p>Would enact the First, Second, and Third Validating Acts of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.</p> <p>SB 971 would declare that it is to take effect immediately as an urgency statute.</p> <p>SB 972 would declare that it is to take effect immediately as an urgency statute, but would become operative on a specified date.</p>	Support	3-17-2016	5/9/2016-Read second time. Ordered to consent calendar.
SB 1266	Senator Mike McGuire	<p>Joint Exercise of Powers Act: agreements: filings</p> <p>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</p>	<p>Support (correction of name Mark McGuire to Mike McGuire)</p> <p>Support</p>	<p>3-29-2016</p> <p>3-17-2016</p>	5/9/2016-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly.

Bill Number	Author	Name/Summary	LAFCo Position	Letter Sent	Status
		<p>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.</p>			
<p>SB 1318</p>	<p>Senator Lois Wolk</p>	<p>Local government: drinking water infrastructure or services: wastewater infrastructure or services</p> <p>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.</p>	<p>Oppose</p>	<p>3-28-2016</p>	<p>5/6/2016-Set for hearing May 16.</p>

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

April 14, 2016

Assembly Member Eric Linder
California State Assembly
State Capitol, Room 2016
Sacramento, CA 95814

Subject: **Removal of Opposition to AB 2032 (Linder) as Amended April 5, 2016**

Dear Assemblymember Linder:

On behalf of the San Mateo Local Agency Formation Commission (LAFCo), I write to inform you we are removing our opposition to your bill AB 2032. Based on the amendments made in the April 5, 2016 version of the bill, all of our concerns have been mitigated.

We appreciate your willingness to accept the amendments agreed to by CALAFCO as well as the other stakeholders with whom CALAFCO worked last year on AB 851 (Mayes). The process of disincorporation is a complex one, and certainly a difficult conversation to have among stakeholders. We appreciate the sensitive nature of the subject, and your willingness to address the stated concerns through these amendments.

We understand there is one more set of pending amendments agreed upon between your office, the sponsor, and CALAFCO (as well as other stakeholders). We support CALAFCO's efforts and the pending amendments agreed to by CALAFCO.

Please feel free to contact me with any questions you may have about the removal of our opposition.

Sincerely yours,

A handwritten signature in black ink that reads 'Joshua Cosgrove'.

Joshua Cosgrove
Chair

cc: Members, Assembly Local Government Committee
Misa Lennox, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO
Matt Siverling, Legislative Advocate, State Association of County Auditors

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

April 14, 2016

The Honorable Susan Talamantes Eggman, Chair
Assembly Local Government Committee
California State Assembly
State Capitol, Room 3173
Sacramento, CA 95814

Subject: **Support of AB 2910: Local Government Committee Omnibus Bill**

Dear Chair Eggman:

The San Mateo Local Agency Formation Commission (LAFCo) is pleased to support the Assembly Local Government Committee Bill **AB 2910**, which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

This annual bill includes technical changes to the Act which governs the work of LAFCos. These changes are necessary as commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. **AB 2910** makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. The California Association of Local Agency Formation Commissions (CALAFCO) and San Mateo LAFCo are grateful to the members of our Legislative Committee and to your Committee and staff, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the Act for all stakeholders.

This legislation helps insure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state. We appreciate your Committee's authorship and support of this bill, and your support of the mission of LAFCos.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Joshua Cosgrove'.

Joshua Cosgrove
Chair

cc: Members, Assembly Local Government Committee
Misa Lennox, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO

subject to LAFCo's legislative authority. Yet in many cases, inadequate services are provided by private companies or mutual water companies whom are not overseen by LAFCo. Further, LAFCo lacks the authority to direct cities, counties and special districts to implement a plan created by LAFCo. In addition, this requirement presumes LAFCos have the expertise to create plans for infrastructure design, buildout and cost.

3. The distinct lack of funding to fulfill these legislative mandates is a significant hurdle. First, the cost to LAFCo to conduct county-wide studies every five years is significant. Additionally, these studies require significant resources to complete. Next, the resources for LAFCo to complete the required "plan" go unmentioned. Finally, the resources needed for entities to implement the plan are also unidentified.

LAFCos are funded by their member agencies who are cities, counties and in 30 of the 58 LAFCos, independent special districts. These unfunded mandates will need to be paid for in some way, and since the bill does not identify funding sources, all 58 LAFCos will be forced to pass along these additional costs to their member agencies. The requirements under section 56340(e)(2) for LAFCos to conduct service reviews sufficient to have reviewed the entire territory of the county goes well beyond the city and independent special district focus of the existing service review requirements, and would constitute an expensive unfunded mandate upon the Commission with little added benefit to the citizens of the respective county.

To the degree LAFCo has adopted the plan required in section 56340(g), LAFCo is not in a position to seek infrastructure grants or sell bonds to install infrastructure improvements which actually lead to the provision of water and wastewater services. The bill fails to identify funding sources available to cities, independent special districts and private companies that construct and operate these critical public utilities.

4. The bill fails to identify the contents of the required plan referenced in GCS 56430(g)(1).
5. Proposed GCS 56430(g)(2) creates an inconsistent exception for protest proceedings which takes away property rights that have been long-established in governmental reorganizations in California. The residents of the DUC are afforded the right to file protests for Commission initiated boundary changes, but other residents living within a larger annexation boundary that are not part of the DUC would lose their right to protest being included in the annexation or reorganization.

Clearly, this legislation is attempting to address serious problems for DUCs, similar to the measures adopted through SB 244. However, there are obviously a substantial number of unintended consequences to the proposed bill. Again – the bill is not addressing the root cause of the lack of drinking water and waste water services - but instead applies a misguided and misinformed focus on LAFCos, who are only one cog in a very large wheel.

The passage of Budget Trailer Bill SB 88 last year granted the State Water Resources Control Board (SWRCB) the authority to mandate consolidation of water systems. They have been hard at work the past nine months focusing on those areas that lack safe drinking water due to poor water quality. CALAFCO encourages the author and sponsor of SB 1318 to allow time for the process created less than a year ago to work before layering additional and highly unworkable requirements on top of that process.

We join CALAFCO in encouraging the author and sponsor to establish a collective dialogue with all affected stakeholders to discuss more reasonable and workable solutions. Further, we encourage them to establish dialogue between the SWRCB, existing service providers, DUCs and the local LAFCos in those areas in which specific problems have been identified, to discuss the unique circumstances and

Chair Bob Wieckowski

April 19, 2016

Page 3

conditions that exist for that DUC and to determine if annexation or service extensions are a viable alternative.

We support CALAFCO's commitment to help find solutions to the disparities in service delivery to disadvantaged communities and their efforts to be a conversation partner to Senator Wolk, her staff, and the sponsor.

For all of the reasons noted above, San Mateo LAFCo remains opposed to SB 1318, and we thank you and your committee for considering our concerns. I am happy to answer any questions you may have.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Joshua Cosgrove". The signature is fluid and cursive, with the first name "Joshua" being more prominent than the last name "Cosgrove".

Joshua Cosgrove
Chair

cc: Members, Senate Environmental Quality Committee
Honorable Senator Lois Wolk
Rachel Machi Wagoner, Chief Consultant, Senate Environmental Quality Committee
Morgan Branch, Senate Republican Caucus Consultant
Pamela Miller, Executive Director, CALAFCO

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

March 17, 2016

Senator Richard Roth
California State Senate
State Capital Room 4034
Sacramento, CA 95814

Subject: **Support of SB 817 (Roth) as Amended**

Dear Senator Roth:

The Local Agency Formation Commission (LAFCo) of San Mateo County is pleased to support your bill SB 817, as amended February 22, 2016. The bill reinstates allocations to recently incorporated cities consistent with the allocation formula those communities relied upon when making the decision to incorporate the affected territory.

It was most unfortunate that SB 25 (2015) and SB 69 (2014), both of which were unanimously passed by the Legislature, were ultimately vetoed by the Governor.

The San Mateo LAFCo Commission and the California Association of Local Agency Formation Commissions (CALAFCO) Board believes the VLF gap created by SB 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. Further, it created severe fiscal penalties for those communities which chose to annex inhabited territories, particularly unincorporated islands. In several previous legislative acts the Legislature had directed LAFCos to work with cities to annex unincorporated inhabited islands. SB 89 also created severe penalties for those communities which had recently voted to incorporate themselves. While SB 817 does not eliminate these disincentives and penalties for future incorporations, it makes whole the cities incorporated since 2004, and avoids the likely disincorporation or bankruptcies of these cities.

Reinstating revenues for incorporations is consistent with the CALAFCO legislative policy of providing communities with local governance and efficient service delivery options, including the ability to incorporate. The inability to do so creates a tremendous detriment to the creation of logical development boundaries and to the prevention of urban sprawl.

Because SB 817 reinstates a critical funding component to cities incorporated between January 1, 2004 and January 1, 2012, San Mateo LAFCo supports this bill.

Thank you for continuing to carry this important legislation.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Joshua Cosgrove'.

Joshua Cosgrove
Chair

cc: Members, Senate Governance & Finance Committee
Brian Weinberger, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

March 17, 2016

The Honorable Robert Hertzberg, Chair
Senate Governance and Finance Committee
State Capitol, Room 4038
Sacramento, California 95814

Subject: **Support of SB 971, SB 972, and SB 973 (Hertzberg) Validating Acts of 2016**

Dear Senator Hertzberg:

The San Mateo Local Agency Formation Commission (LAFCO) is pleased to support Senate Bill 971, Senate Bill 972, and Senate Bill 973, the annual Validating Acts of 2016.

We appreciate how important these measures are for the operation of local governments. Enactment of the Validating Acts helps all public agencies because they protect investors from minor errors that might otherwise threaten our bonds, boundary changes, and other official acts. For LAFCOs, these acts validate the boundaries of local agencies which the commissions are responsible to administrate. As in past years, the passage of the Validating Acts of 2016 will ensure that our bonds receive the highest possible ratings, resulting in the lowest possible borrowing costs for our constituents.

We also appreciate the fact that all of the members of the Senate Governance and Finance Committee joined you in authoring these three important bills. Please let me know if I can provide any additional information or assistance in passage of these bills.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Joshua Cosgrove'.

Joshua Cosgrove
Chair

cc: Members, Senate Governance & Finance Committee
Brian Weinberger, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

March 17, 2016

Senator Mark McGuire
California State Senate
State Capitol, Room 5064
Sacramento, CA 95814

Subject: **Support of SB 1266 (McGuire) Joint Exercise of Powers Agreement Filings**

Dear Senator McGuire:

The Local Agency Formation Commission (LAFCo) of San Mateo County is pleased to support Senate Bill 1266. This bill would require certain standalone, municipal service-providing joint-power authorities (JPAs) to provide a copy of their agreement to the LAFCo at the time of their establishment or amendment to that agreement.

Under existing law, there is no means for LAFCos to be informed of the existence and activities of local municipal service-providing JPAs, which creates an increasing challenge for LAFCos in meeting their standing directive to plan and oversee the responsive, efficient, and effective delivery local government services. This is especially true given the expanding role of JPAs in delivering municipal services. This bill closes that gap.

This direct communication connection between the JPA and LAFCo allows the LAFCo to be a stronger public resource and inclusive information repository on local public services. Further, it allows the LAFCo the information needed to ensure more comprehensive reporting to the public on the effective and efficient delivery of municipal services.

This bill is not intended to create a direct authority link of LAFCo over JPAs. The formation, organization, and related decision-making for JPAs are unaffected by this legislation. We understand that as the sponsor of SB 1266, the California Association of Local Agency Formation Commissions (CALAFCO) has and will continue to meet with stakeholders in an effort to receive feedback and work through any remaining points of concern and pending amendments.

Because SB 1266 provides the critical direct communication link between the LAFCo and these municipal service providing JPAs, San Mateo LAFCo supports this bill. We thank you for authoring this important legislation.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Joshua Cosgrove', written in a cursive style.

Joshua Cosgrove
Chair

cc: Members, Senate Governance & Finance Committee
Brian Weinberger, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus



March 28, 2016

Senator Lois Wolk
California State Senate
State Capitol Room 5114
Sacramento, CA 95814

Subject: **Opposition to SB 1318 (Wolk)**

Dear Senator Wolk:

The San Mateo Local Agency Formation Commission (LAFCo) regretfully must oppose your bill SB 1318. The California Association of Local Agency Formation Commissions (CALAFCO) and LAFCos are aware of and concerned about the disparity of local public services, especially for residents and properties located within disadvantaged unincorporated communities (DUCs). All Californians deserve adequate and safe drinking water and wastewater facilities. CALAFCO supports your ongoing efforts to address these problems, which persist in many counties, and we support them partnering with you to find the appropriate solutions.

Our primary concern is that the outcome of this legislation does not result in any changes to community services or facilities, or address the root causes of the lack of acceptable drinking water and wastewater facilities to these communities. We are aware that CALAFCO has shared concerns with your staff and the bill's sponsor, and we echo those concerns.

Specifically, this bill:

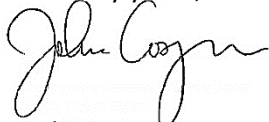
1. Creates a Significant Unfunded Mandate to LAFCo and Local Agencies. The studies, analysis and preparation of recommendations regarding underserved disadvantaged communities that would be required imposes an unfunded mandate on all LAFCos. By law LAFCo is forced to pass those costs on to cities, counties – and in 30 counties – special districts which fund the commissions. In these challenging economic times for local agencies this is a difficult proposition. LAFCos have no other revenue source to fund the required studies. With limited staff, many of these studies will require outside consultants at an added cost.
2. Requires Studies Outside of a Sphere. The legislation would require LAFCos, for the first time, to study territory outside of an agency's sphere of influence (sphere). This is a significant new requirement and costly study process. The term "adjacent" is undefined and since these communities have no boundary it is impossible to know what constitutes "adjacent."
3. Requires Studies of Non-public Agencies. The legislation would also require LAFCos, for the first time, to identify the level of water and wastewater services provided by public or private utilities and mutual water companies that serve disadvantaged communities and DUCs. LAFCo has no authority over these entities, and would be prohibited from allowing an extension of service from a city or public agency within or adjacent to a sphere for influence if a private company, public or private utility or mutual water company provided unsafe drinking water or inadequate wastewater infrastructure or services within or adjacent to the same sphere of influence. While LAFCos support efficient delivery of public services to all residents, the Legislature has not granted LAFCo the

authority to regulate or approve service extensions of the non-public service providers included in this legislation. *This will surely* lead to confusion, potential conflict and likely litigation.

4. Creates a Precedent-setting Change in Final Authority of Spheres. The bill changes existing law by removing from LAFCo authority the final sphere approval and instead puts that authority in the hands of the voters. This is in direct conflict with the existing definition of a sphere. The legislature has established a framework that gives voters and landowners the final say in changes of jurisdiction. Spheres are not jurisdictional changes; they are planning tools. Planning functions are not typically delegated to voters. In addition, the bill proposes an inconsistent use of the term “voters” and “residents,” thereby creating confusion as to the intent.
5. Removes LAFCo Discretion. When considering a change of organization pursuant to Government Code Section 56133, LAFCo has the discretion to consider the unique local circumstances and conditions that exist. This is an important and basic construct within the legislatively stated purpose of LAFCos. This bill removes that discretion and authority.
6. Creates a One-size-fits-all Approach. We are concerned that the bill has unintended consequences in the ability to provide necessary services to an existing DUC. For example, if it is reasonable to extend services to a particular DUC but not to others, this bill prevents the extension of services to the area that can reasonably be serviced. The same is true for those areas currently contained within a city’s sphere, where it may make better sense to have another service provider providing the service. In the latter case, the bill proposes an election, and we are concerned not only with the precedent-setting nature of a voter-approved sphere, but also the cost of the election. These changes are complicated by the fact the bill interchangeably uses the term “disadvantaged community” and “disadvantaged unincorporated community.”
7. Changes Governmental Reorganization Recommendations from May to Shall. The amended language requires LAFCo to assess governmental reorganizations and non- governmental service provisions in all sphere determinations, rather than allowing commission discretion. This will add costly, time consuming and often wasted studies to every sphere review and can create unintended litigation issues. Current law allows LAFCo to determine those cases where a reorganization study may be appropriate to further the goals of orderly development as well as efficient and affordable service delivery. To require it in all cases creates costly, unnecessary studies.

San Mateo LAFCo and CALAFCO remain committed to help find solutions to the disparities in service delivery to disadvantaged communities. We recognize, however, that simply changing the boundaries or spheres of local agencies does little to ensure adequate services are actually delivered. A major obstacle remains the infrastructure and operational funding for these services. We believe that addressing the needs of disadvantaged communities through the planning process and finding tools to support the infrastructure deficiencies remain a very important part of the solution.

Sincerely yours,



Joshua Cosgrove
Chair

cc: Members, Senate Governance & Finance Committee
Pamela Miller, Executive Director, CALAFCO
Anton Favorini-Csorba, Consultant, Senate Local Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus

CALAFCO Daily Legislative Report as of Wednesday, May 11, 2016

1

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 Support Letter May 2016](#)

[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	Chapered
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: Amended: 5/10/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 5/10/2016

Status: 5/10/2016-Read second time and amended. Ordered returned to second reading.

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

Calendar:

5/12/2016 #1 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

Summary:

Would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to specified provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 that require dissolution by voter approval only if a majority protest exists, as specified. By requiring a higher level of service from the Alameda County local agency formation commission to analyze the criteria described above, the bill would impose a state-mandated local program.

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	Chaptered
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: 5/10/2016-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 #55 SENATE SEN THIRD READING FILE - SEN 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:** 5/10/2016-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:

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	Chapters
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 was 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.

2

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	Chapters
1st House				2nd House							

Calendar:

5/12/2016 #59 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.

3

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	Chapters
1st House				2nd House							

Calendar:

5/12/2016 #69 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	Chapters
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:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/17/2016)

Dead	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:** 5/10/2016-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 #82 ASSEMBLY THIRD 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 (Mayer R) Local government organization: disincorporated cities.

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

Introduced: 2/19/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/19/2016)

Dead	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	Chapted
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	Chapted
1st House				2nd House							

Calendar:

5/12/2016 #146 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	Chapted
1st House				2nd House							

Calendar:

5/12/2016 #164 ASSEMBLY CONSENT CALENDAR 2ND 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 #165 ASSEMBLY CONSENT CALENDAR 2ND 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 #166 ASSEMBLY CONSENT CALENDAR 2ND 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: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was GOV. & F. on 2/25/2016)

Desk	Dead	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: 5/10/2016-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, 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: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS.

on 3/3/2016)

Desk	Dead	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	Fiscal	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.

Total Measures: 32

Total Tracking Forms: 32

5/11/2016 1:37:15 PM

BILL ANALYSIS

AB 1362

Page 1

ASSEMBLY THIRD READING

AB 1362 (Gordon)

As Amended January 19, 2016

Majority vote

Committee	Votes	Ayes	Noes
Local Government	9-0	Maienschein, Gonzalez, Alejo, Chiu, Cooley, Gordon, Holden, Linder, Waldron	

SUMMARY: Authorizes a city selection committee to make appointments to the board of trustees of specified mosquito abatement and vector control districts, subject to specified requirements. Specifically, this bill:

1)Authorizes a city council that may appoint a trustee, pursuant to existing law, to a newly formed or existing mosquito abatement and vector control district that is in a single county and contains incorporated and unincorporated territory,

AB 1362

Page 2

to adopt a resolution requesting city appointments be made by a city selection committee.

2)Provides a city selection committee may only be used to make appointments if a majority of city councils located within the mosquito abatement and vector control district adopt respective resolutions.

3)Authorizes a city selection committee to decrease the total number of city appointments made by the city selection committee, if a majority of city councils within the district make this request in an adopted resolution.

4)Prohibits the total number of appointments made by a city selection committee from exceeding the number of incorporated cities, wholly or in part, in the district.

5)Prohibits the appointments made by the city selection committee from affecting the appointments made by a county board of supervisors, pursuant to existing law for these specified districts.

EXISTING LAW:

- 1) Establishes the Mosquito Abatement and Vector Control District Law, which requires a legislative body of at least five members known as the board of trustees to govern every mosquito abatement and vector control district.
- 2) Requires a board of trustees to be appointed, within 30 days after the effective date of formation, in a district that is located entirely within a single county and contains both

AB 1362

Page 3

incorporated and unincorporated territory, as follows: a) the board of supervisors may appoint one person to the board; and, b) the city council of each city that is located in whole or in part within the district may appoint one person to the board.

- 3) Authorizes a board of trustees to adopt a resolution requesting that the board of supervisors of any county that contains territory within the district to increase or decrease the number of members on the board of trustees who represent the unincorporated territory of that county, and requires the board of supervisors order the increase or decrease.

FISCAL EFFECT: None

COMMENTS:

- 1) Mosquito Abatement and Vector Control Districts. There are 65 mosquito abatement and vector control districts in California. Mosquito abatement and vector control districts stand as guardians against epidemics, public health emergencies, and economic disasters. These districts have a long history of applying science to counter public health threats, and continue to do so as Californians face threats like the West Nile virus.

In 2002, the Senate Local Government Committee appointed a "Working Group on Revising the Mosquito Abatement District Law" to update the law which had not undergone a comprehensive review since 1939. The working group agreed to maintain the method of appointing trustee boards, but changed the method for increasing or decreasing the size of boards. Due to the rewrite in 2002, current law authorizes a board of trustees to change a board's size by directing a county board of

AB 1362

Page 4

supervisors to increase or decrease the number of trustees representing the unincorporated area of the county. The working group rejected draft language that would have allowed the underlying city councils and county board of supervisors to trigger changes in the size of the board of trustees.

- 2) Bill Summary. Existing law establishes an appointment process for a mosquito abatement and vector control district, which must be done within 30 days of the effective date of formation. Each district must have at least five trustees; however the appointment process established by current law determines city and county appointments based on the territory

contained in the district. If a district includes a part of a city or county, that respective governing body is authorized to make an appointment. For example in a mosquito and vector control district located in a single county which contains unincorporated and incorporated territory the board of supervisors is authorized to make one appointment and each individual city is authorized to make one appointment. This leads to a large variation in the size of a mosquito abatement and vector control district board of trustees.

This bill authorizes a city selection committee to make appointments in a newly formed or existing mosquito abatement and vector control district that is located in a single county and contains incorporated and unincorporated territory if a majority of city councils within the district adopt a resolution. A majority of city councils must also adopt a resolution to permit the city selection committee to decrease the number of appointments. This bill prohibits the appointments made by a city selection committee from exceeding the number of incorporated cities within the district.

- 3) Author's Statement. According to the author, "AB 1362 would grant a mosquito abatement district which has countywide boundaries the option to utilize its existing city selection

AB 1362

Page 5

committee to appoint Trustees to the district, rather than each city council doing so independently. This reduces pressure on each individual city to appoint a representative, and increases collaboration between neighboring cities by authorizing the city selection committee to make shared decisions on local governance. This process adds an additional level of oversight and accountability to the appointment process, while retaining the city councils' authority to appoint members. Other benefits include reducing the costs associated with meeting expenses and stipends for each member's service, streamlining board communication, reducing duplicative work, and providing more transparency on the Board's representation and decision-making."

- 4) Policy Considerations. The Legislature may wish to consider the following:

- a) Equal Representation. The Legislature may wish to ensure that there will be adequate representation among all cities, especially if the number of city appointments is less than the number of cities within the district. The city selection committee process for some special districts requires appointments to alternate between cities or guarantees seats among geographic groupings to ensure diverse and fair representation.
- b) Statewide Problem. This bill affects districts that are located in a single county and contain incorporated and unincorporated territory. The Legislature may wish to consider if there is evidence of a statewide problem.
- c) Role of the Board of Trustees. Current law grants flexibility to a board of trustees to change the size of a board by ordering an increase or decrease to the number of trustees representing the unincorporated area of a county.

AB 1362

Page 6

The author may wish to consider the role trustee boards should have in determining the size of their board given this provision in current law.

5)Prior Legislation. AB 991 (Devore) of 2005 would have reduced the size of the Orange County Vector Control District's board of trustees, and would have required the county board of supervisors to appoint one trustee and the city selection committee to appoint 10 members, as specified. AB 991 failed passage in the Local Government Committee.

6)Arguments in Support. According to Supervisor Don Horsley, "In San Mateo County, the existing countywide mosquito abatement district is comprised of 21 members - one representative from the Board of Supervisors and one representative from each of the 20 cities in the county. This is a very large board that can be difficult to manage and challenging for each jurisdiction to keep consistently filled with trustees. For instance, our board currently has four vacant seats. In addition, the recent history of the San Mateo County Mosquito District proved that a larger board does not necessarily offer greater oversight. Rather than completely overhauling the governance structure of this special district, creating the option of having a more focused representative board could produce a more effective management tool. In San Mateo County, I believe the appointment process outlined in AB 1362 would be a good fit for the board of trustees of the mosquito and vector control district."

7)Arguments in Opposition. According to the Mosquito and Vector Control Association of California, "The nexus of this proposal is reported to come from San Mateo County's concerns with the size of its district's board of trustees. However, as a statewide association comprised of over 60 member agencies, including many large urban districts with diverse populations, our members have not raised concerns as to the size of their

AB 1362

Page 7

board of trustees. In fact, 2015 marks the centennial anniversary of the creation of mosquito control districts in California, and we believe that the addition of a city selection process for trustee appointments is not necessary. As we continue to work with you on your concerns related by the San Mateo County Board of Supervisors, we believe that the issues in that specific county and district should be addressed on their own, as opposed to opening a governance structure that would be statewide."

Analysis Prepared by:

Misa Lennox / L. GOV. / (916) 319-3958 FN:
0002554