LAFCO
San Diego Local Agency Formation Commission

9335 Hazard Way • Suite 200 • San Diego, CA 92123
(858) 614-7755 • FAX (858) 614-7766
www.sdlafco.org

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AGENDA REPORT
Business | Action

May 7, 2018

TO: San Diego Commissioners

FROM: Keene Simonds, Executive Officer
Robert Barry, Chief Policy Analyst

SUBJECT: **Legislative Report**

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a report from staff reviewing current legislative bills of interest. This includes most notably Assembly Bill 2050 and its provisions to create the Small System Water Authority Act of 2018; a bill both CALAFCO and the California Special Districts Association (CSDA) have actively worked with the author to provide amendments addressing a multitude of concerns and improve implementation. Also of interest is Assembly Bill 1944 and its provisions to amend the Sustainable Groundwater Management Act (SGMA) specific to the San Luis Rey groundwater basin in San Diego County. This item is being presented for discussion and potential action on recommended positions.

BACKGROUND

Legislative Resources

San Diego LAFCO draws on its active participation with CALAFCO in considering legislative matters affecting the Commission's ability to effectively administer its regulatory and planning responsibilities. The CALAFCO Legislative Committee comprises nearly two dozen members across the state – including San Diego LAFCO's current Chair and Chief Policy Analyst – and is tasked with drafting and/or reviewing proposed legislation and related items. San Diego LAFCO relies on the information and analysis generated from the CALAFCO Legislative Committee in making its own position recommendations relative to local needs and interests.

Key Dates

The Legislature reconvened from its Spring Recess on April 2nd. During April – May, policy and fiscal committees will hear and report to the floor on fiscal/non-fiscal bills introduced in their house. Bills assigned to policies committees must pass to the floors by May 18th. Bills assigned to fiscal committees must pass to the floors by May 25th. The last day for each house to pass bills introduced in their chamber is June 1st. The last day for bills to be approved in both houses in this session is August 31st.

DISCUSSION

This item is for San Diego LAFCO to receive a summary of current bills and related matters of interest. This includes considering position recommendations and issuance of letters to the respective authors. The following discussion is intended to aid the review and summarizes (a) current CALAFCO Legislative Committee activities and (b) specific bills of interest as identified by staff with recommended positions.

CALAFCO Legislative Committee

The CALAFCO Legislative Committee last met on March 16th, 2018 to discuss tracked legislation, gather feedback for potential amendments, finalize the omnibus actions, and to consider potential positions. The Committee approved a number of suggested amendments for the various tracked legislation and generally agreed to adopt preliminary watch positions with the intent to consider support or oppose positions at its May 4th meeting. Staff will be attending the May 4th Committee meeting and will provide a verbal update on any new positions to the Commission at the May 7th LAFCO meeting.

Bills of Interest

AB 2050 (Caballero) | Small System Water Authority Act of 2018

AB 2050 would authorize the State Water Resources Control Board to order formation of a public agency that will have powers to absorb, improve, and competently operate public water systems that have either less than 3,000 service connections or serve less than 10,000 people and are not in compliance with applicable drinking water standards as of December 31, 2018. The bill requires the formation to include a minimum of five local non-compliant public/private small water systems in order to create sufficient economies of scale to remedy the violations of drinking water standards. The affected public/private small water systems would be dissolved and consolidated to form a new type of public agency: a Small System Water Authority (SSWA). Following the submittal of a formation application and plan for services to LAFCO, the Commission would be required to approve the SSWA formation with or without conditions. CALAFCO has coordinated closely with the sponsor/author and has provided proposed revisions to the most recent version of the bill. The bill is currently in the Assembly's Local Government Committee. CALAFCO has taken a watch position.

Staff Discussion on AB 2050

The CALAFCO Legislative Committee formed a subcommittee in early 2018 to address concerns regarding AB 2050's proposed formation of a new type of public agency and to clarify LAFCO's role in the process. The subcommittee reviewed the bill and developed detailed amendments, which the Legislative Committee forwarded to the author. The bill was subsequently amended on April 16th and much of the Committee's feedback was included. While the amended bill is greatly improved, there are still unresolved concerns regarding the role of LAFCO and the need for synchronizing the processes. CALAFCO continues to work closely with the author and co-sponsors (the California Municipal Utilities Association and the Eastern Municipal Water District) as the bill moves forward. Supporters of the bill include the San Diego County Water Authority, the California Special Districts Association, and the California State Association of Counties.

With respect to local impact, as of January 2018, there are 11 small drinking water systems in San Diego County identified as non-compliant with drinking water standards and potentially subject to the AB 2050 consolidation provisions. The 11 affected local drinking water systems include two public agencies: the Decanso Community Services District (CSD) and the Warner Springs Unified School District; and nine private water corporations, including mutual water companies and RV/Mobile Home Parks. The non-compliant private systems are located in the unincorporated communities of Alpine, Borrego Springs, Guatay, Pauma Valley, and Ramona. As AB 2050 may provide State funding for rectifying these local non-compliant drinking water systems, it is recommended that the Commission consider a support position.

Recommended Position: Support

AB 2238 (Aguiar-Curry) | Proposal Review Factors: Hazard Mitigation Plan: Safety Element

The Cortese-Knox-Hertzberg Act of 2000 specifies the factors that LAFCO is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, the proposal's consistency with city or county general and specific plans. This bill would additionally require LAFCOs to consider any relevant hazard mitigation plan or safety element of a general plan, and the extent to which the proposal will affect any land identified as a very high fire hazard severity zone or land determined to be in a state responsibility area, as provided. The bill is currently in the Assembly's Appropriations Committee. CALAFCO has taken a watch position.

Staff Discussion on AB 2238

Following the wildfires throughout the state over the past several years, this bill seeks to add another proposal review factor for LAFCO consideration regarding information contained in a local hazard mitigation plan and information contained in a safety element of a general plan. The bill would also require consideration of any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the area that is the subject of the proposal. As San Diego County has been historically subject to numerous wildfires, this factor, if approved, would be potentially pertinent to local conditions and concerns.

Recommended Position: Watch

AB 2258 (Caballero) | Strategic Growth Council Grant Program

This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCOs one-time grant funding for in-depth studies of potential reorganization of local service providers. Current law establishes the Strategic Growth Council in state government and assigns to the council certain duties, including providing, funding, and distributing data and information to local governments and regional agencies that will assist in the development and planning of sustainable communities. This bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a LAFCO grant program for the payment of costs associated with preparation of studies, initiation and completion of actions to dissolve inactive districts, development and implementation of reorganization plans, or incentivizing service providers to assist LAFCO in development and implementation of reorganization plans. CALAFCO is working with the Strategic Growth Council in preparing a grant funding process and the bill was most recently amended on April 23, 2018. The bill is currently in the Assembly's Appropriations Committee. CALAFCO has taken a support position.

Staff Discussion on AB 2258

AB 2258 will provide grant funding opportunities for local LAFCOs to prepare studies that identify potential service efficiencies and/or determine potential alternatives for improving efficiency and affordability of infrastructure and service delivery. The grant program would also provide funding for LAFCO-initiated actions based on determinations from such studies. There are a number of ongoing local efforts in San Diego County involving potential consolidation or merger of special districts to achieve infrastructure and service delivery efficiencies. This potential grant funding may provide financial incentives to facilitate reorganizations, such as the proposed dissolution of the Julian-Cuyamaca Fire Protection District or potential water district reorganizations in Pauma Valley. CALAFCO has requested letters of support and it is recommended that the Commission consider a support position.

Recommended Position: Support

AB 3254 (ALGC) | Omnibus Bill

This is the annual Assembly Local Government Committee (ALGC) bill that addresses issues involving the Cortese-Knox-Hertzberg Act and LAFCO. The annual bill addresses non-controversial or clarification issues. Notable items in the bill include redefining the terms "affected territory" and "inhabited territory." This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term "uninhabited territory" for purposes of the Act. The bill is currently in the Assembly's Local Government Committee. CALAFCO has taken a support position.

Staff Discussion on AB 3254

AB 3254 is a CALAFCO-sponsored bill and the Legislative Committee has reviewed and approved its contents. CALAFCO has requested letters of support and it is recommended that the Commission consider taking a support position.

Recommended Position: Support

SB 1215 (Hertzberg) | Sewer Systems: Consolidation & Extension of Service

This bill would authorize the State Water Resources Control Board (SWRCB) to mandate extension of service or consolidation of wastewater systems - both public and private, under certain circumstances and after making specific findings. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems. This bill would also authorize the state board to set timeline and performance measures to facilitate completion of extension of service of drinking water. The bill was amended on April 12th and scheduled for first hearing on April 25th. The bill is in the Senate Governance and Finance Committee. CALAFCO has taken a watch with concern position.

Staff Discussion on SB 1215

This bill would authorize the State Board to order the extension of the provision of sewer service to a disadvantaged community by a city or county. The bill would also authorize the State Board to order annexation of a disadvantaged community with a receiving sewer system of a special district. A disadvantaged community is defined in the Water Code as a community with an annual median household income that is less than 80 percent of the statewide annual median household income. San Diego County contains a number of qualifying disadvantaged communities, as identified in the Disadvantaged Unincorporated Communities program. The bill states that funding for implementation of a State Board order to extend sewer service or annex for sewer service is dependent on appropriation by the Legislature. In addition, the bill exempts the provision of sewer service ordered by the State Board from the provisions of the Cortese-Knox-Hetzberg Act. Therefore, it is recommended that the Commission consider taking a watch with concerns position.

Recommended Position: Watch with concerns

SB 623 (Monning) | Safe and Affordable Drinking Water Fund

This two-year bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that monies in the fund are continuously appropriated to the State Water Resources Control Board. The measure is intended to fill gaps in funding for disadvantaged communities and low-income residents without access to safe drinking water. The funding mechanisms would include: 1) agricultural fees in the context of nitrate contamination in groundwater; and 2) a fee collected by local water agencies on drinking water meters serving residential, business, industrial and governmental customers. The bill would require the Board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the State Board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies. CALAFCO has taken a watch with concern position.

Staff Discussion on SB 623

SB 623 is identified as a trailer bill that allows for its approval with the budget on a simple majority vote by the Legislature. The bill involves the imposition of a fee (or tax) on water meters to provide a funding source for addressing non-compliant small drinking water

systems, and as such would normally require 2/3 approval for passage. While the bill is intended to address the health and safety of customers residing in non-compliant small drinking water systems, the use of the trailer bill process to implement the fee on water meters avoids the higher level of required approval for such bills and eliminates the need for policy committee hearings as a budget-related bill. For these reasons and others, the Association of California Water Agencies has taken an Oppose-Unless-Amended position on SB 623. A watch position is generally recommended to the Commission for non-LAFCO related bills; however, staff feels that the State needs to holistically look at disadvantaged unincorporated communities (DUCs), non-compliant small drinking water systems, and related services and funding. The use of the budget trailer bill process to impose a tax on water meters muddles rather than helps the efforts to address these policy issues. Therefore, it is recommended that the Commission consider taking an oppose position.

Recommended Position: Oppose

AB 1944 (Garcia) | San Luis Rey Valley Groundwater Basin

The Sustainable Groundwater Management Act (SGMA) requires all groundwater basins designated by the Department of Water Resources as high- or medium-priority basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan by January 31, 2020. SGMA also provides a definition for groundwater that does not include water beneath the surface that is considered a subterranean stream flowing through known and definite channels. This bill would divide the San Luis Rey Valley Groundwater Basin into an upper and lower subbasin, as prescribed, and would designate the local subbasins as medium priority until the department reassesses basin prioritization. The bill would also amend SGMA to include the subterranean streams beneath the surface of the ground within the Upper San Luis Rey Valley Groundwater Subbasin as groundwater for the purposes of the Act. Groundwater extracted and used as authorized under an existing appropriative water right would be exempt from a groundwater sustainability plan. The bill is currently in the Assembly's Local Government Committee. CALAFCO is not tracking this bill.

Staff Discussion on AB 1944

As the Upper San Luis Rey Valley Groundwater Subbasin has been previously designated as a subterranean stream, access to that groundwater is subject to the same permitting requirements as diversions from surface water. AB 1944 is intended to align updated knowledge of groundwater basins and subterranean streams with the requirements of SGMA. The bill is a local effort by stakeholders to better manage the local groundwater basin going forward and ahead of SGMA. According to the author, "Due to the unique factors present only in the San Luis Rey Valley Basin, the Sustainable Groundwater Management Act should be amended to achieve its purposes," therefore it is pertinent to the Commission to assume a key and pending aspect underlying the successful implementation of SGMA in the San Luis Rey Valley is the formation and/or reorganization of a special district to provide effective and proportional governance of the management system going forward. For these reasons, it is recommended the Commission consider a support position on this bill.

Recommended Position: Support

ANALYSIS

As detailed in the previous discussion, this Legislative session is generating several items of interest to LAFCOs. In all, there are 25 proposals that directly or indirectly impact LAFCOs. San Diego County contains 11 non-compliant water systems that may be eligible for consolidation funding under AB 2050; therefore, it is recommended that the Commission consider a Support position for the bill. AB 1944 would facilitate the local stakeholders in managing the San Luis Rey Groundwater Basin in step with SGMA implementation and the Commission is recommended to adopt a Support position. AB 2258 may provide grant funding for studying and initiating potential consolidations or mergers of special districts to achieve infrastructure and service delivery efficiencies and the Commission is recommended to adopt a Support position. The Commission is recommended to adopt an oppose position for SB 623 to encourage the State to better address the policy issues associated with the bill before reducing the approval threshold for imposition of a tax.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (Recommended):
Approve the following positions and authorize issuance of comment letters:

- AB 2050 (Caballero): Support
- AB 2258 (Caballero): Support
- AB 3254 (Assembly Committee on Local Government): Support
- AB 1944 (Garcia): Support
- SB 623 (Monning): Oppose

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three:
Take no action.

RECOMMENDATION

It is recommended San Diego LAFCO proceed with the actions outlined in the preceding section as Alternative One.

PROCEDURES

This item has been placed on the agenda for discussion and potential action as part of the business calendar. The following procedures, accordingly, are recommended in the

consideration of this item:

1) Receive verbal report from staff;
2) Invite comments from interested audience members (voluntarily); and
3) Discuss item and consider recommendation

On behalf of staff,



Robert Barry, AICP
Chief Policy Analyst

Attachments:
1) CALAFCO Daily Legislative Report, April 25, 2018.

Attachment One

CALAFCO Daily Legislative Report as of Wednesday, April 25, 2018

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AB 2050 (Caballero D) **Small System Water Authority Act of 2018.**

Current Text: Amended: 4/17/2018 html pdf

Introduced: 2/6/2018

Last Amended: 4/17/2018

Status: 4/18/2018-Re-referred to Com. on L. GOV.

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

Calendar:

4/25/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

Would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2019, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance with one or more state or federal primary drinking water standard maximum contaminant levels as of December 31, 2018, and for 4 consecutive quarters, as specified.

Position: Watch

Subject: LAFCo Administration, Municipal Services, Water

CALAFCO Comments: This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water system. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

CALAFCO met with the sponsors several times and they indicate a desire to work with LAFCos on creating a workable process. We have provided feedback including content of a proposal for service, feedback on the timing and process of dissolution and formation, amended language to ensure LAFCo funding, and several other things. It is our understanding that LAFCo will lack any discretion in the dissolution of any public water agency mandated by the SWRCB and the formation of a new entity as mandated by the SWRCB. CALAFCO will continue to work with the sponsors and author.

AB 2238 (Aguiar-Curry D) **Local agency formation: regional housing need allocation: fire hazards: local health emergencies: hazardous and medical waste.**

Current Text: Amended: 4/3/2018 html pdf

Introduced: 2/13/2018

Last Amended: 4/3/2018

Status: 4/19/2018-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 18). Re-referred to Com. on APPR.

Desk	Policy	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 specifies the factors that a local agency formation commission is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, the proposal's consistency with city or county general and specific plans. This bill would require the commission to consider information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area if it is determined that such information is relevant to the area that is the subject of the proposal.

Position: Watch

Subject: Climate Change, Growth Management
CALAFCO Comments: This bill seeks to add another factor for LAFCo consideration in the review of a proposal. That factor is information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

The bill also adds two non-LAFCo-related sections pertaining to the update of a housing element.

This bill is in response to the rash of wildfires throughout the state over the past several years and the ongoing threat of same as a result of climate change.

AB 2258 (Caballero D) Local agency formation commissions: grant program.
Current Text: Amended: 4/23/2018 html pdf
Introduced: 2/13/2018
Last Amended: 4/23/2018
Status: 4/24/2018-Re-referred to Com. on APPR.

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

Summary:
Current law establishes the Strategic Growth Council in state government and assigns to the council certain duties, including providing, funding, and distributing data and information to local governments and regional agencies that will assist in the development and planning of sustainable communities. This bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency, and for other specified purposes, including the initiation of an action, based on determinations found in the study, as approved by the commission.
Attachments:
CALAFCO Support_March 2018
CALAFCO Support_March 2018

Position: Sponsor
Subject: Other
CALAFCO Comments: This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. CALAFCO is working with the Strategic Growth Council (SGC) who has agreed to administer the grant program. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCo in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowksi, 2017). The grant program would sunset on December 31, 2023.

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to a majority protest (mirroring existing language in Government Code Section 57077.1.c). For all other changes of organization or reorganization pursuant to this section, the threshold would be 25% rather than 10%, in accordance with Government Code Section 57075.

A separate budget ask of $2 million over 5 years is being done as a companion to this bill.

AB 2600 (Flora R) Regional park and open space districts.
Current Text: Introduced: 2/15/2018 html pdf
Introduced: 2/15/2018
Status: 4/23/2018-Read third time. Passed. Ordered to the Senate. 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:
Would authorize the formation of a district by the adoption of a resolution of application by the legislative body of any county or city that contains the territory proposed to be included in the district. The bill would require the resolution to contain certain information, including the methods by which the district would be

financed. The bill would require a public hearing before the adoption of the resolution, as provided.
Attachments:
CALAFCO Support_March 2018

Position: Support
CALAFCO Comments: This bill would expand the process of initiating the formation of a regional pack and open space district by adding that a local governing body may adopt a resolution proposing to form a new district. This would be in lieu of having a 5,000 signature petition. The LAFCo process remains intact.

The intent of this bill is to create an easier way to proposed the formation of these types of districts, thereby removing the need for special legislation to do so. The bill is author-sponsored.

AB 3254 (Committee on Local Government) Local government organization: omnibus.
Current Text: Introduced: 3/14/2018 html pdf
Introduced: 3/14/2018
Status: 3/22/2018-Referred to Com. on L. GOV.

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

Calendar:
5/9/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair
Summary:
The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law defines various terms for purposes of that Act, including the terms “affected territory” and “inhabited territory.” This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term “uninhabited territory” for purposes of the Act.
Attachments:
CALAFCO Support

Position: Sponsor
CALAFCO Comments: This is the annual Assembly Local Government Committee Omnibus bill, sponsored by CALAFCO. Amendments are pending to add several items.

SB 1215 (Hertzberg D) Provision of sewer service: disadvantaged communities.
Current Text: Amended: 4/12/2018 html pdf
Introduced: 2/15/2018
Last Amended: 4/12/2018
Status: 4/20/2018-Set for hearing April 25.

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

Calendar:
4/25/2018 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair
Summary:
Would authorize the State Water Resources Control Board to order the provision of sewer service by a special district, city, or county to a disadvantaged community, as defined, under specified circumstances. By authorizing the state board to require a special district, city, or county to provide sewer service, this bill would impose a state-mandated local program.

Position: Watch With Concerns
Subject: Disadvantaged Communities, Water
CALAFCO Comments: This bill would authorize the State Water Resources Control Board (SWRCB) to mandate extension of service or consolidation of wastewater systems - both public and private, under certain circumstances. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems.

CALAFCO raised a number of concerns to the author's office and the sponsor (Leadership Council for Justice & Accountability). We continue to work with the author, sponsor, SWRCB and CASA.

SB 1496 (Committee on Governance and Finance) Validations.
Current Text: Introduced: 3/1/2018 html pdf
Introduced: 3/1/2018
Status: 4/23/2018-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.			

1st House	2nd House	Conc.	Enrolled	Vetoed	Chaptered

Calendar:
5/9/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair
Summary:
Would enact the Second Validating Act of 2018, 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 March 2018

Position: Support

SB 1497 (Committee on Governance and Finance) Validations.
Current Text: Introduced: 3/1/2018 html pdf
Introduced: 3/1/2018
Status: 4/23/2018-Referred to Com. on L. GOV.

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

Calendar:
5/9/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair
Summary:
Would enact the First Validating Act of 2018, 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 March 2018

Position: Support
Subject: LAFCo Administration

SB 1499 (Committee on Governance and Finance) Validations.
Current Text: Introduced: 3/1/2018 html pdf
Introduced: 3/1/2018
Status: 4/23/2018-Referred to Com. on L. GOV.

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

Calendar:
5/9/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair
Summary:
Would enact the Third Validating Act of 2018, 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 March 2018

Position: Support
Subject: LAFCo Administration

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AB 2268 (Reyes D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.
Current Text: Amended: 4/16/2018 html pdf
Introduced: 2/13/2018
Last Amended: 4/16/2018
Status: 4/17/2018-Re-referred to Com. on APPR.

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

Summary:
for the 2018–19 fiscal year, would require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2017–18 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the

2017–18 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Position: Support
Subject: Tax Allocation
CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations.

AB 2491 (Cooley D) Local government finance: vehicle license fee adjustment amounts.
Current Text: Amended: 4/2/2018 html pdf
Introduced: 2/14/2018
Last Amended: 4/2/2018
Status: 4/12/2018-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 11). Re-referred to Com. on APPR.

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

Calendar:
4/25/2018 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ FLETCHER, Chair
Summary:
Would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter. This bill contains other related provisions and other existing laws.
Attachments:
CALAFCO Support March 2018

Position: Support
Subject: Tax Allocation
CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for cities incorporating after 2017.

AB 2501 (Chu D) Drinking water: consolidation and extension of service.
Current Text: Amended: 4/17/2018 html pdf
Introduced: 2/14/2018
Last Amended: 4/17/2018
Status: 4/18/2018-Re-referred to Com. on E.S. & T.M.

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

Summary:
The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order extension of service to an area within a disadvantaged community 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 of consolidation. The act defines “disadvantaged community” for these purposes to mean a disadvantaged community that is in an unincorporated area, is in a mobilehome park, or is served by a mutual water company or small public water system. This bill would redefine “disadvantaged community” for these purposes to also include a disadvantaged community that is served by a state small water system or domestic well.

Position: Watch
Subject: Disadvantaged Communities, Water

AB 3023 (Medina D) California Environmental Quality Act.
Current Text: Amended: 3/19/2018 html pdf
Introduced: 2/16/2018
Last Amended: 3/19/2018
Status: 3/20/2018-Re-referred to Com. on NAT. RES.

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

Summary:
Would require lead agencies to post the notices required by CEQA and any environmental review document for a project on their Internet Web sites, if any, or to submit those notices and environmental review documents to the State Clearinghouse for inclusion in the database as specified. Because this bill would impose additional duties on lead agencies, this bill would impose a state-mandated local program.

Position: Watch
Subject: CEQA

3

AB 1889 **(Caballero D) Santa Clara Valley Water District.**
Current Text: Amended: 4/4/2018 html pdf
Introduced: 1/18/2018
Last Amended: 4/4/2018
Status: 4/23/2018-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:
4/26/2018 #60 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS
Summary:
The Santa Clara Valley Water District Act authorizes the district to impose special taxes at minimum rates according to land use category and size. The district act authorizes the district to provide an exemption from these taxes for residential parcels owned and occupied by one or more taxpayers who are at least 65 years of age, or who qualify as totally disabled, if the household income is less than an amount approved by the voters of the district. This bill would authorize the district to require a taxpayer seeking an exemption from these special taxes to verify his or her age, disability status, or household income, as prescribed.

Position: Watch

AB 2019 **(Aguiar-Curry D) Health care districts.**
Current Text: Amended: 3/22/2018 html pdf
Introduced: 2/5/2018
Last Amended: 3/22/2018
Status: 4/19/2018-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 2.) (April 18). Re-referred to Com. on APPR.

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

Summary:
The Local Health Care District Law provides for local health care districts that govern certain health care facilities.The bill would require a district that is authorized and elects to use the design-build process, as specified, for the construction of housing to require that at least 20% of the residential units constructed be subject to a recorded affordability restriction for at least 55 years and be affordable to lower income households, very low income households, extremely low income households, and persons and families of low or moderate income, as defined, unless the city, county, or city and county in which the district is predominantly located has adopted a local ordinance that requires a greater percentage of the units be affordable to those groups. This bill contains other related laws and provisions.

Position: Watch

AB 2179 **(Gipson D) Municipal corporations: public utility service: water and sewer service.**
Current Text: Introduced: 2/12/2018 html pdf
Introduced: 2/12/2018
Status: 3/1/2018-Referred to Com. on L. GOV.

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

Calendar:
5/9/2018 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair
Summary:
Would authorize a municipal corporation to utilize the alternative procedures to lease, sell, or transfer that portion of a municipal utility used for furnishing sewer service outside the boundaries of the municipal corporation.

Position: Watch
Subject: Municipal Services

AB 2262 **(Wood D) Coast Life Support District Act: urgent medical care services.**

Current Text: Amended: 4/16/2018 html pdf

Introduced: 2/13/2018

Last Amended: 4/16/2018

Status: 4/23/2018-Read third time. Passed. Ordered to the Senate. 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:

Current law, the Coast Life Support District Act, establishes the Coast Life Support District and specifies the powers of the district. The district is authorized, among other things, to supply the inhabitants of the district emergency medical services, as specified.This bill would additionally authorize the district to provide urgent medical care services.

Attachments:

CALAFCO Oppose Unless Amended

CALAFCO Support as amended

Position: Support

Subject: LAFCo Administration, Special District Powers

CALAFCO Comments: This is a single district bill in which the district is seeking to add the power of providing urgent care (actually to codify powers they have been performing for a number of years). As amended, the bill cleans up the outdated reference to the Act and adds a provision requiring the district to seek LAFCo approval to activate the new power. As a result of these amendments, CALAFCO has removed our opposition and now supports the bill.

AB 2339 **(Gipson D) Water utility service: sale of water utility property by a city.**

Current Text: Amended: 4/3/2018 html pdf

Introduced: 2/13/2018

Last Amended: 4/3/2018

Status: 4/12/2018-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 11). Re-referred to Com. on APPR.

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

Calendar:

4/25/2018 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GONZALEZ FLETCHER, Chair

Summary:

Would permit a city that owns and operates a public utility for furnishing water service to sell the public utility for the purpose of consolidating its public water system with another public water system pursuant to the specified procedures, only if the potentially subsumed water system is wholly within the boundaries of the city, if the city determines that it is uneconomical and not in the public interest to own and operate the public utility, and if certain requirements are met. The bill would prohibit the city from selling the public utility for one year if 50% of interested persons, as defined, protest the sale.

Position: Watch

Subject: Water

SB 522 **(Glazer D) West Contra Costa Healthcare District.**

Current Text: Amended: 1/3/2018 html pdf

Introduced: 2/16/2017

Last Amended: 1/3/2018

Status: 4/19/2018-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 provides for the formation of local health care districts and specifies district powers. Under existing law, the elective officers of a local health care district consist of a board of hospital directors consisting of 5 members, each of whom is required to be a registered voter residing in the district and whose term shall be 4 years, except as specified. This bill would dissolve the existing elected board of directors of the West Contra Costa Healthcare District, effective January 1, 2019, and would require the Board of Supervisors of the County of Contra Costa, at its election, to either serve as the district board or appoint a district board, as specified.

Position: Watch

Subject: Special Districts Governance

SB 561 **(Gaines R) Fallen Leaf Lake Community Services District: elections.**
Current Text: Amended: 1/23/2018 html pdf
Introduced: 2/17/2017
Last Amended: 1/23/2018
Status: 4/19/2018-Referred to Coms. on L. GOV. and E. & R.

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

Summary:
Under current law, the Fallen Leaf Lake Community Services District is a resident voting district. This bill, notwithstanding existing law, would provide that voters who are residents of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District.

Position: Watch
Subject: Special Districts Governance

SB 623 **(Monning D) Water quality: Safe and Affordable Drinking Water Fund.**
Current Text: Amended: 8/21/2017 html pdf
Introduced: 2/17/2017
Last Amended: 8/21/2017
Status: 9/1/2017-From committee: Without recommendation. (Ayes 11. Noes 0.) (September 1) Re-referred to Com. on RLS.

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

Summary:
Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.

Position: Watch
Subject: Water

SB 778 **(Hertzberg D) Water systems: consolidations: administrative and managerial services.**
Current Text: Amended: 7/13/2017 html pdf
Introduced: 2/17/2017
Last Amended: 7/13/2017
Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on 8/23/2017)(May be acted upon Jan 2018)

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

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

Position: Watch
Subject: Municipal Services

SB 929 **(McGuire D) Special districts: Internet Web sites.**
Current Text: Amended: 3/6/2018 html pdf
Introduced: 1/25/2018
Last Amended: 3/6/2018
Status: 4/23/2018-Read third time. Passed. (Ayes 38. Noes 0.) Ordered to the Assembly. 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:
The California Public Records Act requires a local agency to make public records available for inspection and allows a local agency to comply by posting the record on its Internet Web site and directing a member of the public to the Web site, as specified. This bill would, beginning on January 1, 2020, require every independent special district to maintain an Internet Web site that clearly lists contact information for the special district, except as provided. Because this bill would require local agencies to provide a new service, the bill would impose a state-mandated local program.

Position: Watch

SB 1498 **(Committee on Governance and Finance) Local Government Omnibus Act of 2018.**
Current Text: Amended: 4/18/2018 html pdf
Introduced: 3/1/2018
Last Amended: 4/18/2018
Status: 4/18/2018-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

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

Calendar:
4/25/2018 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair
Summary:
Current law sets forth various provisions governing cities that reference various officers and employees. This bill would make these references gender neutral.

Position: Watch
CALAFCO Comments: This is the annual Senate Governance & Finance Committee Omnibus bill.

Total Measures: 24
Total Tracking Forms: 24

4/25/2018 8:30:48 AM

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