

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
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June 5, 2013

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

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

**RECOMMENDATION**

Information only, no action is recommended.

**BACKGROUND**

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

More than 2,200 Senate and Assembly bills were introduced for consideration in the 2013-14 session. May 24 was the final day for a Bill to advance. This winnowed down the Bill tracking effort considerably.

An ad-hoc committee appointed by the CALAFCO Board of Directors will consider and adopt positions on several bills, which staff will report back on.

**SUMMARY**

There continue to be several pieces of proposed legislation that may be of interest to your Commission.

**AB 453 (Mullin D) Sustainable communities**

**Introduced:** 2/19/2013

**Status:** 5/30/2013-Action From THIRD READING: Read third time. Passed Assembly to SENATE.

**Location:** 5/30/2013-S. SENATE

**Calendar:** 5/30/2013 #50 ASSEMBLY ASSEMBLY THIRD READING FILE

Summary:

The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Position: Sponsor

CALAFCO Comments: This would allow LAFcos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts.

**AB 743 (Logue R) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

Introduced: 2/21/2013

**Last Amend:** 4/3/2013

**Status:** 5/9/2013-Referred to Com. on GOV. & F.

**Location:** 5/9/2013-S. G. & F.

**Calendar:** 6/5/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This provision applies only to territory that does not exceed 150 acres. This Bill would delete the January 1, 2014, date and make conforming changes. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Annexation Proceedings, CKH General Procedures

CALAFCO Comments: As amended, this bill removes the sunset date provision to waive protest proceedings for certain island annexations. The size of the island areas for the purposes of annexation under this provision has been amended back to 150 acres.

Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFcos

additional time to implement island annexation programs. The unforeseen economic downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire at the beginning of next year, cities and LAFCos have yet to complete the work that the law intended them to do. Over the twelve year period since the law was established, hundreds of islands have been annexed, yet hundreds more remain.

Additionally, the bill was amended to reset the effective island creation date from January 1, 2000 to January 1, 2014 thus allowing smaller islands of less than 150 acres created after 2000 to be annexed under these provisions. Many of these current islands remained as remnants of larger substantially surrounded island areas that had irregular boundaries or were affected by the annexation of territory for newer development.

**AB 1427 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

Introduced: 4/1/2013

**Status:** 5/16/2013-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 5/16/2013-S. RLS.

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides 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 specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. This bill contains other related provisions and other existing laws.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: Cortese-Knox-Hertzberg Omnibus bill.

**SB 56 (Roth D) Local government finance: vehicle license fee adjustments.**

Introduced: 1/7/2013

Last Amended: 4/23/2013

Status: 4/23/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

Calendar:

5/8/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Attachments:

CALAFCO Letter of support April 10, 2013

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

**SB 772 (Emmerson R) Drinking water.**

Introduced: 2/22/2013

Status: **Bill failed to advance.**

Would require the State Department of Public Health or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission. This bill contains other related provisions and other existing laws.

*Attachments:*

*CALAFCO Letter of Opposition April 10, 2013*

*Position: Oppose*

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: Requires LAFCos as part of a MSR, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, including the identification of any retail water suppliers within or contiguous to the responding entity. Further requires LAFCos to provide a copy of the SOI review for retail private and public water suppliers to the Public Utilities Commission and the state department of Public Health.

**SB 731 (Steinberg D) Environment: California Environmental Quality Act and sustainable communities strategy.**

Introduced: 2/22/2013

Last Amended: 4/23/2013

Status:

**Status:** 5/29/2013-Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly.

**Location:** 5/24/2013-A. ASSEMBLY

Summary:

Would provide that aesthetic impacts of a residential, mixed-use residential, or employment center project, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and propose, and the Secretary of the Natural Resources Agency to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise, and for the transportation and parking impacts of residential, mixed-use residential, or employment center projects within transit priority areas. The bill would require the lead agency, in making specified findings, to make those findings available to the public at least 15 days prior to the

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approval of the proposed project and to provide specified notice of the availability of the findings for public review. Because the bill would require the lead agency to make the draft finding available for public review and to provide specified notices to the public, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA