

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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August 6, 2008

TO: Sacramento Local Agency Formation Commission
FROM: Peter Brundage, Executive Officer **PB**
RE: Legislative Update

CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

Information only, no action is recommended.

SUMMARY

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters. An ad-hoc committee appointed by the CALAFCO Board of Directors has considered and adopted positions on several bills. Staff will continue to track the bills, in collaboration with CALAFCO, and report back to the Commission.

In addition to AB 1998 (Financial Disclosures) the Governor has also signed **AB 2484** (Special District Powers), **SB 1458** (CSA Law Rewrite), and **SB 1191** (CSD Broadband Powers). That means he has signed six out of six CALAFCO bills that have hit his desk. The remaining LAFCo legislation includes SB 301 (VLF Sunset) which is awaiting final passage in the Senate. We are still tracking SB 303/SB 375 which are in negotiations in Assembly Appropriations.

LEGISLATION

Please note: SB 301, if enacted into law will have favorable implications for the Arden Arcade Incorporation Proposal

SB 301(Romero) Local Government Finance.

Status: 06/18/2008 Passed Assembly.

Calendar: 07/14/2008 In Senate – to Unfinished Business

Summary: The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state. Under existing law, the Controller is required to allocate VLF revenues in the Motor Vehicle License Fee Account in a specified order to, among others, each city that was incorporated from an unincorporated territory after August 5, 2004, but before July 1, 2009. Existing law also requires cities that were incorporated before August 5, 2004 be allocated additional VLF revenues in an amount determined pursuant to a specified formula. For purposes of this formula, existing law specifies that the population of a city that is incorporated before August 5, 2004, is that city's actual

population, as defined, residing in areas annexed after August 5, 2004, but before July 1, 2009. This bill would require that cities that are incorporated from an unincorporated territory after August 5, 2004, but before July 1, 2014, be allocated VLF revenues. This bill would specify, for purposes of this formula used to determine additional VLF revenues for cities that were incorporated before August 5, 2004, that the city's actual population is the population residing in areas annexed after August 5, 2004. This bill contains other related provisions and other existing laws.

SUPPORT: (Verified 1/23/08)

Alamo Incorporation Movement
California Association of Local Agency Formation Commissions
East Los Angeles Residents Association
Eastvale Incorporation Committee
League of California Cities
Nahas Company, LLC
Orange County Local Agency Formation Commissions

Notes: This bill was amended to remove the AB 1602 sunset on VLF subventions for annexations and to extend indefinitely the VLF subvention for incorporations

SB 303(Ducheny)

Status: Last Amended 07/01/2008

Current Location: 07/09/2008 Placed on APPR. Suspense File.

Calendar: 08/07/2008 Hearing Date

Summary: This bill requires transportation agencies to develop different planning scenarios, requires them to submit the scenarios to the California Air Resources Board (CARB) to determine compliance with the goals of the Global Warming Solutions Act of 2006 (AB32), and makes other changes to the way local governments and transportation agencies plan for future transportation, housing, and land use.

AB 1998(Silva) Political Reform Act of 1974: Local Agency Formation Commissions.

Notes: This bill will move the financial disclosure requirements from LAFCo to the FPPC. It was sponsored by CALAFCO.

Status: 07/22/2008 Signed by the Governor.

Summary: Existing law provides for the existence, in each county, of a local agency formation commission (LAFCo), an administrative body vested with the authority and responsibility to control the process of municipal expansion by overseeing local agency boundary changes, including the incorporation, annexation, and reorganization of cities and special districts. The LAFCo for each county reviews and approves or disapproves proposed local government changes of organization; and, under specified circumstances, the determinations of the LAFCo are subject to voter approval through the circulation of a signature petition and a subsequent ballot measure.

This bill will impose on a committee formed to support or oppose a LAFCo proposal, as defined, requirements regarding the filing of campaign statements. The bill will require the committee to file monthly campaign statements from the time circulation of a petition begins until a measure is placed on the ballot or the committee is terminated. After a LAFCo proposal measure is placed on the ballot, the bill will require a committee formed to support or oppose the proposal to file those campaign statements required of other committees formed to support or oppose ballot measures under the Political Reform Act of 1974. This bill contains other related provisions and other existing laws.

AB 2046(Jones) Water Supply Assessments: Groundwater.

Status: 07/01/2008-Amended in Senate.

Current Location: 07/01/2008-Senate Appropriations.

Calendar: 08/04/08

Summary: The Subdivision Map Act establishes a statewide regulatory framework for controlling the subdividing of land. The act generally requires a sub-divider to submit, and have approved by the city, county, or city and county in which the land is situated, a tentative map. The act requires the legislative body of a city or county or the advisory agency, to the extent that it is authorized by local ordinance to approve, conditionally approve, or disapprove the tentative map, to include as a condition in any tentative map that includes a subdivision a requirement that a sufficient water supply be available. The act authorizes the legislative body to request written verification of sufficient water supply, and, when the written verification relies on projected water supplies that are not currently available to the public water system to provide a sufficient water supply to the subdivision, requires that the written verification as to those projected water supplies be based on prescribed elements. This bill would add to those written verification elements the status of specified groundwater treatment or remediation plans or other water management options.

AB 2484(Caballero) Local Government: Special Districts.

Notes: This bill was prepared by the CALAFCO Legislative Committee and sponsored by CALAFCO.

Status: 07/22/2008 Signed by the Governor.

Summary: This Bill amends the definition of change of organization to include any proposal for the exercise of new or different functions or classes of services, or the divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of Special Districts.

This provision may only be initiated by Resolution of Application from the legislative body of an affected local agency.

The statute also requires the Special District to provide a plan for service and financing plan related to the provision or divestiture of a new power.

The new law provides that the Commission can approve, modify, or deny the proposal and this change of organization is subject to protest proceedings similar to other changes of organization.

AB 3047(Committee on Local Government) Local Agency Formation Commissions: Notice Requirements.

Notes: This is the annual CALAFCO Omnibus Bill that contains technical changes to the Cortese-Knox-Hertzberg Act. Additional items will be amended into the bill during the session.

Status: 07/03/2008 Signed by the Governor.

Summary: This Bill provides that the legislative body may give notice prior to adopting a Resolution of Application by adopting a Resolution of Intention at least 21 days before adopting the Resolution of Application. The Resolution of Intention should be mailed to the Commission, each interested agency and each subject agency. Generally, this provision is directory and not mandatory.

When mailed notice is required to be given to landowners and registered voters, only one notice is required if the landowner and registered owner are the same.

Petitions verification must be completed in 30-days not including Saturdays, Sundays, and holidays.

SB 375 (Steinberg) Transportation Planning: Travel Demand Models:

Sustainable Communities Strategy: Environmental Review.

Status: Last Amend: 03/24/2008, 01/28/2008-From committee with author's amendments. Read second time. Amended. Re-referred to Com. on APPR.

Current Location: 03/24/2008-A APPR.

Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional transportation planning agencies, including development of a regional transportation plan. Existing law authorizes the California Transportation Commission, in cooperation with the regional agencies, to prescribe study areas for analysis and evaluation. This bill would require the commission, by July 1, 2009, to adopt guidelines for travel demand models used in the development of regional transportation plans by certain transportation planning entities. The bill would require the Department of Transportation to assist the commission, on request, in this regard, and would impose other related requirements. This bill contains other related provisions and other existing laws. **Position:** Watch **Priority:** 1

SB 1191(Alquist) Local Government: Community Service Districts: Broadband Access.

Notes: This was a power discussed during the CSD rewrite. It was removed from the list of powers based on the strong objection from private broadband service providers.

Status: 07/08/2008 Signed by the Governor.

Summary: Existing law authorizes a community services district to be formed to, among other things, provide fire protection services, organize, promote, conduct, and advertise programs of community recreation, provide transportation services, abate graffiti, and construct, maintain, and operate mailboxes. This bill would authorize a community services district to construct, own, improve, maintain, and operate broadband facilities and to provide broadband services, under specified circumstances, until a private person or entity is ready, willing, and able to acquire, construct, improve, maintain, and operate broadband facilities and to provide broadband services, and to sell those services at a comparable cost and quality of service to the district and its property owners, residents, and visitors.

SB 1458 Committee on Local Government) Local government: the County Service Area Law.

Notes: This bill is the culmination of the work of the CSA Rewrite Work Group of which CALAFCO was a participant. It significantly overhauls the CSA law and brings it into conformance with CKH.

Status: 07/21/2008 Signed by the Governor.

Summary: The County Service Area Law authorizes the formation of county service areas to provide authorized services as specified. This bill revises and recasts the County Services Area Law and makes conforming changes.