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AGENDA REPORT Consent | Information

November 2, 2026

TO: Chair Becker and Commissioners

FROM: Joelle Burila, Local Government Analyst I
Patrick Bouteller, LAFCO Consultant

SUBJECT: Legislative Report

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report on the final outcomes of legislation tracked by LAFCO staff during the 2025-2026 State Legislative Session. With the Legislature in final recess and the Governor's September 30 deadline to sign or veto legislation having passed, this report summarizes measures enacted, vetoed, or not advanced to enactment. It also provides an update on litigation concerning the judicial review of LAFCO decisions. This report is presented for information only with an opportunity to pull for discussion and provide general direction.

BACKGROUND

San Diego LAFCO staff monitors proposed legislation affecting the Commission's regulatory and planning responsibilities and related interests, consistent with the adopted workplan. These efforts are supported through the Commission's membership in the Alliance of LAFCOs (Alliance), including assistance from its contracted lobbyist, Politico Group, and government affairs consultant, Patrick Bouteller.

California State Legislature | 2025-2026 Final Recess

The California Legislature completed its consideration of bills for the 2025-26 Legislative Session on August 31, 2026, and entered final recess. The Governor's deadline to sign or veto bills was September 30, 2026. The Legislature formally adjourns its 2025-2026 session on November 30, 2026. The 2027-2028 Legislative Session convenes on December 7, 2026. Statutes enacted during 2026 generally take effect on January 1, 2027, except for urgency measures and other legislation subject to different effective dates.

DISCUSSION

This item presents legislative updates on bills of interest to San Diego LAFCO for the Commission's receipt and consideration. A total of fourteen (14) bills were being tracked and categorized as follows:

14 BILLS TRACKED	7 CHAPTERED	1 VETOED	6 DID NOT ADVANCE
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BILL	AUTHOR	TITLE	OUTCOME
ASSEMBLY BILLS • 5 bills			
AB 1600	Arambula	Disadvantaged Communities: Farmworker Communities	Chaptered
AB 1821	Pacheco	California Public Records Act: Agency Response Time	Chaptered
AB 259	Rubio	Open Meetings and Continued Access to Teleconferences	Did Not Advance
AB 356	Patel	Healthcare Districts in Northern San Diego County	Did Not Advance
AB 2083	Jackson	Moreno Valley-Perris Childcare Special District	Did Not Advance
SENATE BILLS • 4 bills			
SB 802	Ashby	Sacramento Regional Housing and Homelessness Joint Powers Authority Act	Chaptered
SB 994	Cabaldon	Local Government: Nondisclosure Agreements	Chaptered
SB 910	Seyarto	Municipal Water Districts Water Service: Indian Lands	Did Not Advance
SB 1291	Gonzalez	Mutual Water Companies	Did Not Advance

BILL	AUTHOR	TITLE	OUTCOME
MONITOR ONLY • 5 bills			
AB 2296	Papan	Planning and Zoning: Housing Element: Regional Housing Needs Allocation	Chaptered
AB 2433	Alvarez	Housing Development: Density Bonus	Chaptered
SB 1085	Durazo	Water Supply Planning: Housing Developments	Chaptered
AB 1383	McKinnor	Public Employees' Retirement Benefits	Vetoed
SB 866	Blakespear	Planning and Zoning: Annual Report: Emergency Shelter	Did Not Advance

Chaptered = signed by the Governor and filed with the Secretary of State.

A summary and status of each bill is provided in Attachment One.

Amicus Brief Update | Monterey Peninsula Water Management District v. Monterey LAFCO

San Diego LAFCO is participating as amicus curiae in Monterey Peninsula Water Management District v. Monterey LAFCO, a case involving the denial of the Monterey Peninsula Water Management District's request to activate latent powers to provide retail water service within a portion of Monterey County. The appeal centers on the appropriate judicial standard of review under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) and has broader implications for LAFCO decision-making statewide.

On July 28, 2026, outside counsel Nossaman LLP submitted an amicus brief supporting Monterey LAFCO on behalf of CALAFCO and the LAFCOs of Los Angeles, Marin, Orange, Placer, Sacramento, San Bernardino, San Diego, and San Joaquin counties. The brief urges the appellate court to reaffirm that judicial review of LAFCO decisions is limited to determining whether substantial evidence supports the action and to reject a separate "rational connection" inquiry that could invite courts to independently reassess LAFCOs' quasi-legislative policy determinations.

The appellate court also recently approved requests from the California Water Association and California Special Districts Association to submit a joint amicus brief supporting the Monterey Peninsula Water Management District. Their brief takes the opposing position, arguing that the traditional arbitrary-and-capricious standard – including review for a rational connection between the relevant factors, the decision made, and the purposes of the governing statute – applies to LAFCO decisions.

ANALYSIS

The current legislative session concluded without any measure that would substantively alter San Diego LAFCO's authority or core procedures. Of the nine bills directly affecting LAFCO, four bills were signed into law by the Governor while the others did not advance this session – including AB 259, AB 356, AB 2083, SB 910 and SB 1291.

With legislative outcomes finalized, staff will focus on implementation needs and preparation for the 2027-28 Legislative Session. Consistent with the adopted workplan, staff has resumed work with stakeholders to refine the U.C. Berkeley proposal for potential introduction in 2027.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of LAFCO staff,



Joelle Burila
Local Government Analyst I

Attachment:

- 1) LAFCO Tracked CA Legislative Bills as of October 23, 2026

CALIFORNIA STATE LEGISLATURE 2025-2026						
Bill Number ¹	Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
ASSEMBLY BILLS						
1	AB 259	Rubio, Blanca	Open Meetings and Continued Access to Teleconferences This bill is of statewide interest and would extend the authorization for legislative bodies of local agencies - including LAFCOs - to use modified teleconferencing procedures during declared emergencies through January 1, 2030. It preserves existing requirements related to public notice and agenda posting. San Diego LAFCO adopted a support position in March 2025. The bill passed the Assembly in 2025 and remains in the Senate Local Government Committee with no new hearing scheduled at this time.	Senate Local Government Committee - Dead	Introduced in January 2025; Last amended in April 2025	6/27/2025 In committee: Hearing postponed by committee. This bill did not advance by legislative deadlines.
2	AB 356	Patel, Darshana	Healthcare Districts in Northern San Diego County This bill is of local interest and was initially introduced to establish a state-directed working group to assess healthcare access in northern San Diego County, with a focus on the Palomar Healthcare District's service area. In response to the Commission taking a support-if-amended position in June 2025, the bill has been amended to include LAFCO as a listed stakeholder, and in doing so connecting to the Commission's oversight of Palomar and current municipal service review activities. LAFCO Consultant Adam Wilson provided supportive testimony for the author in conjunction with them accepting the Commission's amendments. The bill passed the Assembly in 2025 and remains in the Senate Committee on Local Government with no new hearings scheduled at this time.	Senate Local Government Committee - Dead	Introduced in February 2025; Last amended in June 2025	7/10/2025 Re-referred to Com. on L. GOV. This bill did not advance by legislative deadlines.
3	AB 1600	Arambula, Joaquin	Disadvantaged Communities: Farmworker Communities This bill requires CalEPA, in consultation with the Office of Environmental Health Hazard Assessment, to assess whether designating farmworker communities as disadvantaged communities would improve access to state funding, identify related data and eligibility barriers, publicly report its findings, and develop a strategy to engage farmworker communities on environmental, health, and socioeconomic concerns. After clearing both houses and enrolled on September 9, 2026, the bill was signed by Governor Newsom and chaptered by the Secretary of State.	Secretary of State - Chaptered	Introduced in January 2026; Last amended in August 2026	9/27/2026 Approved by the Governor and Chaptered by Secretary of State - Chapter 529, Statutes of 2026.

¹ Bill numbers are hyperlinked to their respective legislative information pages

CALIFORNIA STATE LEGISLATURE 2025-2026							
Bill Number ¹		Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
4	AB 1821	Pacheco, Blanca	California Public Records Act: Agency Response Time	<p>This bill revises the California Public Records Act to change agency response deadlines from calendar days to business days, allowing agencies 10 business days to determine whether requested records are disclosable and up to 14 additional business days under specified unusual circumstances.</p> <p>Following enrollment on August 31, 2026, the bill was signed by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2026; Last amended in June 2026	9/30/2026 Approved by the Governor and Chaptered by Secretary of State - Chapter 899, Statutes of 2026.
5	AB 2083	Jackson, Corey	Moreno Valley-Perris Childcare Special District	<p>This bill is locally focused with statewide implications and, as the Moreno Valley Perris Childcare Special District Act, would establish a new special district covering the Cities of Moreno Valley and Perris and their spheres of influence for the purpose of expanding childcare capacity and operating universal childcare programs. The district would be governed by a five-member board appointed by the two cities and other designated entities. The board would develop a plan of services for LAFCO and oversee district operations, including authority to hire staff and operate or contract for childcare facilities. Notably, the bill would establish the district directly by statute, with LAFCO oversight applying thereafter.</p> <p>After being placed on the Assembly Appropriations suspense file in late April, the committee held the measure under submission during its May 14, 2026 fiscal review hearing, halting its advancement for the remainder of the legislative session.</p>	Assembly Appropriations Committee - Dead	Introduced in February 2026; Last amended in April 2026	5/14/2026 In committee: Held under submission. This bill did not advance by legislative deadlines.

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CALIFORNIA STATE LEGISLATURE 2025-2026							
Bill Number ¹		Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
SENATE BILLS							
6	SB 802	Ashby, Angelique	Sacramento Regional Housing and Homelessness Joint Powers Authority Act	<p>This bill requires Sacramento County and five cities to establish a joint powers authority by January 1, 2028, to coordinate regional housing and homelessness efforts, oversee Continuum of Care functions, establish performance goals, and align funding while preserving local jurisdictions’ authority over land use and locally administered programs.</p> <p>After enrollment on September 2, 2026, the bill was signed by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2025; Last amended in August 2026	9/20/2026 Approved by the Governor and Chaptered by Secretary of State. Chapter 417, Statutes of 2026.
7	SB 910	Seyarto, Kelly	Municipal Water Districts Water Service: Indian Lands	<p>The bill is of statewide interest with local implications and would extend, from January 1, 2027 to January 1, 2032, the sunset on existing authority for municipal water districts to apply to LAFCO for authorization to provide water service to eligible Indian lands located outside district boundaries. If approved, the extension preserves an existing pathway utilized on multiple occasions by tribes in San Diego County.</p> <p>Following the cancellation of its March 18 hearing at the author’s request, the bill remained in the Senate Committee on Local Government with no additional action taken. It did not return for further consideration and did not advance out of committee prior to the legislative deadline.</p>	Senate Local Government Committee - Dead	Introduced in January 2026	3/12/2026 March 18 set for first hearing canceled at the request of author. This bill did not advance by legislative deadlines.

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CALIFORNIA STATE LEGISLATURE 2025-2026							
Bill Number ¹		Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
8	SB 994	Cabaldon, Christopher	Local Government: Nondisclosure Agreements	<p>This bill prohibits local agency officials and employees from entering into nondisclosure agreements that prevent them from sharing information about public business with their governing body or fellow officials, requires disclosure and recusal for violations, and makes such agreements void and unenforceable if entered into on or after January 1, 2027, subject to specified exceptions.</p> <p>After passing both houses and being enrolled on August 21, 2026, the bill was approved by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2026; Last amended in August 2026	9/27/2026 Approved by the Governor and Chaptered by Secretary of State. Chapter 669, Statutes of 2026.
9	SB 1291	Gonzalez, Lena	Mutual Water Companies	<p>This bill is of statewide interest and would strengthen transparency and accountability for mutual water companies (MWCs) operating public water systems by requiring larger MWCs to offer teleconference meeting access, post notices and documents online at no charge, and annually distribute consumer confidence reports to customers. It also directs the State Water Resources Control Board to assess MWC governance and compliance by December 31, 2027, with a focus on disadvantaged communities, and recommends governance alternatives if current structures are found inadequate.</p> <p>After being placed on the suspense file in early May, the bill was taken up during the May 14, 2026 Senate Appropriations fiscal review hearing. The committee held the measure in committee and under submission, halting its advancement for the remainder of the legislative session.</p>	Senate Appropriations Committee - Dead	Introduced in February 2026; Last amended in March 2026	5/14/2026 May 14 hearing: Held in committee and under submission. This bill did not advance by legislative deadlines.

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CALIFORNIA STATE LEGISLATURE 2025-2026							
Bill Number ¹		Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
MONITOR ONLY (ASSEMBLY AND SENATE BILLS)							
10	AB 1383	McKinnor, Tina	Public Employees' Retirement Benefits	<p>This bill would have revised public employee pension rules by updating pensionable compensation limits and establishing new safety-member retirement formulas effective January 1, 2027, including retirement benefit calculations at age 55 and allowing employers and employees to collectively bargain for higher or lower safety benefit plans.</p> <p>After passing both houses and being enrolled on September 9, 2026, the bill was vetoed by Governor Newsom on September 20, 2026.</p>	Governor - Vetoed	Introduced in February 2025; Last amended in August 2026.	9/20/2026 Vetoed by Governor.
11	AB 2296	Papan, Dianne	Planning and Zoning: Housing Element: Regional Housing Needs Allocation	<p>This bill extends various key timelines for the Regional Housing Needs Allocation (RHNA), adjusts housing element update schedules to better align with regional transportation plan updates, and requires earlier notification of estimated transportation plan adoption dates, with specified exceptions for the seventh housing element cycle.</p> <p>Following enrollment on September 3, the bill was approved by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2026; Last amended August 2026	9/29/2026 Approved by the Governor and Chaptered by Secretary of State - Chapter 798, Statutes of 2026.
12	AB 2433	Alvarez, David	Housing Development: Density Bonus	<p>This bill expands California's Density Bonus Law to streamline approvals for qualifying affordable housing projects, increase incentives for for-sale affordable housing, and allow additional flexibility in calculating density bonuses and applying development standards.</p> <p>After passing both houses and being enrolled on September 10, 2026, the bill was approved by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2026; Last amended August 2026	9/29/2026 Approved by the Governor and Chaptered by Secretary of State - Chapter 800, Statutes of 2026.

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CALIFORNIA STATE LEGISLATURE 2025-2026							
Bill Number ¹		Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
13	SB 866	Blakespear, Catherine	Planning and Zoning: Annual Report: Emergency Shelter	For local governments that do not receive Homeless Housing, Assistance, and Prevention (HHAP) program funding, this bill would require the General Plan Housing Element to include data on the unhoused population and a description of key actions the jurisdiction will take to reduce homelessness. The bill passed the Senate on May 27, 2026 and was read for the first time by the Assembly. On August 5, 2026, the bill was set for its first hearing and was placed on suspense file. By August 13, 2026, the bill was held in committee and under submission.	Assembly Committee on Appropriations - Dead	Introduced in January 2026; Last amended June 2026	8/13/2026 August 13 hearing: Held in committee and under submission. This bill did not advance by legislative deadlines.
14	SB 1085	Durazo, Maria	Water Supply Planning: Housing Developments	<p>This bill requires cities and counties to identify potential water suppliers earlier in the housing development review process and establishes a 45-day deadline for water supply assessments for specified housing projects, streamlining review while maintaining evaluation of water supply sufficiency.</p> <p>After passing both houses and being enrolled on September 3, 2026, the bill was approved by Governor Newsom and chaptered by the Secretary of State.</p>	Secretary of State - Chaptered	Introduced in February 2026; Last amended August 2026	9/30/2026 Approved by the Governor and Chaptered by Secretary of State. Chapter 1004, Statutes of 2026.

¹ Bill numbers are hyperlinked to their respective legislative information pages

CALIFORNIA STATE LEGISLATURE 2025-2026						
Bill Number ¹	Author	Title	Summary / Notes	Current Status	Introduced / Last Amended	Last Action
PENDING LEGISLATION						
15	UC Berkely Report Legislation		<p>Developed under the Commission’s current adopted workplan and informed by a University of California, Berkeley report, the proposal sought to strengthen LAFCO authority and accountability in addressing water and wastewater-related public health and safety concerns, while expanding transparency requirements for affected agencies and mobile home park community water systems.</p> <p>Although the bill did not advance this legislative session, the item has been continued to the upcoming workplan, and LAFCO staff will continue refining the proposal with stakeholders for potential introduction in 2027.</p>			

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