



Solano Local Agency Formation Commission

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Staff Report

DATE: October 21, 2013
TO: Local Agency Formation Commission
FROM: Elliot Mulberg, Interim Executive Officer
SUBJECT: **Legislative Report**

RECOMMENDATION: That the Commission receive and file the legislative report.

DISCUSSION:

The legislative session ended on September 12. Five of the bills we have been following made it to the Governor's desk. Among them are AB 1427 the CALAFCO omnibus bill, AB 743, which eliminates the sunset on island annexations, and AB 1235, which requires financial management training for staff and commissioners who receive reimbursement for expenses from a local agency. While AB 1427 and AB 743 were signed into law, AB 1235 was vetoed. The Governor's veto message cited potentially significant costs to the state general fund as the reason for the veto.

Although there was an effort to pass major CEQA reform this session that did not happen. SB 371 the CEQA Modernization Act was withdrawn and made a two year bill. The section that would have affected LAFCOs on a revised transportation threshold metric for infill development was transferred to SB 743 the Sacramento Kings Stadium CEQA exemption bill. Prior to revision transportation impacts used the level of service (LOS) metric as a threshold of significance. There was concern that since infill projects occur in urbanized areas where LOS may already be near the threshold, the added traffic from the project would have a greater chance of exceeding the threshold. SB 743 authorizes OPR to develop a new metric and provides that the Fair Argument standard would not apply for disputes over use of the new metric within a transportation priority area.

Six other bills that had been active are no longer viable. They are listed at the end of this report along with a brief summary.

Chaptered Bills

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

Current Text: Amended 6/11/13

Status: Chaptered 8/26/13

Summary: This bill would remove the sunset restriction on island annexations and allow annexing islands up to 300 acres.

Subject: Annexation Proceedings, CKH General Procedures

AB 1248 (Cooley D) Local agencies: internal control guidelines.

Current Text: Amended: 5/24/2013

Status: Chaptered 8/28/13

Summary: Would require the Controller, on or before January 1, 2015, to develop internal control guidelines to prevent and detect financial errors and fraud, based on specified standards with input from any local agency.

Subject: LAFCo Administration

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

Status: Chaptered 8/12/13

Summary:

For purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, existing law defines an independent district or independent special district to include any special district having a legislative body all of whose members are elected by registered voters and landowners within the district, or whose members are appointed to fixed terms. 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.

Subject: CKH General Procedures

SB 184 (Committee on Governance and Finance) Local government: omnibus bill.

Status: Chaptered 9/6/13

Summary:

Current law requires any person who intends to offer subdivided lands within this state for sale or lease to file with the Department of Real Estate an application for a public report consisting of a notice of intention and a completed questionnaire, as specified. This bill would specify that a lot, parcel, or unit satisfies the requirement that it be improved with a completed residential structure if it is improved with a completed residential structure at the time it is conveyed by the subdivider. This bill contains other related provisions and other existing laws.

Vetoed and Inactive Bills

AB 1235 (Gordon D) Local agencies: financial management training.

Current Text: Amended: 7/1/2013

Status: Vetoed 10/7/13

Summary: Requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, the member shall receive one-4 hour state mandated Financial Management training per term of office.

Position: Watch

Subject: LAFCo Administration

AB 453 (Mullin D) Sustainable communities.

Current Text: Amended: 7/3/2013

Status: Dead located in Appropriations suspense

Summary: The Strategic Growth Council is required to manage and award grants and loans 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 regional planning purposes.

Position: Sponsor

Subject: Sustainable Community Plans

SB 633 (Pavley D) CEQA: environmental impact reports.

Status: Dead located in Assembly Appropriations

Summary:

The California Environmental Quality Act prohibits a lead agency or responsible agency from requiring a subsequent or supplemental environmental impact report (EIR) unless one or more of specified events occurs, including, new information that becomes available that was not known and could not have been known at the time the EIR was certified as complete.

Position: None at this time

Subject: CEQA

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

Current Text: Amended: 9/6/2013

Last Amended: 5/24/2013

Status: Dead located in Assembly Local Government

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 to prepare and propose, 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.

Position: Watch

Subject: CEQA

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

Current Text: Amended: 6/11/2013

Status: In suspense file at Committee on Appropriations, may be revived next session.

Summary: Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified.

Position: Watch

Subject: Financial Viability of Agencies, Tax Allocation

AB 37 (Perea D) Unemployment insurance reporting requirements

Current Text: Amended 8/12/13

Status: Dead located Senate Natural Resources and Water Committee

Summary: Bill was amended and changed from a CEQA related bill to support planning in disadvantaged communities and amended to deal with unemployment insurance.

Position: Watch

Subject: water

SCA 11 (Hancock D) Local government: special taxes: voter approval. Ex 4596

Status: 2 year Bill - Senate Appropriations Committee

Summary:

The California Constitution currently requires the approval of 2/3 of the voters. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition.

Position: Watch