

L A F C O M E M O R A N D U M

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
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February 6, 2020, (Agenda)

TO: Each Member of the Commission

FROM: Paul Hood *PLH*
Executive Officer

SUBJECT: Report on 2020 Proposed CALAFCO Sponsored Legislation concerning Government Code Section 56133 and its provisions governing the approval process for cities and special districts to provide new and extended outside services by contract.

This is an Informational Report. No Action is Necessary

On December 13, 2019, the CALAFCO Board unanimously approved a proposal from the Legislative Committee to amend Government Code (G.C.) Section 56133 and its provisions governing the LAFCO approval process for cities and special districts to provide new and extended outside services by contract. The proposed amendments involve two distinct components. The first component clarifies and makes explicit LAFCOs' authority to determine exemption status under subsection (e) and in doing so eliminates the potential for agencies to "self-exempt" contracts that otherwise merit commission review. The second component adds the term "function" in several places to make the section consistent with other areas of the Cortese-Knox-Hertzberg Act. The proposed language is intended to prevent actions that would circumvent current law. The proposal is explained in **Exhibit A**.

Staff will review the proposal at the Commission meeting.

Please contact the LAFCO office if you have any questions.

TO: LAFCo Executive Officers
FROM: CALAFCO Legislative Committee
REPORT BY: Harry Ehrlich, San Diego LAFCo
SUBJECT: **CALAFCO Board-approved amendments to Government Code Section 56133**

On December 13, 2019, the CALAFCO Board unanimously approved a proposal from the Legislative Committee to amend Government Code (G.C.) Section 56133 and its provisions governing the LAFCo approval process for cities and special districts to provide new and extended outside services by contract. The proposed amendments involve two distinct components. The first component clarifies and makes explicit LAFCos' authority to determine exemption status under subsection (e) and in doing so eliminates the potential for agencies to "self-exempt" contracts that otherwise merit commission review. The second component adds the term "function" in several places to make the section consistent with other areas of CKH.

Additional materials are attached to this communication detailing the Board-approved amendments to G.C. Section 56133. This includes a one-page informational bulletin summarizing the key differences with implementing examples as well as addressing frequently asked questions that have been raised in discussions the Legislative Committee has had on this important rewrite.

The Board of Directors has requested that the EO's of all LAFCos be polled to determine support or concern regarding this proposal before proceeding ahead. The Legislative Committee has been asked to address your questions and comments. Towards this end, to help expedite follow up, these regional coordinators are available to discuss the Board-approved amendments with you:

Northern: Steve Lucas, Butte (slucas@buttecounty.net)
Central: José Henríquez, El Dorado (JHenriquez@edlafco.us)
Coastal: Kai Luoma, Ventura (kai.luoma@ventura.org)
Southern: Harry Ehrlich, San Diego (ehrichprs@gmail.com)

Thank you again for your attention to this matter. The Legislative Committee needs to hear from you on any questions or comments. *A written email response of support or concerns by 5:00 p.m., January 16, 2020, to myself or Pamela Miller is requested.*

Attachments:

- 1) Informational bulletin on the Board-approved amendments to G.C. Section 56133
- 2) Board approved amendments to G.C. Section 56133 (Track-Changes)
- 3) Legislative history of G.C. Section 56133

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CALAFCO BULLETIN

Proposed Amendments to Government Code Section 56133



The Proposal

The CALAFCO Board has unanimously approved a proposal from the Legislative Committee to amend Government Code (G.C.) Section 56133 and its provisions governing the LAFCo approval process for cities and districts to provide new or extended services outside their jurisdictional boundaries. Two distinct components underlie the Board-approved amendments:

1. The first and most pertinent component clarifies LAFCos' authority to determine whether a proposed new or extended service meets any of the exemptions listed under subsection (e).
2. The second component adds the term "function" to the statute to ensure consistency with other sections of CKH and the distinction between service, function and class.

Why the Proposal?

The CALAFCO Board and Legislative Committee believe the proposed amendments to G.C. Section 56133 will measurably clarify a LAFCos' intended role to review and regulate new or extended services outside an agency's jurisdictional boundaries. The proposal is the result of an evolving discussion among several Executive Officers in all four regions over the last two years and was thoroughly vetted with the Legislative Committee before going to the Board. The amendments do not expand or limit LAFCos' current authority. Most notably, the amendments clarify that LAFCo possesses the sole authority to determine whether a new or extended service can be considered exempt from LAFCo review and approval. This protects against a city or district "self-exempting" a contract or agreement for a new or extended service that would otherwise merit commission review. Adding the term "function" also makes the statute consistent with other areas in CKH. The following examples demonstrate how the amendments would be applied:

- If two public agencies enter into a contract or agreement for a new or extended service, it would be up to LAFCo, not the two agencies, to determine if the service is "an alternative to, or substitute for" a service already being provided and that the level of service is "consistent with the level of service contemplated by the existing service provider."
- If a service provider is currently providing a service outside its jurisdictional boundaries that predates 2001, it would be up to LAFCo to determine if an increase in the level of service to accommodate a new development is a new or extended service subject to LAFCo approval.
- If a city or district proposes to provide surplus water outside its boundaries, it would be up to LAFCo, not the city or district, to determine if that service will induce development and require LAFCo approval.

Further, the proposed amendment would make it explicit that LAFCo would consider all "functions" when new or extended services are proposed outside an agency's jurisdictional boundaries.

The amendments would clearly state that LAFCo is to determine when a contract or agreement for a new or extended service is exempt from LAFCo approval pursuant to section 56133(e). This is hoped to avoid delays and other transaction costs tied to disagreements with agencies regarding the constitution of "new" and "extended" services when exemptions are stated to apply. A notification to LAFCo and review for concurrence should be an administrative action possible by staff unless a difference of opinion is a result, as determined by the commission.

Specific examples:

The following real-world examples demonstrate the need for the proposed clarifications to section 56133:

- A water district approved new water service to dozens of homes built outside its boundaries after 2001. The district exempted itself from section 56133 because it had entered into a handshake “agreement” with a developer to provide the service long before 2001. As a result, these dozens of new services were in violation of CKH.
- A farmer wanted water service from a nearby city to water his crops during a drought. The farmer approached the city and convinced the city to consider the water service as “surplus” water (even though the city was in a stage 3 water shortage emergency). The city made the determination that the service was exempt from LAFCo review/approval.
- Agency A (possibly a water or wastewater agency) is required to implement environmental mitigation for a project by developing habitat within or outside its SOI. Agency A proposes to contract with Agency B (possibly another water agency or RCD) to install and/or maintain the habitat area for a period of time, outside of its service area and SOI. While Agency B may be in the function of providing that service, to do so in Agency A’s area as a new or expanded service even by contract should be subject to review and authorization by LAFCo.

Frequently asked questions:

Question: *Will these changes create new pressures on LAFCo to accommodate development outside an agency’s jurisdictional boundaries that it would otherwise reject?*

Answer: No. The proposed changes do not affect LAFCo’s existing right and duty to deny outside service requests deemed illogical and inconsistent with their policies. The intent is to clarify existing authority areas.

Question: *Does clarifying LAFCo’s authority to approve services and functions outside an agency’s jurisdictional boundaries undermine LAFCo’s ability to curb sprawl?*

Answer: No. The proposed changes continue the measured safeguards to protect against inappropriate urban development by requiring LAFCo to make specific findings when considering proposals for new or extended services.

Question: *How long has CALAFCO been discussing this proposal?*

Answer: The Legislative Committee thoroughly vetted the current version of the proposal in October 2019 and unanimously approved presenting the proposal to the Board, who unanimously approved the proposal in December 2019. The matter of authority in G.C. Section 56133 has long been a topic of discussion for the Legislative Committee and Board.

Question: *Who can I talk to if I have questions?*

Answer: Each region has a coordinator to answer your questions. You may also contact CALAFCO Executive Director Pamela Miller at pmiller@calafco.org. These regional coordinators are available to discuss the Board-approved amendments with you:

Northern: Steve Lucas, Butte (slucas@buttecounty.net)

Central: José Henríquez, El Dorado (JHenriquez@edlafco.us)

Coastal: Kai Luoma, Ventura (kai.luoma@ventura.org)

Southern: Harry Ehrlich, San Diego (ehrichprs@gmail.com)

**2020 Proposed CKH Legislation Change
GC Section 56133**

56133.

(a) A city or district may provide new or extended services or functions by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.

(b) The commission may authorize a city or district to provide new or extended services or functions outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.

(c) The commission may authorize a city or district to provide new or extended services or functions outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:

(1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services or functions outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to any of the following, as determined by the commission:

(1) Two or more public agencies where the public service or function to be provided is an alternative to, or substitute for, public services or functions already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service or function contemplated by the existing service provider.

(2) The transfer of nonpotable or nontreated water.

(3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.

(4) An extended service or function that a city or district was providing on or before January 1, 2001.

(5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.

(6) A fire protection contract, as defined in subdivision (a) of Section 56134.

(f) This section applies only to the commission of the county in which the extension of service or function is proposed.

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Summary of LAFCo-Related Legislation Chaptered in 2001

AB 720 (Committee on Local Government): Makes several technical and non-controversial changes necessary to the revision of the Cortese-Knox-Hertzberg Act. Amends the heading of Division 3 (commencing with Section 56000) of Part 1 of Title 5, Government Code Sections 56014, 56123, 56157, 56331, 56333, 56334, 56381.6, 56428, 56661, 56663, 56700.4, 56706, 56744, 56751, 56767; 56857, 56886.5, 56895, 57026, 57078.5, 57114, 57120, and 57201; amends and renumbers Sections 56852.7 and 56888; adds Section 56886.1; and repeals Section 57079.3.

AB 948 (Kelley): Changes the powers of LAFCOs regarding special districts.

Terms and conditions: Prohibits a LAFCO from imposing terms and conditions affecting water rights that have been fixed by a court or the State Water Resources Control Board.

Latent powers: Repeals the current provisions relating to the LAFCOs' regulations controlling special districts' latent powers and creates a new set of procedures that allow a special district to apply to a LAFCO for permission to exercise new or different functions or services.

District formations: Requires a LAFCO to determine the number of landowners who own land and the assessed value of their land within a proposed landowner-voter special district. Requires the assessed value of this land to be based on the last equalized assessment roll. Requires a LAFCO to determine a provisional appropriations limit for a proposed special district and requires the district's voters to later adopt a permanent appropriations limit.

District reorganizations: Prohibits a LAFCO from adding or deleting special districts to a reorganization or consolidation proposed by districts without the consent of the districts that applied. Prohibits a LAFCO from changing the scope of a reorganization proposed and agreed to by the districts themselves.

District annexations: Allows a LAFCO to require that an election for the annexation of inhabited territory to a special district be held in the territory to be annexed and that the annexation must be confirmed by an election held within the existing district under certain circumstances.

Subsidiary districts: Repeals the option for a LAFCO to approve competing proposals when a city council becomes the governing body of a special district, establishing a subsidiary district and the district presents the LAFCO with an alternative proposal.

District dissolutions: Clarifies that protest provisions for district dissolution proposals not initiated by a LAFCO must be signed by at least 25% of the voters or 25% of landowners. Amends Government Code Sections 56375, 56425, 56821, 56821.5, 56822, 56824.1, 56824.7, 56834, 56853, 56863, 56886, and 57114; adds Section 56877; adds Article 1.5 (commencing with Section 56824.10) to Chapter 5 of Part 3 of Division 3 of Title 5; repeals

Sections 56820, 56820.5, 56820.7, and 56821.7; repeals and adds Section 56811.

AB 1495 (Cox): Makes legislative declarations and changes procedures for incorporating cities in two major ways: identifying service costs and processing city incorporations.

Identifying costs: Requires the LAFCO's executive officer to include all direct and indirect costs of existing services in the incorporation area, including general fund subsidies to fee supported services when estimating service costs. Requires the LAFCO to calculate the proposed city's service costs by comparing them with the service costs in similar cities. Requires the LAFCO to identify the direct and indirect costs of services that the new city will assume from state agencies.

Processing proposals: Requires the LAFCOs to immediately notify agencies about incorporation applications and request them to submit information "within a reasonable timeframe." Requires the affected agencies to acknowledge the LAFCO's request within 15 days and submit the information within the established timeframe. Requires the LAFCOs to listen to incorporation proponents' hardships before they continue incorporation hearings. Reduces the continuance of reconsideration hearings from 70 to 35 days. Requires that a proposal that includes an incorporation be set for hearing within 15 days following adoption of a resolution making determinations. Reduces the continuance of a hearing to measure formal protests about boundary changes from up to 60 days to 35 days. Amends Government Code Sections 56658, 56666, 56800, 56815, 56895, 57002, and 57050.

SB 609 (Costa): Makes a number of clarifying and non-controversial to existing law regarding various water agency issues. In particular, this bill requires the LAFCO to require voter approval of any proposal to dissolve the Newhall County Water District if the LAFCO receives protest provisions signed by at least 10% of the voters or 10% of the landowners. Adds Government Code Sections 25210.71 and 57114.5.

SB 707 (Committee on Local Government): Provides procedural requirements for recreation and park district changes of organization or reorganization. Adds Government Code Section 56131.7.

Summary of LAFCo-Related Legislation Chaptered in 2002

AB 137 (Reyes): Requires the State Department of Conservation to advise a LAFCO if the department has any concerns regarding the LAFCO's review of a city's proposal to not succeed to a county's Williamson Act contract. In any hearing on the city's request, the LAFCO must address the department's concerns. In making its determination whether a city may not succeed to the county's contract, the LAFCO must determine that substantial evidence exists to show that the city has the option to not succeed. *Amends Government Code Sections 51243.5 and 56754. Adds Section 51243.6. (Chapter 188, Statutes of 2002)*

AB 1948 (Kelley) and SB 1384 (Costa): Change the formulas used by independent special districts to pay their shares of LAFCOs' budgets, including limiting any one district to 50% of the districts' share. *Both bills amend Government Code Section 56381. SB 1384 also amends Water Code Section 10631. [SB 1384 is Chapter 969, Statutes of 2002, and AB 1948 is Chapter 493, Statutes of 2002. AB 1948 (Kelley) was chaptered out by SB 1384 (Costa)].*

AB 2227 (Harman): Makes several changes to the Cortese-Knox-Hertzberg Act:

- 1) The Act governs the procedures for the formation and change of organization of cities and special districts. For purposes of the act, the terms "landowners" and "owner of land" are defined as any person shown as the owner of land on the most recent assessment roll being prepared by the county at the time the conducting authority adopts a resolution of application, except where that person is no longer the owner. This bill changes these definitions to any person shown as the owner of the land on the most recent assessment roll being prepared by the county at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer of a local agency formation commission, except where that person is no longer the owner, and would make related changes.
- 2) For purposes of the act, the term "proponent" is defined as the person or persons who file a notice of intention to circulate a petition with the executive officer. This bill changes that definition to the person or persons who file a notice of intention to circulate a petition with the executive officer or the local agency that adopts a resolution of application.
- 3) Existing law required that any action brought to determine the validity of any change of organization or reorganization be brought pursuant to specified procedures. This bill includes within this requirement actions brought to determine the validity of sphere of influence determinations.
- 4) Existing law specified how required notice shall be mailed with respect to the proceedings of a local agency formation commission. With regard to mailed notice to landowners, existing law required that notice be addressed to each person to whom land is assessed, as shown

upon the most recent assessment roll being prepared by the county at the time the commission adopts a resolution of application. With regard to mailed notice to registered voters, existing law required that notice be given to all registered voters within the property that his subject to the hearing and all registered voters within 300 feet of the exterior of the boundary. This bill provides that required notice to landowners be addressed to each person to whom land is assessed as shown on the most recent assessment roll being prepared by the county at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer, and to all landowners within 300 feet of the exterior boundary of the property that is subject of the hearing. This bill also provides that required notice to registered voters be addressed to all registered voters within the affected territory at the address as shown on the most recent index of affidavits prepared by the county elections official at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer and to all registered voters within 300 feet of the exterior boundary of the property that is the subject of the hearing.

- 5) Existing law permitted a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Approval is not required for an extended service that a city or district was providing on January 1, 1994. This bill extends that exemption from commission approval to an extended service that a city or district was providing on or before January 1, 2001.
- 6) Existing law set forth the various powers and duties of a LAFCO in reviewing and approving or disapproving proposals for changes of organization or reorganization. Among other things, a commission required, as a condition to annexation to a city, that the city prezone the territory to be annexed and require that approval of the annexation be consistent with the planned and probable use of the property based upon the review of the general plan and rezoning designations. This bill permits the commission not to require a city to prezone the territory to be annexed if satisfactory evidence is presented to the commission that the existing future development entitlements on territory to be annexed are vested or are already at buildout, and are consistent with the city's general plan land use element.
- 7) Existing law allowed a commission to approve an annexation to a city of island territory without an election or waive a protest hearing, as specified. This bill, subject to specified conditions, requires the commission to approve the annexation and waive protest proceedings as to annexations initiated on or after January 1, 2000, and before January 1, 2007, and approve these annexations initiated on or after January 1, 2007.
- 8) Existing law required the LAFCO to mail notice of a public hearing regarding the adoption, amendment, or revision of spheres of influence, at least 15 days prior to the date of the hearing and to publish that notice in a newspaper at least 15 days prior to the hearing. This bill requires instead that the mailed and published notice be made at least 21 days prior to the date of the hearing and specify publication in a newspaper of general circulation within the affected territory.

- 9) Existing law required a LAFCO to terminate any change of organization or reorganization, except a special reorganization, that includes the detachment of territory from any city if any city from which the detachment of territory is requested adopts and transmits a resolution requesting termination of the proceedings no later than 60 days after the date that the proposal is on the commission's meeting agenda. This bill makes this requirement inapplicable if the commission receives a resolution in support of the proposed change of organization or reorganization from all cities from which the detachment of territory is proposed.
- 10) Existing law required a LAFCO to terminate any change of organization or reorganization that includes the annexation of territory to any district if any district to which the annexation of territory is requested adopts and transmits a resolution requesting termination of the proceedings no later than 60 days after the date that the proposal is on the commission's meeting agenda. This bill makes this requirement inapplicable if the commission receives a resolution in support of the proposed change of organization or reorganization from all districts to which the annexation of territory is proposed.
- 11) Existing law permitted a LAFCO to make its approval of a change of organization or reorganization of local government entities subject to any of specified conditions. This bill requires that any of the specified conditions imposed on a change of organization or reorganization constitute the exclusive conditions for the change of organization or reorganization, notwithstanding the general provisions of the act, and would make conforming changes.
- 12) Existing law provided that protest proceedings with respect to a district formation that is not part of a reorganization shall be conducted pursuant to the principal act of the district to be formed, and that commission protest procedures shall not apply except as specified. This bill provides that protest proceedings of the Act shall prevail in the event of a conflict with the principal act of the district to be formed.
- 13) Existing law required the executive officer of the commission to give mailed notice of the protest hearing on a proposed annexation to a city of 75 acres or less to each landowner within the affected territory. This bill deletes that requirement.
- 14) Existing law authorized a petition to be filed with the executive officer of the commission prior to the conclusion of the protest hearing by the commission on the issue of merging a district with a city or establishing a subsidiary district of a city, if the petition requests that any election on that question be called, held, and conducted only within the district. This bill requires the commission to forward the proposal to the affected city and requires the affected city to call, hold, or conduct any election if the executive officer certifies the petition. This bill also requires the commission to forward the proposal to the principal county and requires the principal county to call, hold, and conduct any election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or within the district to be established as a subsidiary district if the petition requesting the election is certified.

15) Existing law required the commission, in any resolution ordering a special organization, to call an election in both the territory to be detached from the city and the entire territory of the city from which the detachment is ordered to occur. This bill requires that any resolution ordering a special reorganization require the principal county to call the election.

16) This bill makes various related conforming changes.

Amends Government Code Sections 56026, 56035, 56048, 56068, 56103, 56133, 56157, 56300, 56375, 56375.3, 56383, 56386, 56427, 56661, 56663, 56668.3, 56708, 56710, 56751, 56759, 56857, 56886, 56895, 57002, 27007, 57025, 57077, 57078.5, 57080, 57102, 57108, 57109, 57119, 57302, and 57450. Amends and renumbers Section 56746. Repeals Section 56745. (Chapter 548, Statutes of 2002)

AB 2370 (Thomson): Prohibits a LAFCO from approving the annexation of Williamson Act contracted land to a city, with exceptions. *Amends Government Code Sections 51296.3, 51296.4, and 56749, and adds Sections 56426, 56426.5, and 56856.5. (Chapter 614, Statutes of 2002)*

SB 1586 (Haynes): Requires special districts to document why they block annexations. *Amends Government Code Section 56857. This bill was chaptered out by AB 2227. (Chapter 547, Statutes of 2002)*

SB 1588 (Senate Committee on Local Government): Excludes a zone of a mosquito abatement and vector control district or recreation and park district from the definition of "district" or "special district". *Amends Government Code Sections 25842.5, 53750, 53961, and 56036. Repeals Article 4 (commencing with Government Code Section 25850) of Chapter 8 of Division 2 of Title 3. Amends Health and Safety Code Sections 101285 and 106925; adds Sections 116111, Chapter 1 (commencing with Section 2000); repeals Chapter 5 (commencing with Section 2200) of Division 3. (Chapter 395, Statutes of 2002)*

SB 1717 (Machado): Limits leases of city-owned property in noncontiguous territory, and requires automatic detachment if a city leases its property in noncontiguous territory for a shopping center, hotel, or motel. *Amends Government Code Sections 37396 and 56742. (Chapter 507, Statutes of 2002)*

Summary of LAFCo-Related Legislation Chaptered in 2003

Government Code Sections amended in 2003 are: 56036, 56132, 56381, 56668, 56857, 56886, and 57116. Government Code Sections added in 2003 are: 57001.1, and 57202.1.

AB 518 (Salinas), Chapter 176: Requires a local agency formation commission (LAFCO) to assess the impact that a local agency annexation has on a city or cities and the county in achieving their respective fair shares of the regional housing needs, and extends the sunset date for Broadmoor Police Protection District's special detachment provisions. *Amends Sections 56132 and 56668 of the Government Code.*

AB 520 (Salinas), Chapter 36: Provides that, in the case of an annexation proposed by the City of Watsonville in Santa Cruz County, the effective date of the change of organization shall be fixed in the terms and conditions of the LAFCO resolution confirming the annexation. *Adds Sections 57001.1 and 57202.1 to the Government Code and amends Section 56886 of the Government Code.*

SB 66 (Committee on Local Government), Chapter 296: Makes several minor, noncontroversial changes to laws affecting local agencies' powers and duties. Specifically, this bill, among other things, corrects 26 statutory cross-references to the Cortese-Knox Hertzberg Local Government Reorganization Act of 2002. *Amends Section 56381 of the Government Code.*

SB 341 (Committee on Local Government), Chapter 57: Repeals existing laws that govern public cemetery districts and enacts the "Public Cemetery District Law." The new statute differs from the current law in dozens of ways, but particularly in policy, powers, procedures, and oversight. *Amends Section 56036 of the Government Code.*

SB 487 (Torlakson), Chapter 123: Requires a special district, to make written findings supported by substantial evidence when it requests that a LAFCO terminate a proceeding that includes annexation of territory. *Amends Section 56857 of the Government Code.*

SB 600 (Committee on Judiciary), Chapter 62: Makes non-substantive changes to the codes by recommendation of the Legislative Counsel's office. *Amends Section 57116 of the Government Code.*

Summary of LAFCo-Related Legislation Chaptered in 2004

Government Code Sections amended in 2004 are: 56036, 56077, 56132, 56337, 56375.3, 56375.5, 56810, 57025, 57120, 57125, and 57126

Government Code Sections amended in 2004, becoming inoperative on July 1, 2008, with replacement sections added on July 1, 2008: 56030, 56700, 56886.5

Government Code Sections added in 2004 to be repealed January 1, 2009, are: 56826.5 Revenue and Taxation Code Section 99 amended in 2004

AB 2067 (Harman), Chapter 471: Specifies procedures for the consolidation of two or more special districts not formed pursuant to the same principal act. **AB 2306 (Richman), Chapter 805:** Prohibits a local agency formation commission (LAFCO) from requiring an affected city to initiate proceedings for a change of organization or reorganization of territory that is not contiguous and physically related to a city's annexation proposal. (uncodified)

AB 3077 (Committee on Local Government), Chapter. 355: Makes several minor and non-controversial changes to the laws affecting LAFCOs.

SB 1266 (Torlakson), Chapter 96: Increases the maximum size of unincorporated areas that are subject to an expedited annexation procedure.

Summary of LAFCo-Related Legislation Chaptered in 2005

AB 818 (Leslie), Chapter 189: Extends the sunset date to January 1, 2010, for the mandatory process for negotiating property tax sharing agreements between a county and city in the event of an annexation of unincorporated land.

AB 1746 (Committee on Local Government), Chapter 347: Makes several minor and noncontroversial changes to the laws affecting LAFCOs.

SB 967 (Florez), Chapter 559: Adds two permanent seats to the Kern County LAFCO **Code sections affected:**

Government Code sections amended: 56157, 56325, 56381, 56425, 56663, 56743, 57000, 57051, 57077

Government Code sections repealed: 54975

Government Code sections added: 56328.5

Revenue & Taxation Code sections amended: 99

Summary Of LAFCo-Related Legislation Chaptered in 2006

AB 1602 (Laird), Chapter 556: Allows new cities and cities that annex inhabited territory to get a special population calculation for the purpose of the allocation vehicle license fee (VLF) revenues.

AB 2223 (Salinas), Chapter 351: Extends until January 1, 2014, the requirement that a LAFCO waive the protest hearing for annexations of unincorporated islands of 150 acres or less. Also extends until January 1, 2008, the requirement that a city and county meet at least 30 days prior to the city applying to the LAFCO for a new or updated sphere of influence.

AB 2259 (Salinas), Chapter 460: Extends until January 1, 2013, the authority of a LAFCO to review and comment on the extension of services into previously unserved unincorporated territory and to review the creation of new service providers to extend urban-type development into previously unserved unincorporated territory. Also clarifies that LAFCO's authority is to "review and comment" rather than "review and approve."

AB 3074 (Committee on Local Government), Chapter 172: Makes several minor, noncontroversial changes to the laws affecting LAFCOs.

SB 1196 (Committee on Local Government), Chapter 643: Makes several minor, non-controversial changes to the laws affecting local agencies' powers and duties, including allowing a LAFCO to approve a temporarily larger governing board of seven, nine, or eleven members for a consolidated or reorganized recreation and park district.

Code sections affected:

Note: This list includes all code sections affected by the above-listed bills. Many of these code sections are not included in this publication.

Government Code sections amended: 56036, 56048, 56074, 56128, 56375.3, 56375.4, 56425, 56434, 56661, 56663, 56668, 57002, 57050

Health & Safety Code sections amended: 4730.4, 6480.1,
32100.05 Public Resources Code sections amended: 5527.1,
5784.2, 9301.1 Public Utilities Code section amended:
15973.1

Revenue & Taxation Code sections amended: 7104, 11005,
11005.3 Streets and Highways Code section amended: 2107

Water Code sections amended: 21552.1, 30500.1, 71250.1

Summary of LAFCo-Related Legislation Chaptered in 2007

AB 745 (Silva), Chapter 109: Makes protest petitions subject to the same requirements to disclose contributions and expenditures that apply to application petitions.

AB 1262 (Caballero), Chapter 167: Makes permanent the consultation procedures that cities and counties must follow before LAFCOs amend cities' spheres of influence, and deletes the specified time limits for starting and extending those discussions.

AB 1744 (Committee on Local Government), Chapter 244: Makes several minor, noncontroversial changes to the laws affecting LAFCOs and local governments' boundaries.

SB 162 (Negrete McLeod), Chapter 428: Requires LAFCOs to consider environmental justice when they act on boundary changes, and requires LAFCOs to consider comments from the voters and residents of the affected territory.

SB 819 (Hollingsworth), Chapter 98: Permanently allows LAFCOs to consolidate special districts that were not formed under the same principal act.

SB 558 (Cogdill), Chapter 209: Declares that the requirements for voter approval under the Public Utilities Code do not apply when cities sell, lease, or transfer their utilities under the Cortese-KnoxHertzberg Act.

Code sections affected:

Government Code sections amended: 56011, 56030, 56036, 56064, 56100.1, 56157, 56332, 56375, 56381, 56425, 56430, 56663, 56668, 56700, 56700.1, 56811, 56826.5, 56886.5, 57200

Government Code sections repealed: 56030, 56700,
56886.5 Government Code sections added: 57009

Summary of LAFCo-Related Legislation Chaptered in 2008

AB 1263 (Caballero), Chapter 64: Clarifies the process by which LAFCOs may use fees or service charges to recover their costs, and allows LAFCOs and cities to use the existing expedited annexation procedures on additional specified county islands.

AB 2484 (Caballero), Chapter 196: Establishes a clear procedure and criteria for a special district to initiate, by resolution, a proposal to a LAFCO to increase, modify, decrease or divest itself of specified services or functions within its district service area.

AB 3047 (Committee on Local Government), Chapter 68: Makes several minor, non-controversial changes to the laws affecting local government organization and reorganization.

SB 301 (Romero), Chapter 375: Eliminates the deadline by which communities must incorporate and cities must annex inhabited land in order to receive additional vehicle license fee funding.

SB 1458 (Committee on Local Government), Chapter 158: Repeals the current statute and enacts a new County Service Area Law.

Code sections affected:

Government Code sections amended: 56021, 56036, 56106, 56157, 56332, 56375, 56375.3, 56375.4, 56383, 56425.5, 56654, 56706, 56824.10, 56824.12, 56824.14, 57075, 57076, 56706, 57080

Government Code sections repealed: 56650.6, 56758

Government Code sections added: None

Revenue and Taxation Code amended: 11005, 11005.3

Summary of LAFCo-Related Legislation Chaptered in 2009

AB 528 (Silva), Chapter 113: Conforms the reporting and disclosure requirements of campaigns associated with local boundary changes in the Cortese-Knox-Hertzberg Act with the requirements of the Political Reform Act.

AB 1232 (Huffman), Chapter 518: Allows the Marin County Local Agency Formation Commission to initiate and approve, after notice and hearing, a reorganization or consolidation of the Sewerage Agency of Southern Marin and its member districts, without protest hearings.

AB 1582 (Assembly Committee on Local Government), Chapter 155: Makes several minor, non-controversial changes to the laws affecting local government organization and reorganization.

SB 113 (Senate Committee on Local Government), Chapter 375: Enacts the "Local Government Omnibus Act of 2009" and makes 39 changes to the state laws affecting local agencies' powers and duties.

SB 215 (Wiggins), Chapter 570: Adds a regional transportation plan to the list of factors that local agency formation commissions must consider before making boundary decisions.

Code sections affected:

Government Code sections amended: 56100.1, 56426.5, 56663, 56668, 56700.1, 57009, 57051, 57052, 57116, 57150

Government Code sections renumbered: 56426.5

Government Code sections repealed: None

Government Code sections added: 56375.2

Revenue and Taxation Code amended: 99

Summary of LAFCo-Related Legislation Chaptered in 2010

AB 419 (Caballero), Chapter 35: Requires a county board of supervisors or city council to take timely action on items approved by a LAFCO that require an election.

AB 711 (Calderon), Chapter 25: Loans \$45,000 from the Environmental Enhancement and Mitigation Program Fund to the Los Angeles County LAFCO to cover costs related to incorporation proceedings by the East Los Angeles Residents Association. AB 711 is an urgency measure that is uncodified.

AB 1668 (Knight), Chapter 38: Extends the amount of time a city council has to fill a vacancy and changes the number of city council members that hold office following the first general municipal election in a newly incorporated city that elects council members at large.

AB 2795 (Assembly Committee on Local Government), Chapter 47: Makes several minor, noncontroversial changes to the laws affecting local government organization and reorganization.

SB 894 (Senate Committee on Local Government), Chapter 699: Makes 24 minor and noncontroversial changes to the state laws affecting local agencies' powers and duties. Several changes contained in SB 894 are relevant to LAFCOs, including the repeal of the outdated deadline for filing lawsuits affecting city incorporations, annexations, and consolidations; the insertion of the statutory cross-reference to the existing land use and environmental dispute mediation law in LAFCO statute, and the clarification of the state law which permits local agencies to voluntarily transfer property tax revenues by inserting language suggested by an Attorney General's opinion.

SB 1023 (Wiggins), Chapter 68: Creates expedited procedures to convert Resort Improvement Districts and Municipal Improvement Districts into Community Services Districts.

Code Sections Affected:

Government Code sections amended: 56100, 56332, 56375, 56381, 57000, 57075.5, 57077, 57127, 57129, 57132, 57132.5, 57377, 57379

Government Code sections added: 56037.2, 56103.5

Government Code sections added and repealed: 56853.5, 56853.6

Revenue and Taxation Code amended: 99, 99.02